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Unhealthy Pleasures

I have read and enjoyed David Warburton’s article (IPA Review, Vol. 49/1) on how people should try to enjoy life, as this contributes to a healthy immune system and helps people cope with stress. As a nutritionist I’ve long disliked the ‘nutripuritans’ who feel that if you like something, it must be bad for you. In their view, life is to be endured, not enjoyed.

It is a shame, however, that Warburton chose to promote the beneficial effects of cigarettes, chocolate and coffee — which all generate a feeling of well-being and mental alertness because they raise blood sugar (glucose) levels, and our brains feed on glucose. The problem is this: the rise in glucose is so abrupt that the pancreas has to emit a sudden spurt of insulin to drive the excess sugar out of the blood and into cells. This results in a relatively low glucose level, which cries out for another ‘hit’.

If the above scenario is played out year after year, mature onset diabetes is a possible result. This disease is becoming much more common and now is a main cause of death in western societies. Some of us feel that diabetes will in future be at epidemic levels, which is not a pleasant scenario.

There are foods and beverages which are a joy to consume and which can keep our blood sugar levels steady (without predisposing us to diabetes), enabling us better to cope with stress on a regular basis. I hope Warburton, and the association he represents, will in future consult a nutritionist before again encouraging people to beat stress the unhealthy way.

This advice is in no way shaking a finger at people and saying they can’t enjoy life! I just feel that people with diabetes — perhaps facing heart disease, blindness, or amputated limbs — are not enjoying life all that much.

Don Eldridge
West End, Queensland

Evil and the Holocaust

R J. Stove is again to be congratulated for his incisive review of An Intelli-

gent Person’s Guide to History (IPA Review, Vol. 49/1). However, it is flawed by unintentional relativism when discussing the Holocaust.

The Holocaust was uniquely evil. This does not in any way downgrade the crimes of Stalin and Pol Pot. But there is one inescapable difference: 20th-century Germany was an heir of western European civilization, with traditions of liberalism, political freedom and civic culture. The Soviet Union (building on the worst of czarist autocracy), the late Ottoman Empire, and tribal African ‘nations’ did not have these same traditions. Thus, the betrayal of basic civilized values could never be so great. The Holocaust is also the supreme example of the execution of a barbaric objective using the full resources of scientific knowledge, an advanced economy, and an efficient bureaucracy.

Man-made famine and massacres have been constant facts of history. Genghis Khan, perhaps as great a monster as Hitler, deliberately employed mass slaughter as a form of genocide. However, only a wimpish deconstructionist of the type Rob Stove rightly despises would equate the ‘civilisation’ of 12th-century Mongolia with that of 19th-century Europe.

It is a sterile argument as to whether it is worse to die by famine or in a gas chamber. But we can understand that the regime that built gas chambers to exterminate humans had descended to an exceptional depth of moral evil.

Recognition of the Holocaust is not about “demonising the Boche”. Rather, it is a perpetual warning that even the western European civilization that has contributed far more to human advancement than any variant, can be vilely perverted by wicked and stupid human beings.

Jeremy Buxton
West Perth, WA

A Policeman’s Dilemma

Miller makes a valuable contribution to the discussion of police corruption but, regrettably, contents himself with statements of principle as though they can be divorced from practicality.

The issue of police corruption cannot be understood simply by relating police work to the law. Neither the police nor the law for that matter operate in a vacuum. Both are features of our society whose disparate parts impact in many different ways on the police and their tasks.

Most of us consider ourselves to be law abiding and would desperately contest accusations of corruption or contributing to corruption. Yet every policeman everyday is confronted with pressure from law-abiding citizens to break the law or his operating instructions, or to turn a blind eye. How many of us have tried to persuade a policeman not to issue a traffic violation ticket? Or having failed, felt back upon that rather worn cliché of modern society and insist that we have done nothing wrong, a statement usually made on legal advice.

What of the shopkeeper who offers the patrolling policeman a coffee or a cool drink? The policeman is in a bind. The shopkeeper may be simply trying to do the decent thing — or he may be trying to buy a future favour. Because of his need to maintain good community relations, the policeman does not want to appear rude and refuse. Nor does he want to put himself in a vulnerable position.

In the courts, where the law is supposed to be upheld, the policeman is constantly confronted with lawyers who use legal trickery to have their clients freed from the consequences of their crimes. But it is the policeman who has to explain to the victims that our criminal justice system is designed for the benefit of criminals rather than victims.

The pressure on the individual policeman is unremitting. Decent law-abiding citizens will formally complain about police vehicles not using sirens in a dash to an emergency, unaware that the driver is under orders to use a silent approach. Of course, the complaint gets nowhere, but it con-
sues a lot of police time and has the policeman cast as the villain for doing his job.

But who is this policeman? The fact is that he is one of us. Drawn from the ranks of society, he can be no better and no worse than the other members of his society. If we want him to be incorruptible, we must be as intolerant of corruption among ourselves as we are of police corruption. Professor Miller writes of the police being bound by ethical principles, but the reality of everyday experience tells us that there is precious little agreement on ethical principles in our society, especially for those who are found in breach of those principles. Remember: "I have done nothing wrong". Indeed, it may be argued that one of the most commonly held ethical principles of our society is the 11th commandment: Thou shalt not get caught.

Admittedly that cynical view tends to apply to minor offences — driving over 0.05 and the like. But it is also true that tolerance of the minor breaches encourages the major ones.

Finally, we must also ensure that senior police are not only crusaders against corruption but that they have the power to command the police force instead of being mere managers tied by bureaucratic rules that make it virtually impossible to root out the bad apples. I know of one famous Australian police commissioner who was sacked twice by his political masters, once because he refused to turn a blind eye to his masters' own corruption, and again because he was too effective in fighting corruption.

Michael O'Connor
Doncaster East, Victoria

Whose Truth?

I think it very strange that your publication (IPA Review, Vol. 49/1) chose to champion the cause of a woman claiming to speak the "truth" of the ongoing saga that has come to be known as the Hindmarsh Island bridge affair. This is a blatant display of unsophisticated editorial decision-making, and illustrates the editorial team is incapable of putting aside a disciplinary mentality in choosing their articles. The least you could have done for the other women involved in the Hindmarsh affair would be to give them the right of reply.

I find the opening statement on the cover page very strange — the claim that the dissident voices were largely ignored by the media. I'd like to know where your sub-editors were in 1995 — it certainly wasn't Australia. Few, if any media outlets were sympathetic to the Ngarrindjeri women fighting to reclaim their land. The commercial media subjected the women to a very public campaign to discredit their arguments. Stuart Littlemore even dedicated a segment of Media Watch to this fact. Dissident voices were used as a further device to discredit the women. I am not a Christian. Nor are many Australians. But few would dispute the rights of Christians to preserve churches, temples, holy sites and sacred scriptures on the basis that their version is the 'truth'. Furthermore, few magazines would sympathize with these Non-Christians as guardians of the truth or upholders of moral virtue. Furthermore, I think it most peculiar that your magazine labels the woman who allegedly speaks the truth as a 'lone voice'. Are all other Aborigines liars? This article illustrates, by contrast, that religious beliefs and cultural practices should never, ever, be subjected to royal commissions. Christians do not explain their beliefs before the courts, nor, by logical extension, should any other group. I do not know who is right or wrong in the ongoing Ngarrindjeri debate. Nor, it must be said do the vast majority of Australians. But when a magazine chooses one side of a religious debate and asserts it as "the truth" something is sadly wrong in this country.

Melanie van Helvoort
Floreat, WA

Editor's Reply: There are times when I wish I had an 'editorial team' to blame for errors and misjudgments in IPA Review, although this is not one of them. Alas, the 'editorial team' consists solely of the Editor.

After meeting with and listening to Dulcie Wilson and some of her fellow dissidents it is hard to doubt their...
integrity. But for those who have not had that privilege, the claim that Dulcie Wilson is indeed telling the truth about Hindmarsh Island is vindicated by the major anthropological work on the Ngarrindjeri. *A World That Was* by the Berndts, as well as by the findings of the Royal Commission.

The reason why in this instance it was legitimate for a Royal Commission to inquire into the claims of secret sacred women’s business is because they impinged on a matter of public policy. Similarly, if during a time of war, a man claimed exemption from military service on religious grounds, it would be reasonable for a court to try to determine whether he was telling the truth.

The misrepresentation or neglect of the dissident women’s case was strongest not in the tabloid press but in the influential ‘quality’ media.

**Once Bitten ...**

Via my Australian nephew I came across the article of Andrew McIntyre (*IPA Review*, Vol. 48/4). The question of PC and the very different attitudes towards it is a very interesting subject. I found Mr McIntyre’s explanations of the French attitude original and inspiring, but the biggest objection against some of his conclusions is the undeniable fact that Anti-PC (as one might have to call it these days) is not specifically a French phenomenon, nor confined even to the Latin and/or Catholic countries.

Seen from this side of the English Channel, there is a clear and deep divide between the Continent and the Anglo-Saxon nations with regard to PC. The stories of its manifestations (excesses?) from the USA, the UK or Australia are met by disbelief or as a form of mental ridicule (especially when another politician resigns because of sexual allegations). This attitude is as much found in (part-) Protestant Germany or in (part-) Calvinist Holland as in France or Italy. So it can’t just be because of a Catholic background.

What about the influences of the French Revolution, then? After all, the whole Continent was subjected to and influenced by the rule of Napoleon which spread quite a few basic ideas from the revolutionaries’ agenda. But as other aspects of Liberte, Egalite, Fraternite did not grow very deep roots, especially in the German mind, why should just those from which a rejection of PC could result?

I would like to offer a much more straightforward and recent explanation for the Continental resistance to PC. Almost all the people of the European Continent have been subjected to some kind of totalitarian regime during this century — some unlucky ones even to more than one such regime. One aspect of totalitarian rule under Nazism as well as under Bolshevism — and one which did interfere with everybody’s daily life — was the fondness for Sprachniedерungen, the issuing of ukases about allowed and forbidden terminology with serious sanctions against offenders. So we Europeans have had all that: we had books banned (and burned) from libraries, we saw people’s careers and lives destroyed because they refused to be subjected to such ridiculous intellectual terror. We had it all, and we didn’t like it.

Therefore, we react extremely negatively to any attempts to regulate the language. (Discussions about useful, necessary or justified adaptations are acceptable — it’s the idea of enforcement which makes our guts turn). Reading some stories, especially from overseas universities, we cannot understand that the most democratic countries with the least tarnished liberal records have surrendered wide aspects of their intellectual and cultural life to people whom we would describe as raging fascists.

Well, I suppose it is part of the 20th-century experience to be subjected to some kind of mental straightjacket or other, and the Anglo-Saxons had to share that, too. Let’s hope their sufferings will be shorter than those of us politically incorrect Europeans!

Franz Metzger
Nuremberg, Germany

**French Attitudes**

Recent insights into the non-existence of PC in France, and into how France regards the non-French, are among the best things that your magazine has published. Abused at my comparative shortage of Gallic scholarship and personal experience, I nevertheless offer the following anecdotes, which help, perhaps, to explain how and why French culture differs so greatly — for better and for worse — from that of either Britain itself or Anglophile nations.

First, an additional glimpse into France’s education system. The following is an eyewitness report of an English visitor to a French school:

"In *Andromaque*, did Racine respect the rule of the three unities? — a 16-year-old, in tieless shirt and informal jersey, stands up to give the perfect formal answer, just the way he’s been taught; then the teacher resumes his own brilliant didactic performance, tripping his way through the subtleties of literary analysis as only a Sorbonne agrégé can. Outside, the sun falls on an austere and silent courtyard. It could be any classical lycée, across the French cultural empire from Tahiti to South Kensington."


The second vignette is an account by Churchill (in his *Great Contemporaries*) of a meeting with Clemenceau, during which The Tiger uttered the following:

“When I was in India I saw some things your people do not see. I used to go to bazaars and to the fountains ... lots of people came to me and talked. Your English officers are rough with the Indians; they do not mingle with them at all; but they defer to their political opinions. That is the wrong way round. Frenchmen would be much more intimate, but we should not allow them to dispute our principles of government."

Can anyone, contemplating not only the hell that is present-day Indian administration but the apparently endless nightmare that is post-colonial Africa, prove beyond all reasonable doubt that Clemenceau’s preferred attitude was wrong?

R.J. Stove
Campbelltown, NSW

IPA Review Vol. 49/2. 1996
As you guide your Workplace Relations Bill through the Commonwealth Parliament, you will be told all about the evils of New Zealand's Employment Contracts Act (ECA), implemented in 1991. Much of what you hear will be based on a study of New Zealand’s reforms published in January 1996 jointly by ACOSS and the ACTU (Report of the Study Program on Structural Adjustment and Social Change: Stage I).

Do not be deceived. On most counts, the ECA has been a great success. For a start, it is very popular. Although the ACOSS/ACTU study claims that “most New Zealanders” oppose it, in late 1995 an opinion poll commissioned by the New Zealand Employers Federation found that 85 per cent of employees were satisfied with their existing terms and conditions of employment.

This is to be expected, for under the ECA New Zealand’s industrial relations have been transformed as employees have taken advantage of their new workplace freedoms. The ECA abolished New Zealand’s award system and compulsory trade unionism, and based workplace relations firmly on individual employer-employee contracts. These contracts may consist of collective or individual agreements; and workers are free to employ the services of bargaining agents, such as trade unions.

Since 1991, 80 per cent of New Zealand’s workers have shifted from collective to individual arrangements. Trade union membership has fallen even faster than before: only 16 per cent of the workforce (mostly in the public sector) is now employed under union-negotiated collective agreements. Few unions have adjusted to the new system by offering genuine services to the workers.

As this change was occurring, New Zealand’s unemployment rate fell, from a high of nearly 11 per cent in 1991 to just over 6 per cent now. That is more than two percentage points lower than Australia’s current rate. And contrary to the impression given by the ACOSS/ACTU report, this difference is not a statistical illusion caused by falling participation in the workforce: on the contrary, both total employment and the participation rate are higher, and have been growing faster, in New Zealand than in Australia. Of the 217,000 new jobs created in New Zealand since 1991, virtually none is unionized.

The critics claim that New Zealand’s unemployment has fallen only because wages have stagnated or fallen, and that your Bill will have the same effect. True, New Zealand’s official figures show a fall in real wages of 2.1 per cent in the year to December 1995. But they don’t record performance-based pay, productivity incentives, profit-sharing deals and other lump-sum payments that are common under contract bargaining.

The ACOSS/ACTU report further complains that labour productivity is growing more slowly in New Zealand than in Australia. It is indeed quite likely that overall productivity has been held down by the increasing employment of low-skilled workers. If so, that is surely a price worth paying to get workers into real jobs where they get real training, unlike in Australia, where they are kept unemployed and then put through labour-market programs of doubtful worth. And although the pay gap between skilled and unskilled workers has increased recently in New Zealand as in many other countries, there’s evidence to suggest that people are moving up the income scale faster now than in the 1980s. Lifetime opportunity, not momentary equality, is what matters to most people.

Finally, as the opposition mounts to your Bill, you may wonder whether it goes far enough. It retains the Industrial Relations Commission and much of the award system, and although it makes available an alternative contractual system, many employers may prefer the cosy and predictable arrangements of the past. New Zealand, in contrast, has made a clean break with the past and introduced a full contractual system with only a few non-negotiable minimum standards. If there is to be a battle in the Senate, perhaps followed by a double dissolution of Parliament, should it not be over introducing into Australia the best labour-market practice as New Zealand has defined it for us?

Yours faithfully

MICHAEL JAMES
Editor, Agenda
Average number of Medicare services used per person in 1984-85: 7.2
In 1993-94: 10.2
*Australian Social Trends 1996. ABS Cat. No. 4102.0.

Number of recipients of the sole parent pension (December 1995): 331,499
Percentage of these whose children are 13 years or older: 11.2

Percentage of Victorians who believe that capital punishment should be re-introduced for crimes such as child murder, rape-murder and gang-related murder: 73
*Herald Sun poll, 22 July 1996.

Renters of public housing as a proportion of households (1994)

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Largest sources of foreign investment in Australia (at 30 June 1994) as a percentage of total foreign investment:

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Australian dollars invested abroad as a ratio of foreign investment in Australia: 2.8

ABS Cat. No. 4102.0; 5365.0.

Cost of administering the Native Title Act 1993 since it commenced: $82.7 million
Native Titles sites so far recognized on mainland Australia: none

Uranium Information Centre Newsletter, July-August 1996.

Number of the 2,100 lawsuits claiming personal injuries as a result of the March 1979 nuclear accident at Three Mile Island which have been dismissed on the grounds of insufficient evidence: all

*Uranium Information Centre Newsletter, July-August 1996.

Percentage of petrol price that is tax:

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Percentage of households with two or more cars (in 1993-94): 33

ABS Cat. No. 4102.0.

Number of passenger vehicles registered in Australia per 1,000 population in 1965: 250
In 1995: 465
Percentage of households with two or more cars (in 1993-94): 33

ABS Cat. No. 4102.0.

Airline passengers worldwide in 1995: 1.3 billion
Estimate for 2010: 5.2 billion

Deaths from motor vehicle traffic accidents per 100,000 population in 1973: 27
In 1993: 11

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Percentage of Australians in 1994 aged 15 to 64 and not attending school who have a post-school qualification: 41
Percentage of indigenous Australians in this age-group with a post-school qualification: 18

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*Herald Sun poll, 22 July 1996.
FROM THE EDITOR

nobody's Children, first screened seven years ago, was one of the most disturbing and memorable television documentaries of the last decade. It did much to popularize the concerns of the 1989 Burdekin Report, Our Homeless Children, flawed though that report was.

In August this year, ABC television showed Somebody Now which set out to examine what had happened since to the young teenagers featured in that earlier documentary. There were signs of hope, but they were few. The intervening years had brought one boy reconciliation with his family, university study and self-assurance ("Having survived on the streets I feel I can survive anything."). Others had sunk into a nether-world of drug addiction and prostitution. One had spent most of the intervening years in prison, unable to control his violent reaction to authority, the legacy of a childhood brutalized by a sadistic stepfather.

Nobody's Children did much to raise public awareness about the existence of street kids. But the public debate which followed it degenerated, as do most welfare debates, into a battle over public money. Children, we were told, were sleeping in clothing collection bins or derelict warehouses because the state was too mean to provide decent shelter, a view reiterates as recently as September this year by Chris Sidoti, the Federal Human Rights Commissioner.

This view is wrong. Homelessness is not principally a problem of any alleged shortage of public housing. It is a problem of the disconnection of the chronically homeless from family and community: their lack of the basic trust on which human relationships are built; their deep suspicion of authority; their antipathy to structures and constraints; their self-hatred; their nihilism; and any one or more of a range of other obstacles to social integration and self-respect, from drug dependence to illiteracy. The provision of shelter, although necessary, addresses none of these problems.

Origins Forgotten: The materialist approach to welfare is not confined to the homelessness debate. Despite the historical origins of welfare in charitable, religious and ethical impulses and institutions, the dimension most often missing from the rhetoric of the welfare lobby is recognition of the importance of the cultural values and the moral messages which shape and accompany the delivery of welfare services.

Missing is recognition of the importance of the moral messages which shape and accompany the delivery of welfare services.

Voluntary agencies, nevertheless, have greater flexibility than state agencies to innovate and greater capacity to inject a personal and moral dimension into their service delivery. Two examples — one from Australia, the other American — illustrate this.

The family preservation program of St Luke’s Family Care in Bendigo, Victoria, is described in a forthcoming book, Beyond Child Rescue, written by Diana O’Neil and Dorothy Scott and jointly published by IPA and Allen and Unwin. St Luke’s innovative program is aimed at families in which children are neglected or abused and therefore at risk of removal by child-protection authorities. The program rests on two assumptions: first, that the functioning family is the best and
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FROM THE EDITOR

most cost-efficient welfare institution for children; and second, that even dysfunctional families do something well. By emphasizing and building on that something, a secure family environment for children can be cultivated. It is a program based on faith in human potential and a sensitivity to the individual strengths and weaknesses of different families. The end result is fewer wards of the state and fewer street kids.

The second example concerns a centre for homeless people established by the University of Notre Dame in South Bend, Indiana, with the support of local businesses, churches, and professional and community groups. The story is told in the journal, The American Enterprise (January/February, 1996), by the Centre’s Director Louis Nanni.

The Centre was opened in the late 1980s, but by the time Nanni arrived to become its fifth director in 1991, it was in severe decline. Drug and behavioural problems among the staff were almost as severe as among the Centre’s homeless clientele. The Centre was adrift.

Tough Love: Nanni realized that providing free food and a place to sleep to the destitute was not enough. Unconditional hand-outs, he found, were counter-productive: they reinforced bad habits and fostered a mere survival mentality. And they failed to address the complexity of needs which bedevil the chronically homeless. Each, Nanni discovered, has a layer of problems, ranging from alcohol abuse and limited job skills to mental illness and poor health. The most striking feature about the chronically homeless, Nanni discovered, is not their homelessness but their social alienation.

Nanni introduced a regime of ‘tough love’, which demanded personal responsibility. People arriving at the Centre seeking shelter and security must now sign a contract agreeing to obey a strict set of rules. They must then develop a plan with a case manager aimed at moving them towards self-sufficiency. There are sanctions for failing to follow this plan. Any resident receiving free food and an income (a pension, for example) must save 75 per cent of the latter. Random tests for drugs and alcohol are carried out. Temporary expulsion from the Centre follows a positive test.

Eighteen different community agencies offer on-site services at the Centre — from a medical clinic and drug and alcohol treatment to chapel services and adult literacy classes. A network of volunteers — averaging 300 per month — contributes greatly to the Centre’s success.

Vouchers challenge the ‘we know best’ paternalism of the welfare state.

The approach adopted at the Centre deliberately eschews the example of government programs which, Nanni believes, are frequently flawed by an exaggerated emphasis on welfare rights, a one-size-fits-all mentality, a deadening secularism, and a gigantic scale that prevents trust from growing between the aid-giver and the aid-recipient. “Direct personal contact produces progress in a way that no bureaucracy can match,” he argues.

He recommends Alcoholics Anonymous — an organization which stresses honesty, accountability and mutual support — as an effective model which could be adapted by welfare organizations.

Vouchers: He also supports the idea of human services vouchers. Giving vouchers to the needy would enable them to exercise choice among local welfare organizations, after perhaps first approaching a service broker who would provide information and advice. Vouchers challenge the ‘we know best’ paternalism of the welfare state and encourage welfare recipients to behave like responsible adults capable of exercising choice in their own best interests. This is a valuable message to communicate to welfare recipients.
Redefining the ABC

A new Charter, including the statutory requirement to fairly reflect contesting views, and a re-examination of out-worn objections to corporate sponsorship are needed.

KEITH MACKRIELL

 Functions and Funding:

Begin with the Government’s position. In July 1996, the Minister announced a review by Mr Bob Mansfield of the ABC’s future role and functions, so as to “re-define and reposition” the national broadcaster for the 21st century. As part of the same announcement, the Government revealed decisions about funding levels for both 1996-97 and 1997-98.

Other internal cuts come about because the Corporation has been living beyond its means. Managing Director Brian Johns told his staff in April: “You may not have realized that since 1990-91, salaries and costs have outstripped our funding by $51 million.”

This leads to a crucial issue. That is, what should the ABC’s funding, at whatever level, be for? It does not seem rational to set levels of funding without looking at the ABC’s role and responsibilities. There must, surely, be a nexus between that role, those responsibilities and activities, and the parliamentary appropriation. And if there is a nexus, then the issue of funding for the longer term must be seen in the context of a re-written Charter.

The Charter: While it is fixed, and fundamental, that Government and Parliament should stand outside program content, no one suggests that the Government and the Parliament should not play a decisive part in defining the ABC’s role and objectives through the legislative Charter. The present Charter is, and always has been, unsatisfactory, on several counts:

First, the Corporation is enjoined to provide “comprehensive” broadcasting services while, at the same time, it must “take account of the
The announcement in July that the ABC was facing a review of its charter and functions as well as a funding cut divided commentators in the press. Related suggestions by Mr Howard and Senator Alston that too much of ABC programming was shaped by politically correct concerns rather than mainstream values intensified the indignation of ABC stalwarts.

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<tr>
<th>Author</th>
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<tr>
<td>Kenneth Davidson</td>
<td>The Age</td>
<td>25 July</td>
<td>At its best, the ABC is the guardian of the traditional social values whose rapid erosion in recent years has been the main factor in making capitalist economies more difficult to manage and increasingly divorced from the needs of the people.</td>
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<td>Morag Fraser</td>
<td>Sydney Morning Herald</td>
<td>3 August</td>
<td>So it would be ironic - that's the mildest word I can use - if Australia, the country that frets so publicly about its identity, should throw away one of its defining institutions, or allow it to be whittled into insignificance.</td>
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<td>Quentin Dempster</td>
<td>Courier Mail</td>
<td>18 July</td>
<td>In dishonouring its clear commitment to the Australian people to 'maintain existing levels of Commonwealth funding and triennial funding for the ABC and SBS', the Howard Government has embarked on a destructive and malicious course.</td>
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<tr>
<td>Judith Brett</td>
<td>The Age</td>
<td>16 August</td>
<td>Where commercial radio listeners are essentially a market to be delivered to advertisers, people have a sense in listening to the ABC that they and their opinions matter.</td>
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<tr>
<td>Robert Manne</td>
<td>The Australian</td>
<td>22 July</td>
<td>... if the Howard Government continues to attack the ABC in the way it did last week, it is difficult to see how the concept of ABC independence will be able to survive. Superficially, Alston's ideas sound sensible. In reality, for those who are attached to the ABC, they ought to cause dismay.</td>
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<tr>
<td>The Age</td>
<td>Editorial</td>
<td>18 July</td>
<td>Senator Alston criticised the ABC for its emphasis on social rather than economic issues and for giving too much coverage to issues of racism and Aboriginal affairs. Such comments from the Minister ... give rise to suggestions of political interference on his part. Senator Alston says that the ABC's integrity will not be impaired by the budget cuts. We hope he is right, but we doubt it.</td>
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<tr>
<td>Thomas Flanagan</td>
<td>Courier Mail</td>
<td>18 July</td>
<td>The youth network Triple J ... has been a roaring success. Radio National provides truly national programming. The capital city (QR in Brisbane) and regional networks provide popular, state and local programmes. The parliamentary service ... does a good job.</td>
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<tr>
<td>Les Hollings</td>
<td>Sunday Telegraph</td>
<td>28 July</td>
<td>We now have three bosses involved in the future of our badly bleeding ABC. Would any respected company with a major problem weave such a stultifying web of responsibility? If it did, it would invite a shareholder revolt.</td>
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<tr>
<td>SMH</td>
<td>Editorial</td>
<td>17 July</td>
<td>The latest proposal to reduce the role of the Australian Broadcasting Corporation by changing its charter is unlikely to get further than others before it.</td>
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<tr>
<td>Tom Burton</td>
<td>Financial Review</td>
<td>26 July</td>
<td>The ABC, CASA and AN exemplify the tension and inherent contradiction which supposedly independent publicly-owned agencies present for governments. They have all been given statutory freedoms to carry out specific tasks untainted by political interference. But each owes its existence and financial viability to funds provided by taxpayers and ultimately has to be accountable to a government.</td>
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<tr>
<td>Peter Cole-Adams</td>
<td>Canberra Times</td>
<td>19 July</td>
<td>They complain, too, and sometimes with justice, that some of its programs are self-indulgent and one-eyed.</td>
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<tr>
<td>Peter Walsh</td>
<td>Financial Review</td>
<td>6 August</td>
<td>Despite self-serving claims to the contrary, the ABC has a long record of operational ineffectiveness.</td>
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<tr>
<td>Padrac P. McGuinness</td>
<td>SMH</td>
<td>24 July</td>
<td>Even if public funding were to be maintained at present levels - something that the legacy of the Keating Government's profligacy in any case makes impossible - there would still be an overwhelming case for root-and-branch overhaul of the present management and structure.</td>
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<tr>
<td>Frank Devine</td>
<td>The Australian</td>
<td>12 August</td>
<td>Sandinistas and Greenpeace are more to the taste of the hard men and women of the ABC than Labor mates. That is obvious from the anti free-enterprise, anti-American, anti-religion (especially anti-Catholic), radical feminist ideology they have wedged into place.</td>
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broadcasting services provided by the commercial and community sectors”. What does that mean? Is it intended that the ABC’s role should be complementary, as the latter injunction seems to suggest? Or, on the contrary, are ABC programs meant to be genuinely “comprehensive”, echoing both the commercial and community sectors in every respect?

Second, the Corporation is asked to provide programs that “contribute to a sense of national identity” and also to “reflect the cultural diversity of the Australian community”. There is, however, no direct reference at all to the provision of services to Aboriginal Australians. There should be. It should not be left to the SBS Charter to refer to the needs of Aboriginal and Torres Strait Islander people.

Third, there is no reference to the need for impartiality in the ABC’s Charter. The word does not appear; nor do the words balance and fairness. While the Code of Practice refers to “making every reasonable effort” to ensure that news and current affairs programs are accurate, impartial and balanced, there is no Charter obligation.

Fourth, programs of an “educational nature” are the only ones actually identified in the ABC Charter as being obligatory. There is, however, no definition of what is regarded as a program of an “educational nature”. News and current affairs are not mentioned in the Charter at all, despite the centrality of those output strands in the ABC’s long history.

A final point: reform of the Charter has — or at least had — the support of the Labor Party. In 1988, Gareth Evans, as Minister for Transport and Communications, addressed the ABC Friday Club. He was strongly critical of the Charter, and described it as “a mixture of high sounding rhetoric and generalized directives” which, between them, give little or no guidance to the ABC as to what it should actually be doing.

The ABC needs, urgently, a Charter that is contemporary, coherent, convincing and realizable in practice, against which the broadcaster’s performance can then be fairly judged. It should guarantee an independent ABC, and make it a statutory obligation to be fair and impartial.

PARTIALITY: As we have seen, there is no Charter obligation on the ABC to provide programs that are balanced, impartial and fair. Moreover, in the 11 Principal Corporate Objectives derived from its Charter to guide its activities, none of these words, or the concepts they convey, appears. Furthermore, nowhere in either the separately published Performance Objectives for ABC TV and ABC Radio is there a reference to balance, impartiality or fairness being an objective of either service.

Only in the Code of Practice do these concepts emerge, in which it is said that in news and current affairs (topical affairs are omitted despite their making up more than 60 per cent of the output of Metro and Regional Radio stations) “every reasonable effort” must be made to ensure that the content of news and current affairs programs is “accurate, impartial and balanced”. However, “impartiality does not require editorial staff to be unquestioning, nor should all sides of an issue be devoted the same amount of time”.

This is a significant weakness. It is little wonder that in the current debate a very real issue arises, relating to perceptions of the ABC’s objectivity.

Some commentators say that the unfairness is endemic. “Why bother making lists of instances, when bias permeates the national broadcaster and the evidence is there for everybody to see and hear every day?” said Frank Devine in The Australian on 12 August 1996.

It seems important to record at least some examples which form the basis of the judgment, rather than ask that they be taken as heard, seen and read. The following are representative, and are taken over a period:

- In his recent book, The Media and Me, Stuart Littlemore says that TDT built its success on assaulting the conservative values of post-war Australia — “we had done it in any way we could devise — aggressive interviewing of complacent politicians, tendentious film-making in documentary form, satire — and fortunately, the TDT members had, or developed, considerable skills in all those.” In short, the program had an agenda that did not seek to present impartially the policies and points of view of competing political parties.

- Former ABC Deputy General Manager, Dr Clement Semmler, in a review of Bill Peach’s book This Day Tonight, says, “with hindsight, it’s not difficult to see why TDT was criticised for its left-wing views”.

- Former Chairman and Managing Director, David Hill, believed that the ABC Board was politically stacked. Speaking in February 1995, he said he had “seen the emergence of far more direct political affiliation than has ever been the case before at the ABC”.

- Coverage of the last election campaign, an event of which one commentator has written, “the ABC is doing its best to declare null and void”, provided a number of examples of committed journalism. On ABC Television, on 3 February 1996, in an
item about the Mundingburra by-election, there was a reference to 'the conservative Liberal/National Coalition'. The adjective was frequently used during the period from late January and the first two weeks of February this year. The objection is not to the description, but to the discrimination: the Coalition's political stance was described; that of the ALP was not.

- During the early days of February, there were references to promises being made by Mr Keating and by Mr Howard. Mr Keating's efforts were said to be "buying us up support". Mr Howard's were described as "buying votes".

- ABC Television's 7.00 p.m. News on 17 February 1996, included some seven minutes of election coverage. The bulk of this time was devoted to positive references to ALP policies, or ALP criticisms of the Coalition. Only a small fraction of the time was given to Coalition policies. Moreover, the final part of the coverage ended with criticism of the Coalition policies. An examination of the pre-election political coverage reveals a consistent pattern of 'last word' material, either favourable to the ALP or critical of the Coalition, in news and current affairs.

- An especially blatant example of unfair analysis was broadcast on AM on Monday 21 February, following the televised debate the previous evening between Paul Keating and John Howard. A simple check will find opinion divided within the written media, with comment indicating that the debate was seen as being remarkably even. The assessment of the ABC's Chief Political Reporter, Fran Kelly, was a notable exception. She analyzed "Howard's failure" and said that Mr Keating "silenced" the Opposition Leader. She concluded with the remark that John Howard's answers were disappointing and that "Paul Keating clearly came home the winner".

- The National Advisory Council itself expressed concern in the ABC's 1994-95 Annual Report about coverage of the Liberal Party in a Four Corners program. In particular, the NAC drew attention to "the lack of professionalism" in the segment, "Opposition Blues", dealing with the Liberal Party's policies.

- The Prime Minister, John Howard, interviewed recently by The Canberra Times, said: "I think one of the weaknesses of the ABC is that it doesn't have a right-wing Phillip Adams". This statement prompts a fair question. Is there a host of a single ABC current affairs/topical affairs program anywhere in Australia who professes the same measure of support for the right-wing tradition in politics that Phillip Adams acknowledges for the left?

If it is 'our' ABC, and that is supposed to mean that it is an inclusive national broadcasting organization, funded by all taxpayers for the benefit of all, then we are entitled to believe that it should serve us all equally. Unhappily, there are too many examples to be ignored, leading to the widespread perception of unfairness.

There is now a need for an exhaustive, independent, professionally-managed review conducted over time to test the conclusions reached in this article in relation to the ABC's balance, impartiality and fairness.

**FUTURE FUNDING:**
**Today is not yesterday:**
**We ourselves change:**
**How can our Words and Thoughts if they are always to be the fittest remain always the same? Change is indeed painful, yet ever needful.**

— Thomas Carlyle

It is 16 years since the Dix Committee of Review into the ABC received a proposal from the then Commission (Board) that "some of the ABC's activities lend themselves to corporate underwriting, in certain carefully defined circumstances." In its Report, tabled in Federal Parliament in June 1981, the Dix Committee supported the Commission's proposal.

Earlier there were developments in this area involving the ABC's fellow national broadcaster, SBS. Established as an independent statutory authority by the Broadcasting and Television Amendment Act 1977, under the Fraser Government, SBS was empowered by that Act to undertake program sponsorship "of a kind approved by the Minister". It did not, however, allow for normal commercial advertising.

In June 1989, Ralph Willis, the then Labor Minister for Transport and Communications, gave approval for SBS to seek sponsorship for the exclusive World Cup soccer coverage. This proved highly successful. In the SBS Annual Report for 1989-90, the Board Chairman, Sir Nicholas Shehadie, told a new Minister for Transport and Communications, Kim Beazley:

"the venture was considered highly successful by both the sponsors of the programs and by our audience. Surveys revealed that 88% of the audience felt that the sponsorship messages made no differences to their enjoyment of the telecasts, and 86% felt that the SBS should accept sponsorship if this was the only way it was economically feasible for the presentation of such events."

The SBS Board Chairman went on to say:
"Encouraged by the success the SBS had in obtaining sponsorship for this event, and aware of the ongoing funding difficulties of the SBS, my Board sought your approval to extend sponsorship to all programs, except News and Current Affairs. Your subsequent 'in principle' approval for this was appreciated by the Board."

The Labor Government introduced the Special Broadcasting Service Bill in 1991, enabling SBS to broadcast sponsorship announcements and advertisements. The Opposition supported the legislation.

On 21 February 1992, the SBS Board agreed that sponsorship and advertisements be introduced to SBS in accordance with its new powers under S.45 subject to Board-approved guidelines. The Managing Director of
the day was Brian Johns, now Managing Director of the ABC.

The SBS Annual Report for 1992-93 referred to the first full-year of advertising and sponsorship on SBS Television. Summing up the year, the SBS Board said:

"It appears that the intelligent use of advertising spots, while enhancing our revenue potential, has had little negative impact on our audiences and their expectations of the services provided."

The position of Brian Johns can be particularly helpful in the debate about the ABC and corporate sponsorship. Appointed by the Hawke Government to SBS in October 1987, he was a vigorous advocate of both corporate sponsorship and advertising for the smaller national broadcaster. In 1990, Mr Johns said: "There's no future in the cargo cult mentality. We can't simply put the hand out and say to the Government, 'Give us more funds'. We can try, but we'll never get the funding we need ... We'll linger to death if we don't do it [take sponsorship] ... It won't change the essential quality of the programming and those who worry that it will worry in vain."

These remarks raise important questions.

First, if Brian Johns has been proved right and sponsorship has not "changed the essential quality of the programming", why should sponsorship of ABC programs (under comparably strict guidelines) change the 'essential quality' of ABC programs?

Despite championing corporate sponsorship and advertising at SBS, Brian Johns ruled out similar moves at the ABC. In 1995 he said: "I've got to say that, in the case of domestic free-to-air services, sponsorship seems to me to have a lot of difficulties attached to it."

The SBS experience and, indeed, that of the ABC's own current sponsorship arrangements seem to contradict the worst fears of the jeremiahs, one of whom recently said: "Sponsorship, in all its subtle, deviant forms, would be akin to deliberately implanting the ABC with a particularly devastating form of editorial cancer." It is instructive, against this vehemence, to examine the sponsorship that the ABC already accepts. One small-scale

Asked by the Australian Left Review (December/January 1993) how he justified Radio National's existence, Phillip Adams replied:

"Well, I don't think I have to really. In practical terms, you just do pious things like pointing to the ABC Charter and saying that this is the only program that accords to Charter. But I'd also like to defend it because if you took it off the air, I don't know where the new ideas would trickle in. I had a public blue with David Hill about it once. I said "look, let's concede that the ABC is leftwing and biased. Let's be honest about this, Radio National's a seething hotbed of political correctness". Surely we can justify that by pointing out that it's a fart in a windstorm compared to the overwhelming bombast and bigotry that's pouring out of commercial radio. Now David, of course, can't accept that argument; he can't even allow it to get on the table. And I can see why he can't."
example in a small State will illustrate the issue.

Since 1993, the Hydro Electric Commission in Tasmania has been the Principal Sponsor of the ABC's Tasmanian Symphony Orchestra. Last October, the Hydro's Chairman, Peter Rae, announced a continuation of the original arrangement, extending his organization's role as Principal Sponsor for a three-year period up to and including the TSO's 50th anniversary in 1998. The sum involved, at $120,000, is not large. Neither is it peanuts.

It seemed instructive to ask the Hydro Chairman directly about the quid pro quo he expected for the Hydro's money. Did he, for example, expect to influence the type of programs presented by the TSO — deleting Bela Bartok, perhaps, in favour of Samuel Barber? No, nothing like that. The Hydro never had, and never would, seek to influence TSO programming.

Did he, more seriously, in view of the Hydro's current problems in the community with its pricing policies, expect the ABC to go easy on the Hydro in its news, current affairs and topical issues sessions? No, nothing like that either. Well, what about the Hydro's dam building, still a sore subject in Tasmania: a little soft pedal when the Franklin dam issue bubbles up? No, still nothing — none of those things, either asked, offered, or given. What then? Well, four things: an acknowledgment in the TSO's Concert program; complimentary seats for some concerts; a banner in the hall; and a reference in press advertisements for the concerts. That's all! That's all! A devastating form of editorial cancer indeed.

Turn to the arguments — because there are sincere people, sincerely worried, as well as the knee-jerk ideologues, for whom there can be no debate, because any contact with the business and corporate world is anathema.

Opposition to corporate sponsorship comes from a variety of sources. The most frequently repeated concern is the one the Hydro's Chairman so effectively and emphatically answered — that no sponsor will be prepared to stand apart from a program or project. An ABC staffer, writing as long ago as 1981, summed up this view: "we who make the programs know that sponsors affect editorial policy. Anyone who says otherwise is either a fool or a scoundrel."

In the real world, people who say otherwise are neither.

The critics of sponsorship ignore an important point. As a general rule, organizations funded from a variety of sources enjoy more independence than organizations dependent on a single source of funds, whether public or private. A sole sponsor, including a government, can easily use a threat to withdraw funds as a means of manipulating the dependent organization. The more sources of funds there are, the less power has any single sponsor. Broadening its funding base to include private sponsorship is more likely to strengthen than weaken the ABC's independence.

Another concern of the opponents of corporate funding is the belief that the Federal Government would have a tailor-made excuse, especially in times of financial stringency, to reduce its Parliamentary appropriation accordingly. The answer is straightforward. The SBS, with some years of experience, has not complained that its appropriation has been reduced to the extent of its sponsorship and advertising earnings for perfectly good reason — it hasn't been. Nor has the ABC's, to offset the Hydro money for the TSO.

Another objection is that support funding is essentially paid advertising under another name; that corporate sponsorship is, in the words of one critic, a "squalid euphemism" or simply "low-key advertising with a fancy name". Well, it all depends, doesn't it, on what you mean by advertising.

Quite clearly, what is not envisaged is the open product advertising of commercial radio and television. But, equally clearly, a corporate sponsor will look to have the company name mentioned in association with a program or project. But is this latter 'advertising'? Is it 'advertising' when we televise a football match whose players have the sponsors' name emblazoned on every chest? Is it 'advertising' to mention on ABC-FM and in 24 Hours magazine the manufacturers' names and the record numbers of the recordings broadcast? Is it 'advertising' when the ABC reviews books giving title, author, publisher and price? The line between 'advertising' and references to commercial products or services is not clear-cut.

END WORDS: The ABC has a major role to play in Australian society. It should seek to reinforce that role, in a dynamic environment, through reform and refreshment. A new Charter, including the statutory requirement to fairly reflect contesting views, and a re-examination of outworn objections to corporate sponsorship would help the ABC to meet unprecedented challenges.

3. ABC Submission to Dix Committee, March 1980.
5. SBS Annual Report 1.7.91 to 30.6.97, page 4.

IPA Review Vol. 49/2, 1996
SHOCK horror! The wicked economic rationalist Government has slashed funding for science. Australia’s competitive position against its trading partners is jeopardized. We are slipping yet further down the OECD ladder and are almost in the Third World. A brain-drain of Australia’s best and brightest is already occurring.

What if this is not simply special-interest pleading by science bureaucrats and hand-out-addicted local industry, but dead wrong? What if almost any government funding of technology and science produces a net national loss? Dr Terence Kealey’s The Economic Laws of Scientific Research (Macmillan) makes it more than plausible that both possibilities are true. You are consequently unlikely to read unprejudiced reviews of this book in Australian science publications or hear its author on The Science Show. As Kealey observes, “scientists who believe in the public funding of their work can turn nasty.”

Kealey, a Cambridge biochemist, posits three economic laws of funding civil research and development, and provides persuasive evidence that they hold true internationally:
1. The percentage of national GDP spent on civil R&D increases as national GDP per capita increases.
2. Public and private funding of civil R&D displace each other.
3. Public and private displacements are not equal: public funds displace more than they replace. Nationalized science means poorer science.

But Australia is different? No way! In fact we head Kealey’s list of countries which have uncritically bought the cargo-cult belief that the more taxpayer funds are spent on science, the greater the national benefit. Kealey uses OECD and other statistics to show just how doubtful this claim is: “In blunt terms, Australia, New Zealand [and other OECD countries] ... are wasting their money. Only Switzerland and Japan get it roughly right, and even their governments are probably over-generous.”

In 1994-95, Japan’s Government spent 0.26 per cent of GDP on science; Australia’s 0.43 per cent. Australian spending on ‘environment’ ($370 million) and ‘health’ ($209 million) totalled more than the $520 million spent on ‘agriculture’. Despite its screams, the Top Science sector emerged almost unscathed from the first Costello Budget.

HISTORY DISTORTED: Kealey’s theme is that the historical facts of Britain’s Industrial Revolution and of its technological and scientific advances have been shamelessly distorted. The culprits are not just Marx and Engels, but six generations of socialists, including Engels. Kealey gives examples of British scientific bullyboys and their skewing of tax-funded research, which have some Australian counterparts.

PARALLELS: Kealey’s research analysis has particular and direct Australian relevance.

James Byth has worked in and advised several major Australian companies, as well as working in academic publishing and the media.
After some 30 years of close and peripheral acquaintance with high technology, Australian business and its relationships with government, I find that almost every Kealey stricture about UK government revives a memory from my personal or friends’ experiences.

Just one such resonance: Australian hi-tech companies, apart from those already addicted to the funding teat, approach invitations to ‘help’ from government as warily as an experienced cow-coukky moving an old log to grow more pasture. It’s not simply time and effort; they want to be sure they are not disturbing a thoroughly disgruntled black snake.

A 1992 UK Peat Marwick survey concluded that 79 per cent of 324 major companies deliberately eschewed contact with the Department of Trade and Industry (the major UK source of R&D funding, to which the firms’ tax had of course contributed) because the Department’s funding procedures were “cumbersome, complicated and bureaucratic”.

ISO Standards, anyone?

There are other parallels with widely-known Australian government-fumbled issues, such as the endless reorganization of CSIRO, and with experience within Australian technology majors such as ICI, BHP and CRA and within primary-industry funded research quangos.

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Kealey shows convincingly that as many or more thefts of taxes occur under ‘science policy’ as under ‘industry policy’ and that a smart country needs either like a hole in the head.

Since we consistently replicate most of the blind alleys of the British system, Australians can take four examples at least from Kealey, even if not buying his whole argument.

1. The phrase ‘science and technology’ trips off the tongue, but the order of the words is a deliberate perversion of history by rent-seeking scientists. Technology is the “art of manipulating nature” and, more importantly, it came first, long before the conception of science and it remains more economically important. This is why Japan can now say “Please consider” worldwide, though almost every recommended ‘direction’ by MITI has not just been unpopular with real industry, but is an economic disaster.

2. The ‘brain-drain’ between advanced countries, now again being peddled in Australia, is a myth. Its promotion in Britain was a shameless PR exercise. Over a decade, the Royal Society’s own survey showed that a mere 246 senior technologists and scientists accepted offers in the US and Canada (and many returned after a short career-broadening contract, just as Australians have always done). This ‘brain-drain’ total should be measured against the UK total of 128,000 scientists and 155,000 technical staff. Bear this in mind when you next read about “the tragic loss of the best and brightest”.

3. One reason for scientists crossing borders is the bureaucratic passion for averaged-down equality within universities which Kealey shows is the invariable consequence when government funding displaces private funding. In a passage which vindicates the direction of the Vanstone university reforms, Kealey notes that in British (largely tenured) universities, taxpayer money has been “squandered on the idle, stupid and incompetent”. By contrast, the better (and less universally tenured) American universities have “strained to reward the able, industrious and gifted”.

Worse, growth in the number of scientists (like that of rabbits and lawyers) is Malthusian. Any energetic, well-funded science researcher can generate at least one PhD each year, every year, even if the specialization is already in excess of demand or functionally nonexistent. There are no market signals for most environmental and medical sciences, as there are for engineering and geology.

4. Philanthropy does support technology and science research. Philanthropy’s record in the UK as well as the US is admirable. The US continues to produce most new philanthropists (Packard last year, doubtless Jobs and Gates before long). There is every reason to expect cuts in Australian government funding to encourage a replacement over time by private (and more precisely-directed and longer-focussed) funding. Thus, Richard Pratt’s self-funded deep involvement in Swinburne University of Technology has more national importance than his arts and other beneficences. Cuts in government funding, says Kealey, produce and encourage the emergence of more Pratts.

But three generations of bipartisan dirigisme in Canberra have produced a climate in which the Australian Association of Philanthropy has to battle continually with both the Tax Office and big government scientocrats. Only the justifications have differed. To a Menzies or a Fraser, the science lobbies quoted sound English chaps like Matthew Arnold. To a Whitlam or a Keating, they quoted continental sources like Bismarck or the French.

The Howard Government’s first Budget, in research and universities as in much else, shows that reality is at last long creeping in — although Big Science has hardly been touched. By the second Costello Budget, one can hope for much a more beady-eyed surveillance of ‘environment’ items like this year’s $6.2 million on climate change ‘research’. As well, the hollow logs of ‘research’ spending in each individual State Budget would repay examination by the Commonwealth.

This time round, Costello deserves one cheer for the tightening up of R&D tax concessions. As David Shires rightly said in the Financial Review, the old scheme was limited “only by the limitations of the imaginations of those who were exploiting it”.

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Who owns the National Identity?

GREGORY MELLEUISH

Claims that the ABC, the Australia Council or any other government agency has a special role in shaping the national identity should sound warning bells.

During the current debate regarding the future of the ABC an argument has emerged that the ABC has a special role expressing and preserving the Australian national identity. I first heard this view stated by Quentin Dempster on Radio National but it also turned up in an article written by Morag Fraser for the *Sydney Morning Herald*. If we are to recognize that the ABC has a 'special' role in relation to the national identity then we must also accept that what comes out of the ABC on this matter is equally 'special', and more worthy of our attention than what emanates from other sources. This strikes me as an extraordinarily dangerous doctrine, not least because of the particularly negative attitude to the national identity that one finds expressed in parts of the ABC. It does, however, raise a larger issue which is who, if anyone, owns the Australian national identity, and if any particular group or institution should be given special status to express and represent it.

The doctrine of the 'special' role of the ABC would seem to be founded on the belief that the national identity is owned by the government or the state. As the government owns the national identity equally it is free both to define its nature and then to promulgate it through its various agencies. The role of the citizenry is passive; it should follow where the government leads and adjust its views as the state decrees. The ABC is special because it presents the country with each new updated version of the national identity: one day more multicultural, the next republican, the following day a new Asian emphasis.

The account above may sound a little extreme but there can be little doubt that the reign of the 'big picture man' was marked by a series of attempts to transform the Australian identity so that it accorded more with Keating's policies and 'vision'. Keating, himself, spoke proudly of the cultural shift that he believed was taking place in Australia, and he linked this shift to the policies that his government was pursuing, including multiculturalism, Mabo, the republic and the Industrial Relations Act. In *Creative Nation*, the statement of his government's cultural policy, a pointed contrast was made between the narrow culture of Australia's past and the dynamic multiculturalism culture of contemporary Australia. He believed that the place of government was to exercise leadership and to move the country even further down the road away from an older Australian identity to a newer, dynamic one that accorded with his view of Australia and its place in the world. Such a view of the Australian national identity is founded on what Walter Ullmann has termed the "descending theory of government". Ideas are formulated at the top and then imposed on the citizenry: it is the cultural equivalent of a command economy.

Privileged Status: There are a number of objections to this vision of the national identity. The first is that it accords a special place to a small group of people who are left in charge of deciding the nature of the national identity. In effect this means a small group of intellectuals who manage to capture the ear of the government and who seek to impose their vision of the national identity on the rest of us. It is interesting to recall in this regard that when the so-called 'Ideas Summit' was held in 1989 only those holding to a liberal and/or socialist-humanist

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view of the world were invited to attend. In an act of the grossest philis­
tinism both churchmen and anyone tainted by association with neo-classi­
cal economics were excluded. The
same type of intellectual — the left-
liberal humanist — is to be found in
the ABC. True, the ABC does possess
a religious affairs department but it
also is dominated by left liberals more
interested in social change than tradi-
tional religious concerns.

The desire by certain left-liberal
intellectuals to exercise hegemonic
control over both Australian cultural
life and the national identity must make
us extremely wary of any attempt by
the government or any of its agencies,
be it the ABC or the Australia Council,
to acquire a special role regarding the
national identity. One can see this most
clearly in the contribution that left-lib-
eral intellectuals have made to discus-
sions about the national identity during
the past 15 years. They have presented
the Australian past as a tale of the
oppression of women, migrants and
Aboriginals. They have actively sought
to discredit older versions of the Aus-
tralian national identity as racist and
sexist, in effect to demonize it as a
blight on the landscape. It is not diffi-
cult to see why they would seek to
paint it in the blackest of colours. If the
established identity is so evil then the
case for discarding it and creating a
new one becomes a very powerful
one. A discredited past demands a new
start, and the left-liberal intelligentsia
is quite happy to provide materials that
the state can use to create that new
identity.

The strength of these left liberals
should not be underestimated. They
most certainly had the ear of the ‘big
picture man’. The papers given at the
Australian Historical Association’s con-
cference held recently in Melbourne
demonstrate the extent to which they
have captured the historical profession.

The real problem with according
special status to such groups in the cre-
ation of the national identity is that it
accords special status to what are essen-
tially interest groups. Left-liberal
intellectuals, whatever they may think,
speak only for themselves and not for
the Australian people as a whole. They
are just another interest group pleading
their case. As Bob Browning has
recently argued in his book Bad Gov-
ernment (Canonbury Press) they get
heard more often than other groups
because of the relationship that has
grown up between what he calls the
New Class, the government bureau-
cracy and such agencies as the ABC and
the Australia Council. This does not
mean that their views on Australian
identity carry a special legitimacy. Rather
it should be a warning to treat
complex and pluralist, composed of a
whole range of associations, individuals
and institutions, so we cannot expect
the Australian national identity to be
simple. It is instead multi-faceted
because it is constantly being re-fash-
tioned in different forms by a variety of
groups and individuals. This is not to
say that there is no Australian national
identity. Rather it is to say that the
national identity is a complex entity
and that, in a pluralist civil society,
it will find a variety of expressions. One
can see this clearly in the history of the
Australian national identity as different
aspects of it have been expressed, from
the individualistic bushman to the
democratic egalitarian worker to the
gallant ANZAC.

For this very reason no institution
can be given a special place to
expound or express what it believes to
be the national identity. Its version of
the national identity will only ever be
partial and in need of being both cor-
rected and complemented by the ver-
sions put forward by other individuals
and institutions. To a certain extent this
means that there always have been,
and always will be, competing versions
of the Australian national identity. In
this case the only final court of appeal
is what the Australian people feel com-
fortable with; as seen by what movies
and television programs they watch,
what books they read and the sorts of
activities they attend. In the past the
ABC, in line with the Keating vision of
leadership, has sought not so much to
follow the people as to lead them
towards the preferred ABC version of
the national identity. The advertisements
might say that it’s your ABC but too
often it’s been their national identity.

One could hope for a more demo-
cratic and responsive ABC, but that
would not solve the fundamental prob-
lem involved in giving any institution a
privileged position to define and
express the national identity. In a plu-
ralist society it makes far more sense to
encourage that pluralism, and to build
up a strong civil society that is able to
give confident expression to its sense
of the national identity. A vigorous
democratic society is the best safeguard
of our national identity, and we should
be working to preserve that democracy
rather than the privileges of particular
institutions.
THE history of universities is complex. Many of the ancient universities were religious foundations. This was consistent with the theory of knowledge which had the church at the centre of intellectual life. It was also natural at a time before the development of central governments. In the early history of universities, this was supplemented by royal and private munificence. Thus, King Henry VIII founded Trinity College, Cambridge, which superseded the earlier foundation of King’s Hall set up by Edward II and his son, Edward III, and numerous private benefactors were involved in the foundation of other Oxford and Cambridge colleges. The motivation of royal and private philanthropy probably lay in a general sense of charity as much as recognition of the value of education as an investment. After the Reformation, Oxford and Cambridge continued to be associated with the Anglican Church and it was not until towards the end of the 19th century that Oxbridge Fellows were not required to be in holy orders and under an oath of celibacy.

Oxford and Cambridge, freed of the domination of the Established Church, continued to be independent of the state until the First World War and did not become significantly dependent on the state until after 1939. Private and municipal initiatives were involved in the formation of the English ‘red brick’ universities.

In the case of colonial universities, the state was more directly involved. The early colonial university foundations were the result of a combination of public and private cooperation on infrastructure. Usually, the state made the land available and provided a significant amount of the early funding.

It can be seen, therefore, from this brief sketch of the history of universities that the public/private dichotomy has not been sharply drawn.

TURNING POINT: In Australia, universities were largely a matter for the States. The turning point came in 1957 with the Committee of Inquiry into the Future of Australian Universities. This recommended that the Commonwealth Government accept greater responsibility for the universities and allocated funds to the States for both capital and recurrent expenditure. There followed a rapid expansion of the university sector. Public outlays on higher education increased substantially in the ensuing period.

In 1974, the Commonwealth Government assumed full responsibility for capital and recurrent funding for universities and abolished tuition fees which then represented around 15 per cent of total funding.

In 1977, the Australian Universities Commission, set up in 1959, was subsumed in the Commonwealth Tertiary Education Commission (CTEC) which advised the Commonwealth on universities, CAEs and TAFE institu-

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The past decade has been one of turbulent change. There have been continuing demands for more accountability and better performance by universities.

Although CTEC was very active in the next decade, it was abolished in 1988 when the Department of Employment, Education and Training (DEET) took over its responsibilities.

A DECADE OF CHANGE: The past decade has been one of turbulent change. There have been continuing demands for more accountability and better performance by universities; increasing competition with other Australian and overseas universities and the TAFE sector; the increasing impact of the information revolution; the adoption of a policy of mass participation in higher education and the pursuit of social justice objectives; increasing competition and selectivity in the funding of research; a growing expectation on the part of staff for more self-determination and flexibility in the workplace; and the internationalization of higher education (see generally Report of the Committee of Inquiry into Higher Education Management Review, December 1995).

Recently, we have had the deliberations of the Committee of Inquiry into Higher Education Management Review, chaired by David Hoare, which has made a number of recommendations for improving the system of corporate governance of public universities. These recommendations, strongly influenced by the private sector, favour increased and more efficient corporatization of public universities.

The basic idea of a university has changed over time. The very word 'university' suggests a unity of knowledge but the modern trend is perhaps towards 'multiversity', recognizing a pluralism in scholarship. In terms of social structures, the Oxbridge model was primarily collegiate, whereas Continental and US models and the 'red brick' model have been essentially corporatist. Early experiments with collegiate systems at Melbourne and Sydney had mixed success with the corporatist university ultimately dominating. It is clear that the degree-conferring monopoly is vested in the universities themselves, although whether this should be so is an interesting question of public policy.

It is in this context that one must consider the idea of a private university. By private university is meant a university that is not substantially dependent on public funds for its financing. This does not mean to say that the state is not involved in its creation, nor that the institution is in no way in receipt of some public funds. The idea of a private university is one that originates out of private initiative and is substantially self-reliant. There may be cases where the state, in pursuit of its own self-interest, is one of the joint ventures involved in the formation and endowment of a private university. One can imagine a situation where there are educational or economic advantages to the state in this kind of involvement.

What are the arguments in favour of a private university? There are a number, none of which is totally compelling on its own but cumulatively they carry weight.

GOVERNMENT FAILURE: It can be argued that government intervention and control of universities have been a failure in practice, but this involves some analysis of what is meant by 'failure'. The Dawkins reforms have led to a switch from an elitist conception of tertiary education to mass education. This has led to pressures on the public universities, increased class sizes and an argument about under-funding. It cannot, however, necessarily be said that this represents failure of the system since the pursuit of social goals can be said to have succeeded to some extent, although at a cost.

Lecture and tutorial classes have increased in size, with arguably an adverse effect on educational quality. The pressures of increased class sizes on individual staff have meant that more time has had to be spent on the administrative responsibilities attendant on larger classes and the pastoral activities related to individual students. Library resources and the like have not increased proportionately.

Such costs represent evidence of failure if measured against a particular yardstick, but the choice of yardstick is itself the subject of controversy. Should one, for example, compare Australia with the USA or UK in such matters?

UNIFORM MEDIOCRITY: The most convincing argument against the Dawkins reforms is that they have forced universities towards the lowest common denominator of uniform mediocrity. Entrance requirements for many courses have been lowered and the incidence of student failure has increased, although there are now pressures to
mask that failure for financial reasons. To some extent these are inevitable consequences of mass production in tertiary education. It is the combination of mass education with compulsory uniformity which is noxious. It would have been possible to combine mass education with a policy of deregulation as in the USA. This would have led to diversity, specialization and the greater retention of quality in the system. Public universities need greater freedom to innovate and be different.

Another argument about failure is more doctrinaire. It concerns the innate evil of government intervention in a marketplace and its distorting effects. Applied in the Australian context, one can point to the growth of bureaucracy in DEET until the recent cuts and its inability to monitor universities effectively in spite of requiring a mass of statistical disclosure. Also, one could point to the failure of DEET to give any kind of lead in manpower planning in Australia — if such planning is possible, which some would deny. This stands in striking contrast to the more interventionist approach of countries such as Singapore. Thus, it could be argued in Australia that we have the worst of both worlds — the growth of a bureaucracy, the attendant growth of information gathering and yet inefficiency in the basic planning function which justifies the bureaucracy.

INEFFICIENCY: Perhaps more compelling arguments rest on economy, efficiency and responsiveness to consumer demand. Modern public universities tend to be large corporations; they are difficult to manage, have developed large bureaucracies and become top heavy. A significant part of the expenditure of a modern university goes on non-academic activities. There is inadequate disclosure of financial information to the public and inefficient monitoring of university management.

The recommendations of the Higher Education Management Review Committee, which favour a greater degree of corporatization of public universities, have been largely ignored and the attempt to extend the principles of competition to the tertiary sector have not so far been successful.

Indeed, a literature has developed which argues that competition is unlikely to get the best out of universities. Needless to say, the literature appears in the National Tertiary Education Union Advocate. Responsiveness to consumer demand is argued to be inconsistent with the idea of a university, as if universities existed in a social and economic vacuum.

The existence of a private university allows experimentation with different forms of government and management of universities. It facilitates flexibility in industrial relations and provides a useful unit of measurement for benchmarking purposes. It provides competition on what at the moment constitutes an unlevel playing field. The lowering of public subsidy or the introduction of a tax rebate or voucher scheme would help to level the playing field.

In this context it is worth noting that amongst the key features of the Higher Education Budget Statement 1996 are an eventual decrease in operating funds for public universities of 1.3 per cent in 1999 and the possibility of fee-paying undergraduate students after an institution has filled its target number of HECS-only students, with a maximum of 25 per cent of fee-paying students per course. The emphasis is to be less government intervention, more diversity and higher quality with a major independent review of higher education policy.

DIVERSITY AND EXCELLENCE: Arguments can be raised in favour of private universities by an analogy with private secondary education: that they exist to foster diversity, personal choice and the pursuit of excellence in a system which has increasingly gone over to mass production in education. This is an unashamedly elitist argument which it is un fashionable to put forward in a country whose culture is, at least superficially, egalitarian. There is a lot of confusion in the public mind on this question. The important equality should be equality of access. If a quality education can only be provided by the private sector at high cost, then this can be seen to be inequitable. This is not so if a private university devotes a significant proportion of its income to scholarships for able students.

Another argument in favour of a private university can rest on regional or sectarian needs. It may be, as has recently been the case in Queensland, that there are insufficient places in the public universities to meet the demand. The system as a whole seems resistant to the re-allocation of funding for places to meet these needs. If the funding was provided to students rather than universities, this problem would be solved without the need for bureaucratic decision.

The public university by its nature (with the exception of the Australian Catholic University) is non-sectarian. There may be a need felt in a particular sect for a university to be established that is imbued with the religious beliefs or ideology of that sect. Many academic institutions in the past have been religious foundations. The Australian Catholic University seems to have managed to balance its sectarian origins with the recruitment of non-Catholic students as a condition of receipt of public funds.

These then are some of the arguments that can be adduced in favour of the idea of a private university and it is in this context that it is useful to review briefly the particular case of Bond University, Australia's first private university.

BO UNIVERSEY: Bond University was established by two Acts of the Queensland Parliament which recognized its basic objectives and degree conferring powers. Its corporate structure as a
THE IDEA OF A PRIVATE UNIVERSITY

Negotiations between the two Universities have broken down and the matter was the subject of a report by the Senate Employment, Education and Training References Committee in November 1995. This recommended, by a majority, that the acquisition by the University of Queensland was not in the public interest. Since then, there has been something of a stalemate. Meanwhile Bond University is pursuing litigation in the Supreme Court of Queensland against the joint venture companies and the Long Term Credit Bank based on an agreement for a 99 year lease. It has also sued the University of Queensland and its Chancellor for defamation and misleading and deceptive conduct. These proceedings have been brought in the Federal Court.

Viability: In the meantime, Bond University, in spite of all its difficulties, has shown the viability of a private university if properly constituted, and has gained recognition of the high quality of its staff and students in the most trying circumstances. Its Law and Accounting Degrees in particular have been extremely successful in terms of graduate satisfaction and the employability of those graduates. Forty per cent of its students are now mature students and 34 per cent come from overseas.

The Bond University experience demonstrates the success of the concept since, if a private university can survive the pressures that have been put on Bond University, it can survive anything. It demonstrates the advantage of some public support for private initiative; the need to ensure that the basic endowment is secure; the need for a small, quality-based institution which is responsive to the marketplace; the ability of the corporate form to provide efficient management at lower cost than the public sector; the advantages of a three semester year in facilitating student choice without sacrificing quality; the need to produce graduates who are not only employable but are sought after by employers; the need to be sensitive to the needs of neighbouring countries; and the benefit that this can bring to the local and national economy. Thus, Bond University is the second largest private employer on the Gold Coast and brings in approximately $100 million per annum to the local economy, $30 million of which is export earnings. In 1995 it won a Queensland Government award for export development.

The outcome of the Bond saga currently rests on the forensic lottery of litigation. One hopes that a degree of rationality will descend on the parties and ensure some negotiated settlement. One thing is clear and that is that the staff and students of Bond University without question wish to preserve the University’s private, independent, non-profit status and this is non-negotiable. There are indications now that this ambition is supported at both State and Federal levels.

An absorption of Bond University into the University of Queensland hegemony would represent a degree of destruction of the basic idea of a private university which is unacceptable to the Bond community and contrary to the national interest. The national interest predicated diversity, efficiency and competition in tertiary education, not the further growth of corporate juggernauts resistant to effective monitoring and competition.
Common Ground

When it comes to basic values and attitudes the Generation Gap is largely a myth, according to a survey commissioned by Reader's Digest. The survey distinguished between four age groups: Generation Xers (18-30 years); Baby Boomers (31-48 years); the Silent Generation (49-62 years); and the Depression Generation (63 years and over).

It found that the image of young people as alienated and disaffected doesn't really hold. With very little variation across age groups, more than 85 per cent of the Australians surveyed said that they were satisfied with their lives. Eighty-six per cent were satisfied with their current jobs, and 80 per cent of Xers, often thought of as impatient for quick rewards, believe they are about where they deserve to be given their talents and efforts.

Over 90 per cent in all age groups were proud to be Australian, although around two in five of the total sample were dissatisfied with "the way things are going in Australia at this time." The survey asked people to name the biggest threat to the country's future: big business, big unions or big government. Almost 40 per cent replied 'big government'. Generation Xers were the most concerned about this issue, scoring 47 per cent.

Eighty-eight per cent of the Xers believe that hard work is the key to getting ahead; 87 per cent of the Depression Era people thought the same (although only 71 per cent of the Silent Generation agreed). Sixty-two per cent of Xers agreed that "unlimited opportunity is more important than ensuring equality of income," compared with, at the other extreme, 74 per cent of Depression Era people.


Whose Standards?

Six years ago, President Bush, in league with State governors, argued for the creation of a national system of standards and tests for America's schools. In April this year, 45 governors and the chief executives of dozens of the nation's largest corporations similarly decided to press for national standards.

But this goal conflicts with the long tradition in America of allowing local communities to set their own policies. Lamar Alexander, who was Education Secretary in the Bush Administration, now attacks the goal for its assumption that "Americans are too stupid to make decisions for themselves, and that experts and special-interest groups in the nation's capital know more about what should happen in schools than families, communities or States."

That it is better to have no national standards than to have the wrong ones is exemplified by the new English Standards, produced by the International Reading Association and the National Council of Teachers of English. Written in dreadful jargon, the Standards document speaks of "word identification strategies" when it means reading and "different writing process elements" when it means writing. It accepts deconstruction — that is, the view that meaning is not inherent in a text but a personal construction and that anything, from graffiti to Shakespeare, can qualify as a text.

Barclay School in Baltimore eschews much of the fashionable educational advice contained in documents like the English Standards. It doesn't try to build self-esteem among students by excusing or praising failure. It ignores whole language theory and teaches phonics, spelling and grammar. It believes in 'direct instruction' by teachers. Barclay's students are overwhelmingly inner-city, black and from single-parent homes, yet they get results of which an elite private school would be proud.

US News & World Report, 1 April 1996.

Stuck in a Rut

German industry is in trouble. German companies are steadily losing their share in the global marketplace. They used to have a reputation as the world's leading innovators. Aniline chemical dyes, electro-engines, X-Rays and the first commercial motor car were German inventions. Germans led in the development of television, rockets, jet engines and high-speed trains.

A McKinsey Institute study of 102 electronics companies worldwide found a significant lag in the revenue earned from product development in German firms. Whereas products introduced in the previous three years had earned German companies an average of $1.3 million in sales, the equivalent figure for non-German companies was $3 million, and among the top third of firms in the study the figure was $6.2 million. Most of the gap was due not to German companies producing fewer new products, but lower revenues per product. In other words, German product developers had failed to keep their eyes focussed clearly enough on customer values.

Integrating work processes is important. One team should be involved at every stage of a product, from manufacture to marketing. Significantly, German electronics companies tend to be half-hearted about job rotation, with the result that employees gain only a superficial understanding of areas outside their own.

These same companies tend to be insular, relying too little on outside information. They also set sales targets lower than their competitors. They lack the will to win.

THE Government was probably relieved that the threatened resignations of a number of members of the Council for Aboriginal Reconciliation did not eventuate at the Council's August meeting. Certainly, mass resignations would have caused serious political problems, at least in the short-term. Nevertheless, they also would have provided an ideal opportunity for the Government to reconstruct the reconciliation process and so increase the prospect of improving relations between Aborigines and other Australians.

The present Council's vision of reconciliation is entirely appropriate: "A united Australia which respects this land of ours, values the Aboriginal and Torres Strait Islander Heritage, and provides justice and equity for all." But, as so often the case in indigenous matters, the public pronouncement offers a poor guide to what is actually occurring. The Council's approach to its task is misguided, and more likely to increase division than reduce it. Instead of acknowledging the failures of the dominant philosophy of the past two decades, it is basically arguing for more of the same.

COMPROMISE: The setting up of the reconciliation process by the Hawke Government involved a compromise. Hawke and many of his ministers wanted to see a 'treaty' or 'compact' between Aborigines and other Australians, but this was strongly opposed by the Coalition parties. 'Reconciliation', with the establishing legislation leaving open the question of a formal document, was an acceptable alternative, and the Council for Aboriginal Reconciliation Bill 1991 was passed unanimously by both Houses of Parliament.

The legislation requires that the Council for Aboriginal Reconciliation consists of at least 15 but no more than 25 members, at least 12 of whom must be Aborigines and two Torres Strait Islanders. The Government, the Opposition, and any independent party with more than five seats in Parliament each nominate a member, and the Chairperson and Deputy Chairperson of ATSIC are automatically members.

These requirements leave some scope for choosing people with wisdom who could command the respect of a broad range of Australians, both Aboriginal and non-Aboriginal. But such an approach would not have fitted with Labor's corporatist philosophy. The non-Aboriginal members were thus chosen as the supposed representatives of special interests - business, unions, mining, agriculture, ethnics, media.

It is harder to identify the basis on which the Aboriginal members were selected. While some of them are fine people, others are Labor mates, who may not have nearly as much support from their own people as non-Aborigines believe. For instance, when the Council's Chairperson Pat Dodson stood for election to ATSIC in 1990, he received only 19 votes, coming 17th in a field of 39 candidates.

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In recent months, a number of Council members have made offensive and highly political inflammatory remarks. Nor does sound judgement seem to be a prerequisite for membership. In recent months, a number of Council members have made offensive and highly political inflammatory remarks. Nor does sound judgement seem to be a prerequisite for membership.
public statements which have damaged the credibility of the Council as a whole. For instance, Pat Dodson claimed that some members of the Government were “probably lamenting the fact that they missed out on the nigger hunts” and Deputy Chairperson Ian Viner made the silly suggestion that attempts to reform ATSIC, “could leave the Government open to allegations of racism”.

Some aspects of the relationship between Aborigines and other Australians, such as native title claims, will inevitably cause conflict in parts of the country. But a wise Council would do everything possible to avoid politically contentious issues, in order to ensure that it could appeal to mainstream Australia on matters that will really determine the success of the reconciliation process. The present situation, where individuals and groups can threaten to derail reconciliation unless they get their own way — even if they represent minority views among Aborigines, let alone the non-Aboriginal population — is totally counter-productive. Yet a number of Council members are only too happy to encourage and endorse such threats, as their response to ATSIC funding cuts shows.

The Council is certainly correct to claim that most Australians know little or nothing about Aboriginal cultures and history. But again, the way it is attempting to deal with this ignorance is counter-productive. Its official publications criticize harmful stereotypes and acknowledge the diversity of contemporary Aborigines, while perpetuating other stereotypes themselves. The pamphlet Reconciliation and Its Key Issues, for instance, presents Aboriginal and Torres Strait Islander relations to land solely in pre-Christian terms. This is despite the fact that the percentage of Aborigines and Torres Strait Islanders who are Christians is exactly the same as that for other Australians, 74 per cent.

The Council is, at best, cavalier with the facts. In an apparent attempt to make Australia’s history even worse than conventional wisdom allows, it has claimed as a fact that “today’s Aboriginals and Torres Strait Islander populations is only one-fifth of what it was prior to 1788”, which means over 1.5 million people. This figure is far higher than the estimates by experts such as John Mulvaney and Geoffrey Blainey, which suggest a pre-contact population of half to three-quarters of a million people. The Council needs to realize that unless it presents the public with balanced and believable information, it will create an environment where people distrust official information about Aborigines, thus fuelling the spread of the very kind of myths that it needs to eradicate.

The path to mutual trust and goodwill depends on individuals discovering that the human things they share in common far outweigh the things that set them apart.

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S: If genuine reconciliation is to occur, it will only be through the development of a dense web of close personal friendships and personal ties between Aborigines and other Australians. To some extent this is already happening, as a high percentage of families with Aboriginal members also include non-Aborigines — for Australia as a whole the figure is 40 per cent. Unfortunately, this kind of positive development is of little interest to the Council, for it seems to think that the starting point for good relations is the recognition and political sanctification of cultural and racial distinctiveness. But the path to mutual trust, goodwill and genuine interest depends on individuals meeting in the workplace and in other settings, and discovering that the human things they share in common far outweigh the things that set them apart.

In order to foster this more constructive approach to reconciliation, the IPA is co-sponsoring — together with Australian Geographic and WMC Ltd — an unusual adventure. On September 1, Jenny Grace, one of the Ngarrindjeri ‘dissident women’, and a white friend of hers, Margaret Burzacott, set out from Renmark in a five-metre boat to row the 560 km down the River Murray to Gooolwa, in a trip that will take about six to eight weeks.

Jenny had a semi-traditional childhood along the Murray, and Margaret was previously a professional fisherwoman in the inland waters of the South Coast and the Coorong. The women will tell each other about their knowledge and understanding of the country, the river and the flora and fauna as they proceed, believing that the best way to achieve reconciliation is for Aboriginal and non-Aboriginal people to share experiences and to listen to each other’s stories. History suggests that they are right.
A NEW BREED OF ENGLISH TEACHERS IS INSPIRED LESS BY SHAKE SPEARE, DICKENS AND OTHER DEAD WHITE EUROPEAN MALES THAN BY A MISSION TO RAISE POLITICAL CONSCIOUSNESS.

IN October the Australian Association for the Teaching of English (AA TE) is holding a conference at the Methodist Ladies College in Melbourne. Sailing under the challenging, thought-provoking (and whatever other platitudes the visionaries usually apply to themselves) banner of Re-Imagining English you would be well advised to carry holy water, garlic and an exorcism manual if you happen to be passing anywhere near this noisy, partying vanguard of the cultural revolution. Compliments aside, the AATE journal, English in Australia, is well worth getting hold of. Within its clear and well-laid-out pages lurks the current trendy nonsense being inflicted upon secondary school children in a classroom near you.

Sure to become a collector's item, is edition number 112 published in July 1995. Dealing with Gender and Sexuality it is creepier than a Stephen King novel, as chilling as a gentle smile from Stalin and as muddleheaded and authoritarian as the edicts of my local council. If you have ever wondered why school kids look worried then look no further.

The editor, from the Queensland University of Technology, writes a mean editorial: "Not surprisingly our contributors have already and inevitably been the focus of attack by conservative and blinkered supporters of a right wing, politically sanitised agenda." He berates one Kevin Donnelly for bravely stating the obvious, that the problem of the fashionable propagandists invading the so-called English classroom "is that they confuse indoctrination with education". This, courtesy of clearheaded Mr Donnelly, is perhaps the only sensible phrase in the whole magazine. With a certain, soon to be familiar lack of logic, the editor invites the reader "... to consider the carefully argued educational cases of each of our contributors, not one of whom sensationalises the argument by referring to a colleague or friend who has died of AIDS or in childbirth."

The voices represented are influential, respected professionals in their fields. They work at the School of Education, James Cook University; Corpus Christi College, Bateman, Western Australia; the Department of Language, Literacy and Arts Education, University of Melbourne; the University of Technology, Sydney; Kingston High School, Tasmania; and a mainstream publishing house. They teach teachers, they teach children, they publish for the educational market. They see themselves as being challenging personalities possessing a vision and are unafraid of loudly and insistently promoting their dogma. This is the sad, rigid and dismal road down which English teaching is being taken.

I think there is little doubt that we need to go beyond the equity and access paradigm if we want to make a substantial difference to the culture of classrooms, playgrounds and peer groups, and to offer students knowledge and understanding about gender, sexuality and power. For this endeavour we will need to be engaged in a more disruptive and radical endeavour [...] To do this, I think we need to engage theoretical work which acknowledges the multiplicity of human subjectivity and the significance of the micro-political: of how 'power is exercised at local ... levels, how oppression works, is experienced and where resistances might be possible'.

Some of the most helpful work for such a project comes, I would argue, from feminist post-structuralist work and from critical discourse theory ...

Up in the deep north there may be "little doubt" of such stuff and equally little doubt that few of the cane growers' children in the lecture theatres agree with the validity of such nonsense. The university writer, having seemingly swallowed the Nietzschean aphorism that "nothing is true; everything is permitted", knows what must be done: "... teachers need to become 'kid-watchers' with a difference: kid-watchers who can recognize — and

M.C. Connor is a Queensland writer.
name — displays of masculinity; sexual harassment and taunting; the effect of constructions of gender on students' language practices." And may academic-watchers also name the varieties of stupidity that such intellectuals are foisting upon their charges?

An article from Corpus Christi College at Bateman in Western Australia, mellifluously titled 'Boys and Literacy: Exploring the Construction of Hegemonic Masculinities and the Formation of Literate Capacities for Boys in the English Classroom' embarks on an 'exploration' which is like reading the last page of a mystery novel before the beginning. The author believes "that it is important, when addressing issues around the construction of masculinity, to keep the gender system in focus within a profeminist and critical theoretical frame of reference". If my Minolta had the same faulty "focus" I'd have it seen to by a qualified person. This typical and flawed intellectualism is far removed from the unpopular thought of Czeslaw Milosz that "the work of human thought should withstand the test of brutal, naked reality. If it cannot it is worthless." But the writer from Corpus Christi seems convinced that a victory of the believers is in sight, for he concludes: "Now that masculinity and literacy for boys have become the objects of administrative apparatuses at the bureaucratic level, there is greater scope for elaborating alternative versions of masculinity within a gender equity framework to enhance the educational outcomes of both girls and boys."

SEXUALITIES: If things are dismal in Western Australia then perhaps it was a dark day in Melbourne, raining over Carlton, drizzling over Richmond and decidedly gloomy within the University of Melbourne when the following leaked out of the wordprocessor in the Department of Language:

"English teachers tend to be the ones who take on board social issues — feminist issues, issues of ethnicity and other kinds of social inequity — and they are increasingly taking on questions revolving around discrimination on grounds of sexuality."

These English professionals are fascinated by homosexuality, but seem to think that prior to them it did not find its way into literature: "Homosexuality had long been seen as something that could not be let into language, and certainly as something that could not be named as love." Don't they have a library at Melbourne University? Can't he find it? Has he never heard of the Penguin Classics? As if there was not a long line of homosexual authors line-dancing through the canon; from Plato to Shakespeare and Marlow and all the rest.

A DAY IN THE LIFE: However, if Melbourne has a lecturer without a library card the Sydney University of Technology employs a famous author. You can tell she is because, completely without false modesty, as well as all the footnotes to herself she lists 13 of her own works as references to her paper, "'Only Your Labels Split Me': Interweaving Ethnicity and Sexuality in English Studies". In case you miss the point and assume the weaving has something to do with knitting, she also, thoughtfully, provides lavish quotations from her own complete works including a breathless passage from one of her short stories about "a day in the life of a lesbian of Italian background."

Using, and you won't be surprised, a book of her own called Someone
You Know, secondary English students are introduced to a charming chap: “Jon was a gay man, later to be diagnosed as HIV positive, with a Seventh Day Adventist religious upbringing, and teaching in a single-sex Catholic boys' school [forgive her — she is an academic]. He was also a father who long ago had been prevented access to his own son due to his homosexuality.”

At school we studied Hamlet, Pride and Prejudice, Ned Kelly and Clear Thinking. At least Jon hasn’t got herpes. Or perhaps that, and mad cow disease, are waiting for him in the next edition.

With this stuff comes the brain damage warning: “Our English classrooms have become locations for the exploration of ethnic and gender socio-cultural constructs involving the deconstruction of and resistance to racism, ethnocentrism and sexism. Even non-heterosexual sexualities and homophobia are finally beginning to be acknowledged and addressed as part of schools' social justice and equity framework.”

Using her own powerful work relating to “non-heterosexual sexualities”, which may possibly be something to do with goats, she approvingly produces samples of work from Years 10 and 11 students including:

“I can now relate the prejudice that Anne Frank was subjected to for being Jewish, the prejudice Steve Biko felt from the white South Africans [sic] in Cry Freedom, to how Jon felt about his disease and his sexuality. He, like Anne Frank and Steve Biko, was faced with society’s negative images about difference.”

The utter silliness of this escapes the well-paid lecturer. How could a professional teacher possibly approve of thinking so muddled that it equates Auschwitz with a politically incorrect “negative image”? Imagine Himmler taking counselling for his naughty “negative image” of the Jews.

NEW FORMULA: Towards the end of the journal an interesting sales puff, disguised as an interview, features a fashionable publisher pushing a collection, edited by himself, of homosexual short stories for teenagers. A lot of ‘children’s literature’ is pretty awful. It is just as formula driven as Mills and Boon. To be acceptable to the editors and their target market stories must have strong female characters, easily digestible themes for classroom use and an awareness of the latest theory-driven teaching fads. Educational publishers listen and note the latest trends by bodies like AATE and attempt to satisfy the demand. You get what you pay for.

“...If we want to make a substantial difference to the classrooms ... we will need to be engaged in a more disruptive and radical endeavour.”

The James Cook academic notes in her article that “… serious and deliberate attempts have certainly been made over the past decade by many publishing houses (and by many writers) ... to produce guidelines for books with less stereotypical construction...” Which, in English, means that the book industry is under pressure to produce formula books that comply with certain elitist “guidelines” and original non-complying authors don’t get published.

On friendly first name terms with his interviewer, Mr Publisher strives to place himself upon the high moral ground — an ally of the good and the educated — and to downplay the commercial aspects of his pitch: “Frankly, I know we’re going to get a lot of flak for this book...” He hopes. The best thing for him would be a loud case of book banning by librarians, or complaints by wrathful parents. Great sales tool. Any controversy could be dragged into wonderful free inches of newspaper copy guaranteed to get products sold and reps reordering. Media types do great things with book burnings and press-release writers in publishers’ offices dream happily of book burnings.

“If people do complain,” he says, “I hope they do so after they’ve read the book, because otherwise I’d have no respect for them anyway.” And yep, “there are two stories which raise the matter of sex in toilets.” Good marketing, sir!

With regret, you close English in Australia. The only happy thought is that there are other editions of equal vulgarity, philistinism and intolerance to amuse, in a predictable sort of way. For once you have tasted the vocabulary of the visionaries everything they write is simply a computer-generated readjustment. ‘Gender’, ‘interweaving’, ‘social constructions’, ‘hegemonic masculinities’, ‘stereotypical’, ‘discourses’ etc. Stir the vocabulary pot and the same aggressive, yet colourless, platitudes rise up and drip nauseously over the side.

What is going on in the English classrooms of Australia does not seem to have much to do with literacy or education or humanity. The Australian Association for the Teaching of English is not a group of ‘crazies’ hiding out in your local university. This is an important and influential educational grouping. English in Australia was a fine teaching journal. Did I miss something? Did we all decide that the children of Australia should be offered up to a band of self-congratulating fantasists with dreams of socially engineering a mistress race? Did we choose to allow ourselves the luxury of a mis-educated, or as the post-modernists would possibly have it ‘miseducated’, generation? Something is terribly wrong.

“What’s going to happen to the children,” warbled Noël Coward, “when there aren’t any more grown-ups?”
Inequitable, but not inevitable:
THE CASE FOR TAX REFORM

DAVID CLARK

NO TAX SYSTEM IS PERFECT BUT, AS INTERNATIONAL COMPARISONS REVEAL
AUSTRALIA'S IS MORE IMPERFECT THAN MOST

A wise French bureaucrat, Jean Baptiste Colbert, wrote over 300 years ago: “The art of taxation consists in so plucking the goose as to obtain the largest possible amount of feathers with the smallest amount of hissing.”

Cutting government outlays was relatively easy for the Howard Government. Increasing the equity and efficiency of how it plucks our feathers will be a much more difficult task.

Australia’s problem is not so much tax levels but our tax structure, as the following comparisons between our tax system and that of other economies show:

- While Australia has low relative income tax rates, we have high top marginal income tax rates and taxes on other forms of income. As a recent EPAC report concluded: “As for voluntary savings, purchase of shares or placing a deposit in a bank or cash management trust which is on-lent to business, Australia is a very high taxing country by OECD and Asian standards.” For example, Hong Kong and many other Asian economies do not tax income earned from interest on savings.

- Compared with most other Western economies, we collect a higher percentage of our total tax revenue from direct taxes on wages and profits - currently around 54 per cent - than from indirect taxes on consumption of goods and services. Thirty years ago, only 35 per cent of revenue was collected in this manner.

- Our existing indirect taxes are cumbersome and irrational. The wholesale sales tax is imposed on most goods, with rates ranging from 12 per cent on such goods as household appliances, biscuits and ice-cream to a 45 per cent tax on the value of luxury cars above a threshold of $35,504. These different rates lead to numerous appeals and uncertainties. The latest is a decision of the Administrative Appeals Tribunal, which decreed that an artificially sweetened yoghurt was taxable while the artificially soured one was not. Hence calls over the past quarter century for a broad-based, uniform rate tax on consumption. Indeed, we are now the only OECD country without such a tax on the consumption of both goods and services.

- Our tax system is more complex than that of many other economies. Some European economies have done away with personal income tax returns completely,
INEQUITABLE, BUT NOT INEVITABLE: THE CASE FOR TAX REFORM

The inequity of the system is evident in the relatively low taxes actually paid by the super rich. The reasons for this are complex. They include:

- **Efficiency**: that it should allow the collection of the funds required by governments to meet their expenditure commitments with minimum impact on economic life and the allocation of resources.
- **A strong degree of understanding, acceptance and compliance by taxpayers. Without this, governments waste unnecessary funds in collecting taxes and lose revenue.**
- **Equity**: that it should not unduly benefit or harm some groups at the expense of others.

Wouldn’t it be wonderful if we had a system which minimized the administrative costs of collecting taxes and made compliance with obligations to pay tax as easy and efficient as possible? But such a perfect system is likely to remain at the bottom of economists’ gardens, along with their other theoretical fairies. The self-interest of some groups of taxpayers and the desire of politicians for revenue will guarantee that. However, there is general agreement that our tax system could be improved markedly on all three fronts.

On efficiency grounds, more could be done to reward saving and discourage consumption.

Acceptance of the system is also lacking. The Business Council submission to the 1985 Tax Summit noted:

“We have seen a form of tax revolt in avoidance and evasion at all levels of income. Both contrived schemes and the cash economy reward the dishonest or opportunistic, creating a vicious circle for the honest taxpayer. As tax rates rise, avoidance increases, revenues fall, and governments seek additional sources of income.”

Little has changed since, except for some shorter and cheaper lunches. Indeed, the failure of the Keating Government to make its promised “Law” tax cuts in top marginal rates has given the vicious circle another twist.

The inequity of the system is evident in the relatively low taxes actually paid by the super rich. The reasons for this are complex. They include:

The ability of the super rich to pay high salaries to tax advisers — often former Tax Office employees — to minimize their tax obligations.

Negative gearing: this allows high-income persons to borrow money to invest in property or other assets and, as long as the interest payments exceed the income received from the assets, deduct the cost of these interest payments from their taxable income.

Dividend imputation: this took effect in the 1987-88 tax year and allows shareholders who receive dividends from companies which have paid tax on their profits to reduce their personal taxation liability accordingly.

Tax Office statistics show that dividend credits go largely to persons with taxable incomes over $50,000 per year, living in high-income suburbs. For example, in 1993-94 residents of Melbourne's Toorak were given $33 million in franking credits, residents of Sydney's Mosman $28 million and residents of Perth's Peppermint Grove, Dalkeith and Claremont had their tax liabilities reduced by $33 million. Two-thirds of the $1.32 billion in credits were received by shareholders who earned more than $50,000 a year.

While many other countries have dividend imputation and most economists agree that double taxation of dividends discourages investment in shares, critics argue that it largely provides a windfall to high income Australians and encourages too much focus by share owners on short-term pay-outs rather than capital growth.

Superannuation tax concessions: These favour high-income groups, as they invest much more in superannuation and thus receive greater concessions. The supposedly socialist Hawke and Keating Governments turned a blind eye to these but the Howard Government took a Robin Hood-style swipe at them in the 1996 Budget!

The real tax debate is about how we should simplify and change the tax mix, given that the great bulk of tax revenue is collected not from the rich but from low- and middle-income earners.

Equity is also not well-served by a system in which tax rates on relatively low-income households combine with the welfare system to provide little incentive for unemployed members to enter the workforce and/or improve their work skills.

Equity is not well-served by a system in which tax rates on low-income households combine with the welfare system to provide little incentive for unemployed members to enter the workforce and/or improve their work skills.
I was frustration at the "political quagmire" that sank tax reform in 1985 and in 1993, and despair at the media’s obsession with the acronym GST whenever reform is suggested that made the President of the Australian Chamber of Commerce and Industry, Graeme Samuel, pick up the phone to ACOSS’s Robert Fitzgerald to propose a new tax summit.

October’s meeting represents optimism that a politician-free environment will allow business and community groups to strip away superficial differences to find areas of genuine agreement.

The summit should raise community awareness of the issues, identify areas of agreement and disagreement — especially over whether the tax base should be broadened — and give major interest groups a basis for further work together afterwards, Samuel says.

He says he is after an equitable, efficient and simple tax system, and points out that costly and inefficient taxes are in nobody’s interests. For example, he cites estimates that the average Western Australian small business spent $26,000 complying with tax office obligations, and that every dollar paid in Fringe Benefits Tax costs 42c in administration.

The summit will also allow business to address some of the concerns of ACOSS — the peak welfare lobby — about equity, and also counter some sceptics’ concerns about whether a consumption tax is too powerful a taxing weapon to be handed to a greedy Commonwealth.

"There would always be concern about regressiveness," Samuel says of any move to shift taxation from incomes to consumption. But the question of whether the Government should be raising more or less revenue, or the final position of low-income people, he says are different issues from the actual structure of the tax system.

He recognizes that ACOSS is extremely concerned about the impact of a broad-based consumption tax on staples such as food. To allay that fear he went to Robert Fitzgerald, saying: “Your concern is compensation. What about if we put a compensation package in?” That, he says, went a long way to addressing ACOSS’s objections.

Samuel also concedes that, as ACOSS argues, previous consumption tax packages — especially the "idealist package" of Fightback — have gone too far in trying to abolish other taxes in a single stroke.

Instead, a realistic consumption tax proposal should have limited goals aimed at replacing wholesale sales tax, payroll tax, and possibly fuel excise. But even abolishing the latter might be "too big an ask", he says. The result would be a consumption tax around six to seven per cent, which would have only a small effect on consumer prices.

On the other hand, Samuel rejects the idea that a consumption tax is too dangerous to be given to the Commonwealth. He believes State taxes are good in theory, but even business groups rejected the idea for cost reasons. At the same time, he says the advantage of a consumption tax is that it is transparent, and increases can’t be hidden from voters in the same way that fuel or wholesale sales tax rises can be.

"The cost of doing that in compliance would more than offset the competitive advantages," he says of the introduction of State sales taxes. "There would be the same political constraints as on any growth in taxes, but it is slightly more visible."

Richard Salmons is a journalist with the Australian Financial Review.
The resulting focus on raising taxes on payrolls, property and gambling has served Queensland's growing economy poorly, even though it remains a low-taxing State.

In the wider policy debate, Dr Fitzgerald, has become best known for his work on savings and superannuation policy. In his latest report for the Committee for the Economic Development of Australia, he has argued strenuously for reform to the tax system in order to build up superannuation and national savings. But he has strong views on the entire tax system, and sees the link between savings and taxation policy as just one aspect of a wider program of economic reform.

Overall, he sees two goals for taxation policy: creating an environment conducive to investment and growth, and creating a competitive business environment. He points approvingly to former Treasurer Dawkins' cut in the company tax rate to 33 per cent. "We can't just sit in the middle of an Asia-Pacific region that has corporate tax rates between 15 and 30 per cent and have ours at 40-plus," he says.

### TAX CLAIM: Australia is a low-taxing economy.
### FACT: Countries other than Australia and New Zealand include social security charges as taxes. After deducting all social security charges Australia's taxes amount to slightly above the OECD average.

### TAX CLAIM: Taxes on profits are low in Australia.
### FACT: Taxes on profits account for a greater share of tax revenue in Australia than in any other OECD country except Japan, and at 12.8 per cent of GDP are twice the OECD average.

### TAX CLAIM: Australian income tax collections are moderate.
### FACT: Income tax in Australia accounts for the largest share of tax revenue of any OECD country. At 54 per cent, it far exceeds the average 31 per cent and is three times the level in France.

### TAX CLAIM: Financial transactions taxes are low in Australia.
### FACT: Although the amounts of revenue involved are relatively small, the level of financial transactions taxes in Australia is twice that of any other OECD country. At this level and with the high mobility of modern capital, there is no prospect that Australia could achieve its goal of becoming a leading Asia-Pacific banking centre.
Vince Fitzgerald recognizes that there are many voices, particularly in business, calling for a shift to a broad-based consumption tax to reduce the emphasis on income taxes. But consumption taxes are looking more viable now than in the past, especially as, he says, many previous opponents of the Coalition's GST might now think the compensation package in *Fightback* no longer looks so bad. "Some people in the welfare sector have a more neutral view, if you can protect the clients they are most concerned with," he notes.

More specifically, Dr Fitzgerald says the goal of a broad and fair consumption tax would not necessarily be undermined if some luxury goods were still taxed at a higher rate. For example, many cities around the world impose a tax on hotel rooms, a good that is seldom consumed by ordinary income earners. He believes that a judicious selection of luxury taxes could make a broad-based consumption tax, perhaps at a lower rate than *Fightback*'s 15 per cent GST, more widely acceptable.

The other side of the reform agenda Dr Fitzgerald refers to is the balance between State and Commonwealth taxation. He points to the biases in the Queensland system, noting that State taxes there were plainly unfair. The problem was that payroll taxes, for example, did not apply to small businesses, the major source of employment growth. As a result, State taxes were completely inadequate in meeting the needs of Queensland's fastest growing population for basic government services, leaving the State reliant on the "fickle and capricious Commonwealth" for funding.

The situation, he notes, was even worse in other States, particularly those with a heavy reliance on financial institutions' duties and transaction charges — which he calls "grit in the wheels of the economy."

Dr Fitzgerald also criticizes the Commonwealth Budget's announcements on taxation of savings, saying the fairest method would be to exempt money saved from tax until it was withdrawn as income, whereupon it would be taxed at ordinary rates. "You'd have full compounding, and tax collected after that," he says. "The tax man is a co-saver." In addition, it would encourage the Government to take a long-term view of the economy, and its return would be no lower, and possibly a lot greater, than it is under the existing system.

Vince Fitzgerald is optimistic about the upcoming tax summit. It isn't the first, but it is taking place in the context of a new Government "that was interested in tax reform”, he says, emphasizing the past tense.

**MISTRUST:** "I continue to regard that as a thoroughly bad idea at the Commonwealth level," former Treasury head and outspoken low-tax advocate John Stone says, without a moment's hesitation, of the prospect of a broad-based consumption tax.

The problem with the GST revival, Stone argues, is twofold. "It's pushed by the usual group of Melbourne high-level corporate figures who've been wrong three times," he says, saying they failed to get the tax into the Coalition platform in 1990, tried it with disastrous results in 1993, and are trying again in 1996. Just as importantly, he says, it is far too powerful a means of revenue raising to be left unchecked in the hands of the Federal Government. "It's now being strongly supported by [ACOSS President] Robert Fitzgerald and other people like that, who simply want more taxes in the hands of government so they can increase the size of the compassion industry."

Stone is instead more concerned about reducing the overall burden of taxation, which he identifies as closely related to the need to shift the balance of taxation from the Commonwealth back to the States. He also has significant concerns about Australia's high marginal income tax rates and the effect of capital gains tax, which he sees as discouraging saving and investment.

But his main concern about indirect taxes is that they should not be used simply to increase overall taxes. He says the history of these taxes "in every part of the world" is that they increase over time.

He believes, however, that there is now a real prospect that indirect tax reform can take place at the State rather than Federal level. This, he says, is because there is now a reasonable chance that the High Court will overturn its previous rulings that have declared indirect taxes to be excises, which can only be levied by the Commonwealth.

Stone says there were three dissenters in the Capital Duplicators case in 1994, and of the four-strong majority that maintained the ban on State taxes, two — Sir William Deane and Sir Anthony Mason — have now left the bench. Although nobody can be certain of the new Justices' views, the time is ripe, he believes, for the States to try again in the High Court. "The Commonwealth should support that view, and would have a very good chance of success now."
The great advantage would be that the Commonwealth would announce a staged reduction of its grants to the States, which would be left to pick up the difference through new indirect taxes of their own. This would allow competitive federalism to naturally limit the expansion of the new tax — compared with the likely scenario if the Federal Government controlled the tax, leaving nothing to stop its inexorable advance.

EXPANDING REVENUE: As the President of the Australian Council of Social Services, Robert Fitzgerald is not afraid to take positions that many business groups and low-tax advocates might oppose. Most notably, his recent comments in relation to a consumption tax have, not surprisingly, heightened the opposition of John Stone and others to the whole idea.

Fitzgerald directly warns business that ACOSS would only consider a consumption tax if it provided a means of raising revenue for government projects, and he is adamantly opposed to competitive federalism, which he fears will encourage only a “race to the bottom” between the States. “We would not countenance a tax change that involves a substantial reduction in the income tax base,” Fitzgerald says. “The real problem with the consumption tax package in Fightback was that it involved a substantial tax mix change which would have meant the changes were very regressive.”

Fitzgerald says the second problem is that previous proposals for a broad-based consumption tax have sought to replace so many other taxes that the impact of the new tax would have been excessively harsh. “You end up with a high rate of tax on consumers”, he says, pointing to previous proposals that have ranged between 12 and 15 per cent.

Fitzgerald says Australia “is not a highly taxed nation”, compared with OECD countries, but he says we have a large number of taxes. Some are inefficient, such as the wholesale sales tax, and others discourage productive investment. “You can have a perfectly strong tax base and also encourage investment and saving,” he says. By contrast, our tax system has traditionally encouraged speculative activity. “That is less so in the current low inflation environment, but that is a blip in our history.”

Fitzgerald says an ideal tax system would not only encourage long-term saving to provide retirement incomes, but would also give people access to savings during periods of their life-cycle when the money was most needed.

Most taxing powers should also be maintained at the Federal level, he says, saying that “many of the problems we have with the tax system are the fault of the States.” Fitzgerald dismisses the idea of devolving major taxes to the States as “ridiculous”, saying it would hand large States a huge windfall compared with small States. That would distort regional development and destroy the scope for a pro-active industry policy. “It would be a very short time before there was a war on taxes,” he warns, which would have intolerable results for economic development and the standard of government services.

COMPLIANCE COSTS: A tax audit by the Western Australian authorities was a formative experience for businessman Bill Clough. After leaving Clough Engineering to set up a new recycling and trading business six years ago, Clough soon became aware of the difficulties of running an enterprise that did not have an army of in-house tax experts scrutinizing its every move. “The things that I hate the most are things like FBT compliance,” Clough says. “I just don’t have the resources as a smaller business to have people working it out for me.”

As well as generally favouring any move to tax spending rather than income, Clough has a special concern about the effect of State taxes as he expands his business, KOAST Corporation, towards the size where he would become liable for payroll taxes. “We’re right on the borderline, and we keep reorganizing our business so we don’t go through the threshold,” he says.

At the same time, inefficient State taxes only make it more difficult for law-abiding businesses to deal with State tax officials. He says they are only doing their jobs but are forced to deal with a tax system which is difficult to enforce. “They’re particularly nasty, the State tax people,” he says. “They expect you to cheat.”

Although many small businesses also complain about acting as tax collectors when they comply with the pay-as-you-earn system, Clough thinks that it is at least a fair and efficient system. He believes that a GST would at least have been easy to comply with, would have generated revenue efficiently, and would have reduced many of the conflicts between business and tax collectors.
On 13 August, The Age announced that, according to a recent AGB McNair AgePoll, 60 per cent of respondents said that they would "personally support some increase in personal taxation, if this meant that spending on programs such as higher education, health and welfare did not have to face big cuts". Only 33 per cent said they would not. A majority of Coalition supporters (56 per cent) as well as ALP supporters (66 per cent) offered to pay more taxes.

Should we believe such findings? The politicians certainly don't. Before the 1996 election, John Howard promised that the Coalition would not increase taxes — an understandable response to the voters' rejection of the Coalition's GST proposal at the 1993 election. His subsequent victory reflected experience in other democracies. In the US presidential election of 1984, Democrat candidate Walter Mondale lost after promising higher taxes. In 1988, George Bush won after his famous 'read my lips' promise not to increase taxes. In 1992, Bill Clinton won after promising to cut taxes. Now, the Dole-Kemp Republican team thinks it has no choice but to promise tax cuts — even though the voters must surely find it hard to believe them after both Bush and Clinton broke their promises and increased taxes.

Most instructive of all was the 1992 election in the UK, which the Labour Party unexpectedly lost after promising to increase taxes. The opinion polls had recorded a majority favouring tax increases to finance higher public spending. The poll organisations concluded after the election that many respondents were in effect being asked whether other people should pay higher taxes.

Many respondents must have given the answer they thought was expected of them, then voted against higher taxes in the privacy of the polling booth. (True to form, the victorious Conservatives later broke their promise not to increase taxes.)

Still, we should not wholly dismiss opinion poll findings, since they do tell us something about the politics of taxing and spending. The most significant such survey in Australia in recent times was undertaken in 1992 by Glenn Withers, David Throsby and Kaye Johnston.1 Some commentators claim that this survey found a majority favouring higher taxes to fund additional public spending. In fact, it found an overall satisfaction with the prevailing level of public spending, but also some preferences for a rearrangement of spending priorities. Respondents supported higher spending on the environment, sports, retraining and roads and lower spending on defence, government administration, family assistance and unemployment.

The AgePoll, in contrast, gave respondents no opportunity to express different preferences with regard to higher education, health and welfare. Nor did it offer them the option of funding present spending in those areas with cuts to other areas. By unrealistically presenting higher taxation as the only way of maintaining spending in three areas, it generated an unrealistically high level of support for it.

Alternatives: There are further options. One would be to rely more on the private sector provision. Withers et al actually found preponderant support for public sector rather than private sector provision of hospitals and schooling, among other services. But it’s possible to let individual taxpayers opt out of government services and to pay directly for private alternatives should they prefer to do so. Again, means-tested user charges, like the Medicare co-payment that Bob Hawke proposed in 1991, could be imposed on government-supplied health care and education services. As for welfare, greater tax concessions for charitable donations would likely be more

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than offset by a consequently reduced call on direct public spending on welfare. But it’s impossible to tell from the AgePoll how many people would prefer those options to higher taxes.

As well as artificially limiting the range of practical options for maintaining spending on higher education, health and welfare, the poll didn’t distinguish between respondents who pay income tax and those who don’t. True, the question said “Would you personally support ...” (emphasis added), implying that respondents are being asked if they are willing to pay more taxes themselves. But, of course, people’s tax liabilities differ; only a minority of Australians pays income tax. Many respondents were in effect being asked whether other people should pay higher taxes. Not surprisingly, Withers et al found that support for higher public spending was greater among people who were not liable to pay income tax than among those who were liable.

Nor did the AgePoll try to find out how much additional tax respondents were willing to pay and therefore whether they were willing to offset the whole of the proposed cuts. Probably very few respondents asked themselves this question, being uncertain about the size of the prospective spending cuts and about how much tax they were already paying. In their survey, Withers et al informed respondents of what they were actually paying by way of taxes for various government services. In the light of that information, respondents claimed to be, on average, willing to pay only five per cent more than their actual liabilities on education and four per cent more on age pensions. And for some services they wanted to cut their tax costs: they were on average willing to pay one per cent less than their actual liabilities on medical and hospital services, four per cent less on family assistance, and 13 per cent less on unemployment benefits.

The most important doubt about the AgePoll survey, however, is the one mentioned at the start: the fact that people tend not to vote for higher taxes, whatever they tell the pollsters. Elections are for real; pollsters’ questions are hypothetical. Politicians could profitably make more effort to explain that spending cuts are necessary to keep taxes down.

People tend not to vote for higher taxes, whatever they tell the pollsters.

Political pressure: Yet political pressure to maintain and increase public spending remains strong; and the budget cuts are unlikely to halt the well-established steady upward drift. Economic growth, along with reforms that devolve spending decisions away from political and towards individual choice, could contain public spending increases and ensure that they are covered by tax revenues. But if the public nevertheless insists on a faster increase in the public provision of services than present tax levels can sustain, then politicians should equally insist that it be fully covered by higher taxation rather than (as happened under the Keating Government) by borrowing. As Ruth Richardson, New Zealand’s former Minister of Finance, once put it: passing on the bill for current consumption to future generations is a form of child abuse.


TAX CLAIM: Australia can afford to increase the tax on savings.

FACT: Australia has an appalling savings record. As a result we need to import capital equivalent to 5 per cent of GDP just to provide the investment necessary to manage the lacklustre growth of the past decade or so. By increasing the tax on superannuation – a tax that other countries totally avoid – the recent federal budget takes us in the wrong direction.

![Household Saving Ratios](image)
TAX SPECIAL

Some modest proposals

RON BRUNTON

A civilized society should never allow bean-counting accountants and economists to call the tune on taxes. Tax reform should be the province of sociologists, churchwomen, consumer advocates and artists — people whose moral sensitivity has been refined to a white hot edge in the crucible of their overwhelming compassion.

These are the kind of people who can appreciate the brutality of a tax system that is designed to be simple, efficient and transparent. A morally responsible system should have an intricate and beautiful architecture, one that creates employment by providing a complex structure of exceptions, exemptions, special rates, and subsidies. It should never be transparent, because this allows the wealthy and powerful (people earning over $30,000 a year) to see how much they are being taxed, thus inciting them to pressure governments through their voting choices to reduce taxes.

The following list of socially redeeming taxes is not comprehensive. It will be refined and extended at the Alternative Tax Festival to be held on the sacred waters of the Lower Franklin in Tasmania during the 1996 Summer Solstice. We hope that this will be attended by taxheads who are the movers and shakers in public moralizing — Senator Bob Brown, Senator Cheryl Kernot, Professor Peter Singer and Dr Carmen Lawrence. So far we have resisted subsidies from Victorian Premier Jeff Kennett to move the Festival to Albert Park or Crown Casino, but negotiations have not been concluded.

CHURCH ATTENDANCE TAX: As mainstream churches are the first to admit, they are heirs to a dreadful history of racism and cultural assimilation. Social justice requires that those who currently benefit from this legacy should pay. The beauty of this tax is that the churches who are most vocal in denouncing their past will be its strongest supporters.

VOLUNTARY SUPER TAX: Many people feel good about giving, and ashamed that the tax-take in Sweden, Vietnam and other wonderful countries is so much greater than in Australia. To relieve them of the burden of feeling like awful hypocrites when they advocate higher taxes, they should be allowed to pay more. As a reward, their names will be added to the public works their taxes have paid for. So expect to see the John Quiggin drainage ditch and the Kenneth Davidson sewerage outfall.

NAPPY TAX: Australia is over-populated. A tax on motherhood would never get through the Senate, but nappies are a good substitute, especially as disposable nappies make up 95 per cent of all landfill volume.

OBESITY TAX: Obesity is Australia’s biggest health problem. The answer is a tax on food, with exemptions for low-calorie items like truffles, King Island brie, and vintage wines.

MURUROA TAX: To be levied on people of French descent, or with French-sounding surnames, or who like French culture. It would be used to compensate Greenpeace and other peace groups for their selfless expenditure of time and resources in resisting last year’s nuclear tests. Exemptions to people with documents from an authorized peace group certifying they were against the testing.

RACIAL SLUR LEVY: As any university teacher of Cultural Studies knows, Australians are the most racist people in the world, and should be made to pay. A fixed levy on everyone, with subsidies, exemptions and negative rates for specified victim categories to be determined by community panels operating under paid franchises from the Human Rights Commission. The composition of these panels will reflect the statistical profile of all the victims in their geographical region.

QUALITY BROADSHEET TAX (VICTORIA ONLY): Readers of The Age clearly support higher taxes, and will welcome this impost on Melbourne’s most principled institution. The tax will only be used to fund projects that would warm the hearts of the paper’s readers, such as child care centres, gourmet cooking classes for the poor, and government buy-backs of steak knives and other instruments of male aggression.

CRIME TAX: A levy on those who have been burgled, molested and assaulted to compensate the real victims — those whose anger at fiscal injustice and cuts to government spending has driven them to perpetrate the so-called crimes.

Dr Ron Brunton is Head of the IPA’s Indigenous Issues Unit.
How do we get a more efficient, fairer and simpler tax system without getting fleeced by it? This is the taxing question, regularly asked but seldom satisfactorily answered.

We have known for the better part of 20 years — since the Asprey Report of 1975 — that our tax system is deeply flawed. We rely overly on income tax, and we tax savings and productive activity too heavily. We also need to replace our hotchpotch indirect taxes with a broader-based consumption tax.

Since 1975 there have been numerous serious attempts at tax reform at the national level. All of them have been unsuccessful. There has been a parallel, albeit less public and less committed, process of projected reform at the State level, which has been even less successful.

Clearly there have been many reasons for the failure of tax reform, but one important explanation has been the failure of reform to adequately deal with governmental cupidity. Models for better tax design — proposing simpler, more efficient, more equitable tax — have without exception assumed that the Commonwealth could be trusted to tax and spend with benevolence and restraint.

Of course the taxpayers know better than this and have wisely decided that it’s better to have the decrepit and debilitating tax system that we know than risk being fleeced by a new one. In a sense, taxpayers have imposed limits on government by rejecting tax reform.

This is, of course, a mug’s outcome. It would be far better to have an efficient, fair and simple tax system with built-in limits.

Limiting Government: The question then is how can we limit a government’s ability to fleece us? One option would be to anoint a benevolent ruler, such as Lee Kwan Yew, who taxes and spends with restraint. The problem with this route is that we might end up with the opposite without any way out — for example, we might get a King Gough. Democracy and individual choice are a better option and the best known way to harness these is through a well-balanced federal system.

Government by its very nature displays all the characteristics of monopoly behaviour: it spends excessively, ‘goldplates’ and rarely undergoes the pruning that it needs. And it has an advantage over commercial monopolies in that its decisions are sanctioned by law.

But once choice is introduced, competition follows. Federalism provides choice. People and firms within a federal nation have a choice of jurisdictions in which to live, work or invest. If taxes are too high or spending poorly targeted in one jurisdiction people and jobs will either leave or threaten to leave for another. Indeed the ability to place a check and balance on government was the main reason federalism was invented in America over 220 years ago.

Seen in this light, federalism is a kind of competition policy for government.

A federal system of government has many other things going for it. It not only allows better targeting of the diverse needs and wishes of voters but it also provides an insurance mechanism against ‘putting all our eggs in the one basket’.

Imbalance: Australia is already a federation, so we do not need to undergo the trauma of constitutional change. However, the Australian federal system is seriously unbalanced with limited competition and choice.

The centralization of taxing and spending powers has been one of the defining characteristics of the Australian settlement. Since 1901, the Commonwealth’s share of taxing powers has increased from 58 per cent to 75 per cent. Its control over spending powers has expanded even more, from 13 per cent to 54 per cent over this period.

Some centralization was inevitable. The world and

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the demands on the public sector have changed dramatically over the last 90 years. We have had the Keynesian revolution, the creation of the welfare state and the task of building a nation, all leading to more powers for Canberra.

Centralization has, however, greatly exceeded the level justified by such demands and has gone much further in Australia than in other federal nations. Indeed, in terms of control over taxing powers, Australia is more like a unitary than a federal nation.

This process has — by design — limited tax competition and helped raise taxes above the level that would arise in a more decentralized and competitive federation. In other words, the centralization has allowed governments to pluck more feathers from the goose than it otherwise would.

The solution is to focus tax changes on rebalancing the federation by giving the States greater taxing power; in particular access to broad-based taxes.

The Commonwealth's control over taxing powers has arisen from its monopolization of the two large tax bases available to governments: income taxation and broad-based indirect tax. The Commonwealth took over income-tax powers from the States during the Second World War as a 'temporary' emergency measure. It has, however, successfully thwarted efforts by the States to re-enter the collection of income tax. The States have been prevented from levying a broad-based indirect tax by a series of ludicrous High Court decisions.

STATE TAXES: The Commonwealth's domination of the two broadly-based taxes has forced the States to rely on a large number of narrowly-based taxes which rank poorly against all established criteria and poorly against the Commonwealth tax base.

The States' best and biggest tax is payroll tax (accounting for about half State tax revenue) It is also, perhaps rightly, one of the most hated of all taxes.

In theory, payroll taxes can be made to be a second-best but still rather efficient tax — equivalent to a GST. However, reality is far from the theory. The assumptions required to yield the perfect payroll tax are difficult to replicate in the real world. The payroll taxes imposed by the States certainly do not meet the demands of theory. The State payroll taxes could be improved; however, the option of increasing the exploitation of the payroll tax base has been effectively closed off by the Commonwealth with the imposition of the Superannuation Guarantee Levy (SGL). The SGL is a payroll tax imposed on all wages at a rate expanding over the next few years to 12 per cent. The combined payroll tax on most wages will, therefore, soon be 21 per cent. This leaves no scope for the States to expand their tax-take. In effect then, the Commonwealth has taken back the one potentially broad-based tax the States had.

The only other half decent tax available to the States is land tax and it is more than fully exploited. State and local government impose a multiplicity of taxes on land values, including land tax, metropolitan

Centralization has, however, greatly exceeded the level justified by such demands and has gone much further in Australia than in other federal nations.

The ACT and SA spend more than the other States, while Queensland spends the least on virtually all services.
FEDERALISM IS THE KEY

There should be a single federal income tax system with a common base collected by the Commonwealth, where the Commonwealth, by cutting its existing rate, offers the States a choice of topping up that rate or cutting back on spending. This would allow the States to vary their tax rates in response to competitive pressure.

rates, on top of already rapacious Commonwealth taxes and they fall predominantly on the poor. The same can be said for gambling taxes which States have relied on to keep themselves afloat over the last half decade. We now have the absurd position of States taxing poor sinners to fund services mainly for the middle class — all in the name of equity.

Another failing of our centralized tax system is that it has allowed the Commonwealth not only to force its fiscal profligacy onto the States but to force an increasing share of the tax burden onto the decrepit State tax base. In other words it has undermined accountability and the quality of the tax base.

Over the last 10 years the Commonwealth has cut grants in real terms by around $12 billion or by one-third and used the savings to bolster its own spending. In response, the States have cut expenditure — to the lowest level in at least three decades. They have also been forced to increase their share of the total tax-take from 20 per cent to 25 per cent.

THE WAY FORWARD: The solution is clear — and has been for decades: tax reform should focus on the States. The States should be allowed the access that their counterparts in the USA and Canada have had for decades to both personal income tax and consumption tax. The object should not be to increase revenue from income tax — we are already excessively dependent upon income taxes — or to add complexity — the system is already too complex. There should be a single federal income tax system with a common base collected by the Commonwealth, where the Commonwealth, by cutting its existing rate, offers the States a choice of topping up that rate or cutting back on spending. This would allow States to vary their tax rates in response to competitive pressure.

The States should be allowed to introduce a broad-based consumption tax — a GST or a retail sales tax — preferably with a common base and perhaps central collection and to use the proceeds to replace most State indirect taxes and the wholesale sales tax. Again it is essential that the States be able to vary their rates.

Of course reform of State taxes faces huge barriers. The cartel that has been so successful centralizing tax power will fight back. Nonetheless, it is really the best — and perhaps the only — way to get a more efficient, equitable and simpler tax system without getting fleeced by it.
PUNISHING THE POOR

ALAN MORAN

OUR HIGHEST RATES OF TAX ARE ALSO OUR MOST REGRESSIVE.

Alcohol, tobacco and gambling have the highest levels of tax of any goods and services. The 1996/97 Commonwealth Budget left these taxes unchanged, but in recent years State and Commonwealth budgets have substantially increased the tax rates on alcohol, tobacco and gambling. This is especially so for tobacco where the ground for tax increases has been cleared by a determined and largely taxpayer-funded anti-smoking campaign. There is nothing so attractive to governments as a popular tax, and they have moved with the effortless grace of an Olympic synchronized swimming team to exploit this.

Distortion: All taxes distort demand and supply of goods. They create a wedge between what consumers are prepared to pay and what producers are prepared to offer. The higher the tax, the greater the distortion. A high tax either chokes off demand and shifts consumers to less preferred purchases, or it soaks up income that would otherwise be spent on other purchases or saved. The upshot is that consumers’ wants are less satisfactorily met.

Discriminatory government taxation is levied in response to three main factors:

- the responsiveness of demand or the price elasticity of the good or service to be taxed;
- the political acceptability of taxing it; and
- the ease of collection.

Political acceptability covers several dimensions. In some circles it means taxing more heavily those goods that are mainly produced overseas, under the misapprehension that it is the foreigner who pays. More legitimately, it means taxing luxuries, on the basis, first, that the people taxed are those on high incomes and, secondly, that luxuries by definition are inessential. The problem with the latter is that there is no lasting definition of luxuries: yesterday’s extravagances often become today’s necessities.

The political acceptability of high taxes on certain alcoholic products and on tobacco has long been evident. In the case of distilled spirits, the level of taxation is so high that the government’s share of the product’s aggregate value considerably exceeds the owner’s.

Spirits, beer and cigarettes have most of their taxation levied as a volume-based excise (which shields their real taxation rates from public scrutiny). In the past, because tax increases on these products brought an unfavourable public reaction, they tended to be concentrated in years in which no election was expected. Over the past dozen years, increases have been linked to the Consumer Price Index to make them as automatic as rises in the wholesale sales tax.

In addition to indexation, there have been discretionary tax increases on some excised products. In the case of tobacco, increases have even been brought in at ostensibly unfavourable junctures of the electoral cycle. The perceived adverse effects of the product are such that increases in its tax rate apparently incur little odium.

Alcohol and tobacco carry several layers of tax. As well as having Commonwealth wholesale sales tax at 32 per cent (26 per cent for wine), and excise taxes (or their equivalent in customs duty), alcohol and tobacco incur State franchise taxes.

Dr Alan Moran recently joined the IPA as Director of its Deregulation Unit.
Comparable tax rates are difficult to assemble in the case of gambling because the product does not have an easily defined wholesale value and expenditure levels bear little resemblance to the data derivable from the Household Expenditure Survey. Most wager expenditures are also, of course, returned to winners. The tax rates shown here (right) are based on revenues collected and national accounts data on gaming activity.

These tax rates are converted into a share of expenditure taking into account the retail mark-up. The tax share of expenditure is lower than the tax on output, even without a retail mark-up, because the rate is expressed as a percentage of the sum of the tax and the pre-tax price. (The figures for gaming already include the retail mark-up).

Taxes are higher on alcohol, tobacco and gambling products than on almost all other goods. Expressed in wholesale sales tax equivalents, the tax on tobacco is the highest level of tax that is levied, that on spirits the second highest, and beer the third highest. The only other product that incurs anything close to these tax rates is luxury motor vehicles at 45 per cent (a level which is in fact lower than the tax on gambling once the retail mark-up on cars is included).

R
EGRESSIVE: Unlike the tax on luxury cars, however, the taxes on alcohol, tobacco and gambling strike with particular severity at lower income earners.

The extent of this is not easy to track since survey respondents consistently understate their expenditures on these goods and services. The Household Expenditure Survey of the Australian Bureau of Statistics accounts for only 65 per cent of consumption on alcohol, 61 per cent on tobacco and 25 per cent on gaming. The identification of only 25 per cent of gaming expenditure in particular presents analytical problems. While some of the alcohol shortfall could be attributed to corporate entertainment, this could not be the case for tobacco or gaming.

The chart below is based on 1993/94 Household Expenditure statistics for five income strata. The shortfall of declared expenditure from known consumption is reallocated to the different income strata in proportion to their declared levels of expenditure.

There is a vast disparity in the share of household income that is spent on this narrow range of goods and services. The expenditures in aggregate are equivalent to a little under nine per cent of household income levels. However, for the poorest fifth of the community they account for 26 per cent of income, and for the next poorest fifth, 15 per cent. By contrast, they account for only five per cent of the income of the highest earning fifth of households and eight per cent of the next highest fifth. These disparities are not markedly changed if gaming is excluded.

The combination of very high tax rates on these goods and services and their high usage by lower income categories places a disproportionately high burden on low income earners. Some 10 per cent of the incomes of the lowest fifth of earners is paid as tax on alcohol, tobacco and gambling. For all income categories, the average is three-to-four per cent, while for the highest earners, as the chart over the page shows, the average is two per cent of income (average income is on the bottom axis).

The regressive nature of the tobacco excise is accentuated by the fact that it is levied by weight. Accordingly, it falls more heavily on the cheaper tobacco types which tend to be consumed by poorer people. The high tax rate also tends to hit younger people, as a much larger proportion of people over 40 have either never smoked or have ceased smoking. (The popularity of tobacco with young adults is not new. General Pershing in the First World War told Washington not to send food but tobacco, saying his men preferred to smoke than eat!)
HEALTH: Some people argue that governments have a duty to deter smoking. Penal taxation rates can certainly have this effect. Tobacco usage does present a risk to longevity, but this is not a risk of which any smoker can be unaware. Smokers, like other members of the community, are best placed to determine for themselves how or whether they trade off a relative preference for the product with its adverse health effects. (This is not to say that non-smokers who dislike the environmental effect of smoking should not be able to demand its absence where it affects them.)

It is often claimed that the high tobacco tax compensates for the increased health costs its usage entails. However, the tax collections vastly over-compensate for any such costs. Indeed, to the degree that smokers die younger than non-smokers, in a cold cost-benefit analysis its consumption reduces the costs of maintaining 'unproductive' older citizens!

Health concerns are also cited in support of high taxes on alcohol. But very few people consume sufficient quantities of alcohol to harm their health and taxing it to deter such small proportions of the population who do abuse alcohol to this extent would be akin to taxing food because some people over-eat. For the vast majority who are moderate consumers, alcohol actually has a beneficial health effect by reducing the incidence of heart disease. This effect is common to all types of alcohol.

ANOMALIES: The tax rates on beer, wine (including cider) and spirits are vastly different. These differences largely reflect historical and industry pressures. The wine lobby has successfully resisted taxation rates comparable to those of the other two categories of liquor. Yet again, the effect is regressive. Beer, with a wholesale tax rate of over 90 per cent, is overwhelmingly the alcoholic drink of preference for those with lower incomes, while wine, with a rate of 41 per cent, is mainly consumed by the more affluent.

Even in the case of spirits, traditionally the preferred alcoholic drink of higher income earners, lower income earners actually spend a larger proportion of their income on these products than do higher income earners.

The effect of the very high rates of tax on spirits is likely to come under severe pressure as a result of technological change in the industry. Alcoholic drink manufacturers are increasingly able to imitate the taste of spirits with lower taxed substitutes. Thus, in Australia there is now a range of synthetic alcoholic products often based on wine and cider (Two Dogs, Subzero, Father O'Leary's) that pay only a fraction of the rate of spirits, and they are enjoying an explosive growth in sales as a result.

GAMBLING: Gambling expenditure may have increased markedly over recent years, although reliable data on this is difficult to assemble as, prior to the legalization of casinos and the introduction of gaming machines, there may have been a high incidence of illegal and unreported expenditure.

The tax on gaming is subject to a considerable number of distortions, not the least of which is local monopolies on casinos, which represent a regulatory tax on gamblers, a tax which State governments are seeking to collect in the form of specific franchise charges on the right to establish the monopoly.

In addition, some States limit the installation of gaming machines. In Victoria there is a maximum of 15,000 such machines. The Government controls their location and insists that 50 per cent of them are placed in licensed clubs rather than pubs. Demand for their installation in clubs is satiated hence those pub owners fortunate enough to have the scarce supply are able to enjoy high profits, whether from the machines themselves or from the products consumed while patrons use them. Furthermore, there is a discriminatory tax regime between pubs and clubs. The Government takes 33 per cent of the daily take of pubs but only 25 per cent of clubs'.

IN TAXES: People tend to understate their consumption of alcohol, tobacco and gambling out of a sense of guilt at their indulgence, and governments feed on this. They justify the imposition of very high tax rates on the paternalistic grounds that they are trying to discourage activities that are harmful to consumers. But is it proper for governments to profit so handsomely from the consumption of goods and services which they consider citizens should avoid?

Moreover, it is people on the lowest incomes who bear a disproportionate burden of these punitive tax rates. It is remarkable that so few voices among those challenging the equity of the present tax system are raised against the very taxes that most heavily affect
Though we are all multicultural now, there is a curious reluctance of government to explore the very real differences in our expanded cultural attitudes to taxation.

The Whitlam era expanded hugely the earlier spending of the Menzies generation, but both were based comfortably on the assumption that Oliver Wendell Holmes was right in saying, "When I pay my taxes, I pay for civilization". That assertion, so loved by all closet Fabians, runs utterly counter to the historical awareness of the three most economically-important strands of non-Anglo Australian immigration — Italian, Greek and Chinese — and to most of the others as well.

The issue is not just one of the 'underground', 'black', 'shadow' or 'alternative' economies and the loss of tax revenues to the ingenious. It is that the historical and family experience in every major migrant group is one of indifference to the state because the state is in their view politically bankrupt. It is at least arguable that the tax system has reached that point for far more Australians than just those of migrant background.

Richard Rose (Scottish) and Guy Peters (Texan) explored this area of public policy nearly 20 years ago:

"An indifferent citizen is not up in arms against authority; instead he just shrugs his shoulders and turns his back on government, using the sophistication of the city streets or the wiles of a peasant to avoid government’s commands.

Indifference to authority is now widespread in the home, the schools, and in religion.

Civic indifference offers a cheap, safe and easy alternative to organised rebellion."

Thus, every Australian household budgeter now knows that she can get two prices (cheque and cash) for a handyman job. Country people share with migrants two further prices — the special cut for 'one of us' and the further cut for the immediate or extended 'family'. The Australian household also believes that the tax system is too complex for ordinary Australians to understand, and that it is now not just the headlined rich but her own neighbours who are able to 'rort' with impunity.

The situation has become far worse than in the 1970s, when the Asprey Report commented that tax evasion "can be expected to be the more severe, the lower the willingness of the public to accept that the tax system is fair and equitable".

The Italian Way: So are we on the Italian road? Though Italy now has a form of PAYE, it continues to represent, as in the past, a tradition of mutual distrust between citizen and state. A priest wrote in the Vatican’s Osservatore Romano in 1965:

"So long as the present system persists, no moralist can conscientiously require a rigorously and scrupulously prepared tax declaration which would inevitably result in grave loss to the declarer personally or to his business."

Greek and Chinese attitudes to "I’m from the government and I’m here to help you" differ little, although Italian literature on this subject is more accessible to the English speaker.

Why not start with a book which, compared to Peter Mayle’s saccharine series on Provence, is like a stringent double espresso: Tim Parks’s excellent Italian Neighbours?1

James Byth has a background in publishing and the media as well as having worked in and advised several major Australian companies.
Though we are all multicultural now, there is a curious reluctance of government to explore the very real differences in our expanded cultural attitudes to taxation.

This book will make you feel at home in Lygon Street or Marrickville just as much as in Verona.

Italians divide themselves differently from WASPs. There are statale (government employees); dipendenti (employees of private business); and autonomi (the self-employed). Jealousy is the key, writes Parks, to relationships between the three sectors, which naturally often overlap in the same family. But it is generally agreed that the dipendente of a private company has the roughest deal:

"With his rigid hours, his limited opportunities for moonlighting, his difficulty in justifying sick leave, his slavery to the market, his taxes always deducted and his comparatively low salary, the dipendente is undoubtedly the loser."

The autonomous farmer, whose lifetime profits from hard work seem inadequate — even with the tax-breaks and rorts available — looks down on the grandson who has just got himself a sweet statale job as a cook in an institution of government — five shifts, sick leave for a sore thumb (accumulating if not used) and so on. But the grandson agrees with the dipendente about the shameless acquisitiveness of the autonomi. No receipts when you have the plumber in or when you choose to see your own heart specialist. Stealing from the nation, they are.

Parks also scores neatly with the Italian (and Greek and Chinese) assumption that the citizen, however personally uninvolved, understands the true wellsprings of government. It may be safely assumed that a new law has been drawn up discretamente (quite well, with intelligence if not flair); that it is for the most part valido (sound, functional); but that all this is relativo (of only secondary importance) since the instruments for enforcing the law are not available or, if they are, no one has any intention of using them.

Parks gives a new drunk driving law as an example. He has another chapter in which he explains how it requires time, courtesy and a busterella (little envelope) to negotiate one's way through the Italian value-added tax system on services (Parks is a translator).

Multiculturalism, anyone?

A Hewson guru once snapped at me at the height of the Fightback campaign, "flat charge", when I modestly enquired how he proposed to administer a goods and services tax at Melbourne's Victoria Market, or any of the hundreds of local fairs around Australia. He didn't give me a chance to say I was asking about cultural attitudes, not about tax machinery or that bureaucratic oxymoron, tax equity.

Many economists and most bureaucrats like markets only in the abstract. Increasingly, they may need to understand cultures also. 

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of thousands of people leave Australia permanently each year, according to the Australian Bureau of Statistics. Where on earth are they going? Is there any country in the world better to live in than Australia?

The best decision that I ever made was to marry an attractive Australian girl whom I met in London, move to Australia and raise a family here. I remember how impressed I was, when I first arrived in Australia, that most Australians identified with the nation, were very much a part of it and proud of its accomplishments. There was not in Australia, as there was in Britain and Ireland, a mass of underprivileged people who felt outside the mainstream, disenfranchised and resentful. The average Australian was then, and still is, tolerant, friendly and committed to a genuine sense of fair play and mateship.

Of course, Australia is a lucky country. Where else is there such an abundance of natural resources? But speaking in terms of 'luck' appears to obscure the great grit and determination of earlier Australians who carved out of this arid land one of the most desirable places in the world to live.

**Psychic Flaws:** However, in our richly endowed isolation, are we Australians acquiring two national characteristics which are beginning to retard the nation's economic development?

- Is envy becoming the dominant feature of the national psyche?
- Are urban Australians losing sight of how wealth is created?

With potentially the highest income per head in the world, Australians have an average income per head below that in Britain, France, Italy and many other countries in Asia, America and Europe. It appears to me that we are failing to achieve our economic potential, partly because of the development of these two characteristics, the source of which is not easy to identify.

Maybe among the British and Irish working class migrants any-body who aspired to rise above the rest was treated as pretentious and a threat to the self-esteem of those who would be left behind. Maybe mateship is really a tacit understanding that nobody rises above the rest of the peer group. (Hopefully, the recent rise in the level of education will help to erode that sense of solidarity in ordinarness.)

Perhaps the abundance of natural resources broke the nexus between hard work and income. Possibly, the white-collar public-sector employee is too far removed from the coalface to understand how wealth is created. It seems that many Australians are determined to reject the rationality of economics, which to me is reminiscent of how communists refused to accept the nature of human beings.

Envy has created a fertile environment for the blossoming of political correctness. Failure is shielded from criticism and success is defenceless against accusation. The groundwork has been completed to protect people from the consequences of their failure and to confiscate the fruits of their success.

This *reductio ad absurdum* of our sense of fair play is widely accepted in the academic community and, of course, in the ABC. The ABC propagates political correctness while denying a platform to alternative viewpoints. I fear that the gatekeeper has taken over the estate and is...
not letting the heirs speak to the public. The most ardent supporters of political correctness have their hands in the public purse.

Those of us from less richly endowed countries know only too well that wealth is generated through hard work and determination, by producing what other people want and are prepared to pay for. The Australian psyche is obsessed with the distribution of income. To those of us born overseas the Australian lack of interest in, or concern about, the generation of wealth is really amazing.

**MYTH:** There seems to be a widely held Australian myth that the government is the source of wealth. Even in our universities one of the first lessons students learn is that the way to finance a student newspaper is not to produce something of value which people will be willing to pay for; rather the way to fund a newspaper is to demand the money from the government. This is a lesson Australian students remember long after they graduate and some of them spend the rest of their lives demanding money from government.

Certainly, government gives you access to other people’s money, but it produces a limited range of things we value. Government creates the conditions in which wealth can be generated or the production of it can be inhibited. Virtually everything that we Australians value is produced by the private sector: our houses, our food, our clothes, our cars, our electronic entertainment, our clubs, our holidays, even our private schools.

Australians want to believe in the miracle of the loaves and fishes and some politicians obviously do. The loaves and fishes brigade can turn a billion dollar expenditure into a two billion dollar debt, take their million dollar debt, and are prepared to pay for. The more we support each other, the more we will reach our full potential as a people.

**REALISM:** Before you reject this thesis on the basis that it is the writing of a right-wing businessman, let me tell you that many of my views are left-of-centre. I champion the support of the needy; I believe that women and women only have the right to decide to abort or not; I support gay and lesbian rights; I am suspicious of censorship; I believe passionately in equal opportunity and I applaud the success of the Labor Party in extending higher education into every suburb in Australia. But I am a realist. I believe that people who defy reality pay a high price, whatever their political persuasion. Certainly, many of us are reasonably comfortable in Australia, but a surprising number of Australians are not.

My thesis is that we are falling far short of our economic potential, basically because we are adopting attitudes which are inconsistent and unrealistic, and which inhibit economic growth. I believe that what we need in Australia is an attitudinal shift, a step back towards rationality. A vibrant rational system for generating prosperity is the surest way to achieve and to secure social goals.
multiculturalism: how a pet idea went astray

CON GEORGE

Once upon a time an amateurish ‘astronomer’ by the name of Al Grassby, who was also Minister for Immigration, discovered accidentally, in the Australian firmament of Immigration, a new star: the Star of Multiculturalism. Al was a man who had a lot of ‘pets’, ‘lay’ ideas, but this one was going to be a whopper. Within a decade, it would become a lodestar for wave upon wave of migrants who landed and settled in this country, their lodestar. It would provide guidance and solace for the travails they would endure in the initial stages of settlement, as well as give the celestial energy by which they would cultivate their cultures in their new homeland.

No one had suspected that this discovery of our amateur astrologer was from its beginnings, a Fata Morgana and that before the end of the second decade of its chequered existence it would be a falling star. The idea that lay behind the discovery was magnanimous and filled to the brim with the ideals of humanity and the spirit of tolerance. But, like all ideas with such a petted pedigree it was impregnated with the seeds of its own destruction at its conception. This, however, was unknownst even to its eminent founding fathers, who had spent, with such profligacy, prodigious amounts of corporeal and spiritual energy to give it wings. And it must have been a dolorous and painful experience for them to see that all that their huge efforts had led to was the tragedy of Icarus. But it would not be the first time in history that frivolity in the form of a pet idea would have had such an ending.

We Xotic: It would be stating the obvious to describe Australia as a country whose people are of an exotic provenance. However, to transform a descriptive term into a socio-cultural value, by which

Con George has been a Director of SBS (Special Broadcasting Service) for nine years.
According to its founders, multiculturalism would not only encourage the cultivation and secure the continuation of this rich diversity of cultures, it would also contribute to the creation of a uniquely tolerant society. In both of these two admirable aims, multiculturalism would be found to be wanting. The achievement of these grandiose aims was based on the premise that Australia somehow was chosen, by some sort of divine predestination, to break itself free from the vice of history.

Professor Jerzy Zubrzycki, one of the founders of multiculturalism, who since has abandoned it, asks this historically germane question regarding the concept of "Many Cultures, One Australia", as proposed by the Centenary of Federation Advisory Committee for the year 2000: "...can it represent a victory over the divisive atavism which has cursed the human experience for so long?" In other words, was it ever conceptually plausible that multiculturalism, or any of its variations, would exercise this 'curse' of history and function as equal before the cascading force of the culture of modern capitalism?

No lesser figure than Karl Marx, whom some of the protagonists of multiculturalism would be proud to consider as their mentor, predicted that the elemental force of capitalism and its culture would sweep away, on a vast scale, the dead weight of traditions and cultures that riveted their peoples to the obfuscation, ignorance and bigotry of a hoary past. How could anyone be oblivious to the fact that the Darwinian natural selection process of the biological world also applies in the cultural world, by means, very often, of a ruthless competition of cultures, whose crown of victory ineluctably passes to the head of the stronger culture and to the one that is most suitable to the needs and aspirations of the people living in a particular society? How could anyone, with a modicum of knowledge of human history, disregard the 'sanguine' fact that most wars were, whatever their other causes, at the same time wars of different cultures and religious beliefs? Even when there happened to be wars in the same culture, it was a conflict between different interpretations of this culture. In view of the above, one must have had the 'courage' of ignorance, to have considered and proposed the possibility of a multicultural Australia.

As to its laudatory goals of tolerance between different cultures and their flourishing within the well-established mainstream of Anglo-Saxon culture, to what extent are these goals flexible? There is no doubt that Australia has an exemplary record in its tolerance of cultures. The strong sense of egalitarianism, introduced into Australia by the early colonists, an array of judicial governmental and educational policies and the experience of tourism in and out of Australia have combined to imbue its populace, despite some pockets of bigoted obscurantism, with a high sense of respect and acceptance of foreign cultures.

ETHNIC CONFLICTS: But whilst the host culture can be genial and tolerant, one cannot say the same for the 'metic' cultures.

The tolerance of cultures, like the characters of persons, can be tested and adjudged in critical and difficult circumstances. Conflicts and historical hatreds between Arabs and Jews, between Greeks and Serbo-Macedonians, between Serbs, Bosnians and Croats, between Turks and Kurds, have been transplanted into this country. The extent to which these conflicts can mobilize these hostile communities against each other and induce them to lobby governments in support of their cause, furnishes a striking example that multiculturalism and its ideals are a mirage.

What is more disturbing, however, is that governments, for electoral reasons, can be hostages to the 'black-mailing' demands of certain ethnic communities, who have the advantage of numbers. Hence, governments in Australia can become unofficial allies of countries which are embroiled in hostilities, or even in war with other countries, through the pressure resident communities can exercise upon them. The reality, therefore, is that leading organizations of ethnic communities, whose countries back home are engaged in hostilities or war with other countries, can become surrogate diplomatic corps, negotiating and acting on behalf of the interests of their home countries with Australian governments.

It is obvious, therefore, that the nation under the umbrella of a multiculturalist society, cannot be protected from the thunderbolts cast by the atavistic wrath that some nations have against each other. The idea of a multiculturalist society, from the day of its inception, was child's play, building castles in the sand. It was an idea that should have been stillborn. But, due to a mushrooming crop of ethnic communities and councils, along with their leaders' adeptness to coax and seduce politicians and governments, who felt that in return for their political favours they would be...
rewarded with the ethnic vote, they were able to ensconce themselves within the precincts of political power. As a result of governments’ willingness, especially that of Labor, to adopt and implement many of the schemes of the supporters of multiculturalism, a swarm of drones and mediocrities, both from the ethnic and Anglo-Saxon communities, invaded and captured ministerial and departmental positions, which were cast as the incubators from which would rise the policies of multiculturalism.

The Office of Multicultural Affairs (OMA), in the Prime Minister’s office, under the Hawke Government, was the hatchery par excellence. Thuswise came into existence the teeming breed of the ‘professional ethnic’. To solidify the hold they had upon governments, they needed to have the ‘august’ voices of academia speaking in favour of their multicultural proposals. And for those multiculturalists who entered the universities and upon whom some benign force allotted them professorial chairs, Plato’s proviso for his academia, that no person without knowledge of mathematics should enter here, did not apply. It was not surprising, therefore, that nothing profound emerged from those noisy, creaking wobbly chairs. Moreover, few academics — with some exceptions, like the courageous Professor Blainey — would dare to ‘pluck the wings’ off this flock of intellectual usurpers. Even today, despite the abandonment of the concept of multiculturalism by such eminent persons as Professor Zubrzycki and Justice Gobbo, cacklings about multiculturalism still can be heard in, and from, the rooms of academia.

Al Grassby’s pet idea was destined to have a transitory, but, nonetheless, a grotesque existence, for it was written in its Star that it would share the fate of the dinosaur.

FOrth PRINCIPLES: The Gordian knot of multiculturalism was tied by the four principles, as outlined by the Australian Council of Population and Ethnic Affairs: “essential for a successful multicultural society were social cohesion; respect for cultural identity and awareness of Australian’s cultural diversity; equal opportunity and access for all Australians; and equal responsibility for, commitment to, and participation in Australian Society”. The achievement of each of these principles involves the social, economic, political and philosophical values of Australian society; i.e. the cultural values of an advanced technological democratic society. But many of the cultures of our ethnically diverse population do not espouse these values. Therefore, if those four basic principles were to be realized, these cultures would have to debunk a great chunk of their own values and adopt the values of Australian society. Ironically, the realization of these four basic principles, would not lead to a multicultural society but to a society of one dominant culture, which fits the requirements of a modern technological society, with moderate variations, however, in its inchoate cultural milieu. Through a syncretic process, the homegrown culture will absorb the best that other cultures have to offer, but like a river with many currents, it will be the mainstream, the stronger current, that will determine the meandering course of its direction. It is certainly correct to believe that the diversity of cultures enriches the experience and enlightens the minds of all Australians. But it is erroneous to believe that you can build a society or a nation on a medley of cultures.

Al Grassby’s pet idea was destined to have a transitory, but nonetheless, a grotesque existence, for it was written in its Star that it would share the fate of the dinosaur.
ON 21 July, a letter in *The Australian* castigated the Queensland Government for agreeing to a proposed resource development which would result in a “gargantuan” and wasteful demand on water. The Government had failed to extract a credible environmental impact statement from the developer, Century Zinc Ltd, a subsidiary of CRA Ltd. It was asserted that the 300 kilometer zinc slurry pipeline from the Century zinc mine site to the Gulf of Carpenteria port of Karumba “will quickly exhaust the underground storage water in the northern section of the Artesian Basin”. Other protests included that by local Aboriginal activist, Murrandoo Yanner, who vented a torrent of declamation criticizing the project.

There seem to be three main points of concern:

- damage to the landscape by the mine, the pipeline and the new port facilities;
- interruption to the Lawn Hill Gorge stream flow and the wastage of valuable water; and
- the release of “toxic” water contaminated by zinc and lead at the end of the pipeline.

Any environmentalist worthy of the name would embrace these concerns. (The Lawn Hill National Park, for example, is undeniably an incredibly beautiful national asset.) The question is, have they been adequately considered in the project plan and to what extent are they real? The company declares that it has already given extensive consideration to each concern in its impact assessment study and this has been accepted by the Queensland and Commonwealth Governments.

The first point seems to be covered by existing environment protection procedures. Rehabilitation on the mining lease must be to a standard and in accordance with criteria set out in an Environment Management Overview Strategy (EMOS), approved by the State Government. It was a precondition of the granting of mining leases in November 1995. Rehabilitation of the pipeline is governed by conditions attached to the construction authority order under the State Environment Protection Act.

Environmental management and monitoring of the port facilities will also be controlled by a site lease agreement with the local port authority and another EMOS. Under the Hilmer reforms, provision must be made for third party user access, and dredging by the port authority will provide significant benefits to other port users, especially the growing live cattle export trade.

The new port will be given no special exemptions, and state-of-the-art engineering will be used to ensure spill-free loading of barges involved in the offshore product transfer to the bulk carrier. This already occurs for McArthur River Mines, also in the Gulf. The Federal Government will use international marine law for the legal inspection of these larger vessels.

The possibility of damage to the magical beauty of Lawn Hill Gorge is potentially the most damning criticism. Yet the problem has been thoroughly investigated, not least to the satisfaction of an independent consultant engaged by Aboriginal groups and the Queensland Department of Primary Industries. The Department has given details to the North Queensland Conservation Council (NQCC) which, together with some Aboriginal anti-mine activists, is the main antagonist.

Groundwater investigations involving borehole monitoring and modelling have satisfied all the informed investigators that the project will not affect the streams that flow into the Gulf and that the groundwater to be tapped by the mine is part of an isolated limestone outlier which is not part of the Great Artesian Basin. The details of these studies are important because the Gorge is only 11 kilometers from the mine site. However, the Department has stated explicitly that “the work clearly shows that the project will not impact on the perennial streams that flow into the Gulf of Carpenteria”.

The NQCC rejects the opinion of the independent consultant, including his reports to the Car-
Global Warming

The possibility of our climate changing because of Greenhouse gas emissions is a worldwide problem because these gases, although regionally emitted, are rapidly mixed throughout the atmosphere by day-to-day weather patterns. There have been two recent developments in the study of this important matter, each calling into question the objectivity of some scientists involved and some interpretations promulgated.

The first concerns the 1995 update of our understanding of the Greenhouse gas-climate change connection by the Intergovernmental Panel on Climate Change (IPCC). The most important component of this is the report of its Scientific Working Group, because in any logical progression the other two components (estimating impacts and devising strategies to cope) must be based on climate change predictions and on our understanding of how Greenhouse gases get into the atmosphere and what happens to them.

Hundreds of scientists around the world contributed research findings to the report. An executive group collated the material, prepared summary findings and published both. The end products from this group have been severely criticized from within the ranks of both science and industry.

The seriousness of these criticisms can be gauged from the headline 'A major deception on global warming' in the editorial columns of The Wall Street Journal (12 June 1996). In this article, Dr Frederick Seitz, a senior and eminent US scientist, questioned the objectivity of the IPCC report and in particular its 'on balance' attribution that human influence was already evident in the observed small global average temperature trends over the past 50 years.

Most informed scientists believe that Seitz was wrong to impugn the integrity of certain lead scientists involved in the final editing of this very large project but can understand the irritation of sceptics who see other evidence of bias and exaggeration in the final documents. For example there is an implied increase in the frequency of severe droughts and floods in the final wording, yet there is no 'on balance' evidence in the research results to justify this. Also, there is evidence that tropical cyclone occurrence will remain unchanged, this is interpreted as there not yet being sufficient evidence to show an increase.

Study of the report by 'IPCC watchers' connected with major world industry associations has revealed many examples of last-minute changes to the earlier wording, the effect being to 'scientifically cleanse' the final report of equivocations and caveats in the background documentation. Indeed, whether due to incompetence or deliberate bias, the credibility of the IPCC would seem to have been severely dented. Those responsible for the final wording appear to have been naively unaware that any selected passage which could possibly advance alarmist prejudices would be seized upon by the ardent environmental lobby and widely quoted whether in context or not.

The second development concerns the July 1996 meeting in Geneva of the Conference of Parties to the Framework Convention on Climate Change (FCCC). Scientists have recognized for many years that the FCCC's aim of stabilizing Greenhouse gas levels was unfeasible in the foreseeable future. At Geneva it was shown that hardly any countries had been able to approach their existing and modest target of stabilizing emissions, and developing countries were still excluded from any such targets.

Australia was among a group of countries that refused to conform to the pretence of being bound to even more unrealistic emission commitments. This has been widely reported in the media, and of course emphasized by Greenpeace, as being isolated in its attempt to undermine IPCC science and refuse to accept legally binding emission reduction targets.

These reports don't mention that many countries, most notably the United States, when announcing their support of 'realistic', 'verifiable' and 'binding' targets also include caveats requiring that developing countries be involved and national prosperity not be compromised. In fact, Australia's stance drawing attention to the unrealistic nature of targets, scientific uncertainties and (importantly) the need to assess the full consequences of a policy to the world at large before embarking on it, is supported by an increasing number of countries. It is a highly responsible policy that merits domestic political support rather than criticism from environmental idealists.

REVOLUTIONARY MASSES: Reminiscent of the comment in Yes Minister that these days it is the politicians who harp on about morality while the clergy sermonize about politics, a new history of St Peter’s Church in East Melbourne, written by the Church’s Assistant Priest, Colin Holden, has the arresting title, From Tories at Prayer to Socialists at Mass. A press release announcing the book states: “St Peter’s has always been an Anglican Church with a difference — promoting a highly traditional liturgy while, at times, encouraging its congregation to a serious study of socialism and other political ideologies.” The “difference”, I assume, refers to the liturgy.

BOOSTERISM: A little hyperbole is permissible on birthdays, particularly on an 80th birthday. But Barry Cohen truly tested our indulgence with this opening statement to a feature article on the man who led Labor from the wilderness and then sent it back there: “Love him or hate him, and these days there are very few of the latter, Gough Whitlam is the most significant political figure of this century.” Mr Whitlam would probably agree.

THE SKY IS THE LIMIT: The art of political puffery has reached its zenith in North Korea, where Kim Jong II, son of the notorious Kim Il Sung, rules. Kim Jong II’s official biography boasts that on the Great Leader’s first day on the golf course he scored five holes-in-one and beat the world record for a single round by 25 strokes. I’d like to see that. It also claims that he has composed six operas, each one better “than all the operas mankind has ever created.” He can apparently “summon up rainfall at will.” But if last year’s devastating floods in North Korea are any indication he has yet to master the technique of turning it off.

GIVE YOURSELF A HUG: Self-esteem used to be a by-product of virtuous conduct, or vanity. Now, like so many other things, it can be taught. Melbourne’s Council for Adult Education runs a number of courses designed to banish self-criticism. In the words of one — “Self Discovery and Self Esteem” — the aim is to put “an end to negative self judgements.”

“This warm and accepting course explores what self esteem is and how it develops and grows,” begins the mushy introduction to another. “It is a very secure, supportive, accepting and caring group,” we are assured, even before anyone has enrolled. ‘Meet Your Inner Critic’ identifies the source of low self-esteem. Your inner critic is the voice which tells you “That was a mistake saying that ... I should have done it differently ... I’m really hopeless.” Ignoring the possibility that these statements may be true and that self-improvement first requires facing up to one’s mistakes, the course is intent on teaching how “to lessen the Inner Critic’s power and its negative effects.”

NUCLEAR REACTIONARY: “The Industrial Revolution and its consequences have been a disaster for the human race.” So runs the first sentence of the Unabomber’s manifesto. For 18 years, the Unabomber waged a war against American scientists and technologists resulting in the death of three and the serious injury of 23. In April, a man alleged to be the Unabomber was arrested. The Unabomber’s reaction to modern civilization is extreme, but is its underlying sentiment as isolated as we would like to think?


Sale told The New York Times that the Unabomber “is a rational man and his principal beliefs are, if hardly mainstream, entirely reasonable.” He went on in The Nation to describe the Unabomber’s statement as the work “of a rational and serious man, deeply committed to his cause, who has given a great deal of time to this expression of it.”

According to The New Republic, he then opined that the Unabomber’s central idea, which is expressed in the first sentence of his manifesto, “is absolutely crucial for the American public to understand and ought to be on the forefront of the nation’s political agenda.”

Of course, as The New Republic observes, the Unabomber’s disdain for modern technology did not prevent him using scientific know-how to construct his letter bombs.

SECOND THOUGHTS: The campaign against the Northern Territory’s Rights of the Terminally Ill Act picked up steam in August, but only after it was discovered that the legislation was offensive to some Aborigines. Unmoved by earlier vociferous protests by churches against the Act, the NT Labor Leader, Ms Hickey, told The Australian that she might have to rethink her support for voluntary euthanasia after discovering Aboriginal opposition to it. The legislation, she said, might weaken Aboriginal confidence in Western medicine. The irony is that much of the Aboriginal opposition to voluntary euthanasia derives from the same Christian beliefs that inform the churches’ opposition.
DESTRUCTIVISM:
Iconocasm is *de rigueur* in modern art — except when the objects of destruction are themselves works of modern art.

The Spring issue of the art journal *Third Text* ("Third World perspectives on contemporary art and culture") includes 'An Open Letter to the Art World', signed principally by artists whose works appeared at an exhibition in Stockholm called Interpol. It laments the behaviour of two artists — Alexander Brener and Oleg Kulik — and the Russian curator of the Interpol show — Victor Misiano — who turned the opening of the show "into total chaos, where many of the visitors felt mentally shocked and some were physically hurt."

The intervention of the three "took the form of deliberate destruction — a physical, mental and ideological aggression — against the show, the other artists in the show, the visitors, and against art and democracy," says the letter.

Oleg Kulik, it seems, was meant to perform the role of a chained dog, but slipped the chain. "He physically attacked the visitors of the show (who were seriously shocked and hurt). He also blocked the circulation of the show and began to destroy artworks by other artists."

Alexander Brener gave a drum performance and then "totally destroyed the main and central installation of the exhibition, a 20-metre long tunnel of human hair, made by the Chinese/American artist Wenda Gu."

During a subsequent press conference, the Russian curator Victor Misiano "presented and legitimized this destruction as a dynamic artistic action [and] a new experience." But the signatories see through this: "Misiano is using theory to legitimize a new form of totalitarian ideology."

THOU SHALT NOT SAY NO: The newly appointed Archbishop of Melbourne, George Pell, was told to stop telling people what to do when, in August, he published a book for secondary school students presenting the Catholic Church’s traditional views on many issues. Not surprisingly, these included opposition to abortion, euthanasia and sex outside marriage. Marita McCabe, Deakin University’s professor of adolescence, reacted ... well, just like an adolescent: "I don’t think we should say you should be doing this or you should be doing that," she said. "There’s no shoulds whether you’re talking about sex or you’re talking about other things."

SWEDISH PROTECTION: Sweden has just hosted a world congress on the sexual exploitation of children. Yet it is one of only two countries in Europe which permit the possession of child pornography. The other is Albania. Queen Silvia of Sweden, who normally avoids public controversy, is clearly uncomfortable with the situation and, according to *The Economist*, has spoken out in favour of tightening her country’s child pornography laws. Most Swedes agree with her. She has also queried the refusal of Swedish newspapers, not normally so coy, to publish the names of convicted paedophiles.

'S' FOR SILLY: The Australian Medical Association and the Royal Australian College of General Practitioners have called for the introduction of an 'S' classification to restrict children watching movies and television programs which glamorize smoking. The federal vice-president of the AMA, Dr David Brand, told the *Herald Sun* that classic films such as *Casablanca* and *The Sound of Music* which glamorize smoking should not be shown in the afternoons during school holidays.

But why stop there? Surely no surfing movie in which people frolic hatless in the sun should be shown without a warning about skin cancer. And what of the many films in which unprotected sex is practised, or cars are driven recklessly, or junk foods are ingested?

GET LOST: A member of the Council for Aboriginal Reconciliation, Professor Marcia Langton, has warned overseas visitors who are not whites to stay away from the year 2000 Olympics in Sydney. *The Australian* quotes her as saying: "...if you are browner than usual and your nostrils are a little wider than usual, well don’t come to Australia in the year 2000 because you will be picked up by the cops and have your head kicked in because they will think you are Aboriginal."

If we really want to keep visitors away, perhaps we should simply employ Atlanta’s ticket agents. *Reason* magazine reports the case of Wade Miller of Santa Fe, New Mexico, who called the office for the 1996 Olympics in Atlanta to get tickets for a volleyball event. "When Miller gave his address as New Mexico, the agent told him that they couldn’t sell tickets outside the United States. Miller explained to the agent that New Mexico is part of the United States. Then he tried to explain this to her supervisor. The supervisor told him he’d have to try the Mexican Olympic Committee, or maybe the Puerto Rican committee — whichever his home country was."
P.J. MARTYR

THE FILMS OF TERRY GILLIAM CAN BE READ AS STARTLING ANTI-COLLECTIVIST MORALITY PLAYS.

ONE of the most damning cinematic condemnations of the modern bureaucratic hyper-state was made in the 1980s. Was it (a) Virgin Corporation's version of 1984? (b) Rambo? (c) yet another Star Wars epic?

Answer: none of the above. The right answer is Terry Gilliam's Brazil (1985).

Where, and what, is Brazil? The title of the film comes from the catchy little Latin American number sung, hummed or played with sinister repetition throughout the film. It is England, "somewhere in the 20th century", and borrows much from Orwell's 1984 in that it is largely a 1940s version of the future. The children are dressed from the Blitz, men wear Homburg hats on their close-cropped heads, and the anti-hero's high-fashion mother (played with exquisite plasticity by Katherine Helmond) wears a Schiaparelli suit whose hat is actually a gigantic shoe. The office computers are old Remingtons with distorting screens attached to their front, which constantly defy Mr Kurtzmann (Ian Holm), a petty bureaucrat whose name is a nice Heart of Darkness joke. The inter-office mail system consists of vacuum tubes. Shown within the movie are Marx Brothers' films, old Westerns, and Casablanca.

PERVASIVE BUREAUCRACY: There is an awful twist to this cheerful, warless 1940s world. A vast bureaucracy runs all aspects of government and daily life, the most sinister element of which is the Ministry of Information. Its lobby is patterned after New York's Grand Central Station, and bears the giant bronze motto: 'The Truth Will Make You Free'. But 'Brazil' is a papered-over, makeshift world, where billboards proclaiming a happy future cover slums, high-rise hells have names like 'Elysium Towers' and a comfortable clerical class survives over a huge mass of the barely genteel poor.

A series of 'terrorist' explosions has been rocking Christmas shopping in the city, and the Ministry is cracking down. Sam Lowry (Jonathan Pryce), a humble clerk, becomes entangled in the net by accident, through his hopeless romantic love for a tough, beautiful truck driver, Jill Leighton (Kim Greist), and an accidental encounter with a rogue sanitation engineer, Harry Tuttle (Robert de Niro).

Dr Philippa J. Martyr is a Lecturer in Health at the University of Tasmania in Launceston.
Both Jill and Sam are destroyed by the system — or rather, they are destroyed by Sam himself, who cannot decide whether to throw himself against a system which is becoming more and more intolerable to him, or whether to seek promotion and ‘do his job properly’. He is prone to vivid, trance-like dreams, in which he flies like an angel to rescue a beautiful woman but has to fight monsters and demons — one of which, when he pulls off the mask of the vanquished warrior, is himself. Sam’s Hamlet-like dithering, growing out of his secret, deadly love for the state, is what destroys him and his beloved in the end. Brazil is a startling anti-collectivist morality play.

Written by Gilliam, Tom Stoppard and Charles McKeown, Brazil puts 1984 into the shade, because it is far more believable. Its ghastly, all-encompassing bureaucracy is hopelessly inefficient. Ugly modern architecture and plumbing constantly collapse. Labour-saving devices break in minutes. And in a forecast of the worst sort of socialist economic rationalism, citizens of Gilliam’s dystopia are billed for their own torture, and lent the money by the state “at very competitive rates”.

Brazil is a startling anti-collectivist morality play.

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B

LACK COMEDY: What made me want to see Brazil in the first place was that it was described as “Monty Python meets 1984”. This sounded original, to say the least. How could anyone make a comedy about a future society in which a jackboot stamped on a human face forever? Gilliam did, only not in so many words, or laughs for that matter. You will find Brazil in your local video library stored under ‘comedy’, ‘science fiction’, or ‘drama’, and for good reason, as it resists classification. I dispute its classification as ‘comedy’, even though this is what
the film's marketers finally seem to have decided on — the video cover begs viewers to "Have a laugh at the horror of things to come!" There is no happy ending to Brazil, despite the US-edited version which cut the all-important final 20 seconds from the film, in which you find out what really happened to Sam Lowry. (Hint: the title of the film is breathed tenderly from his lips as the last word of the film.)

Before Brazil, Gilliam's feature-length movie efforts had been with the Python team — he was responsible for the animation on the Flying Circus, including the giant foot which truly did stamp on forever, and he also worked on the Python movies. Then came Time Bandits, a funny, almost kids' movie about a group of angry dwarf escapees on the run through time from God (played by Ralph Richardson, impecably pin-striped). It offered some hints as to the future Gilliam, with some very funny theological jokery in places, but did not really carry it off.

Gilliam's films have not, until recently, done well at the box office. Brazil was and is too harrowing to be the sort of thing you propose for a nice night out with the family. The Adventures of Baron Munchausen, another big-budget effort, was lovely to look at, and had an impressive cast, but also failed commercially. Gilliam finally made back some of his capital on The Fisher King, mainly because it was marketed as yet another Robin Williams-playing-a-crazy-person vehicle. Yet Jeff Bridges' understated and superb performance was the necessary counterweight in this immensely moral film.

Morality play: Jack, arrogant yuppie DJ (Bridges), causes the death of several people in a restaurant when he casually incites a caller to his radio show to kill people he doesn't like. Among those murdered is the wife of a gentle university lecturer (Robin Williams), who subsequently loses his reason and takes on the identity of one Perry, a knight in the service of the Holy Grail. Jack's career goes downhill, and he and Perry meet on the streets. Slowly, Jack comes to realize that he is guilty of causing Perry's madness, and he must atone for it. Some higher and more terrible form of justice is directing Jack's actions, which eventually lead to Perry's redemption.

The Fisher King is a startling film, because it deals in deliberately medieval terms with guilt, responsibility and reparation. After endless films portraying guilt as evil, responsibility as meaningless and the demand for reparation as revenge, it is refreshing in its realism. In the hands of any other film-maker, a sacrificial option would have been terribly tempting — Jack could have paid to have Perry put into expensive therapy, and gone away. But Gilliam has Jack try to do just that, and fail. In order for Jack to make amends, he has to do something he doesn't want to do — something in which he sees no point and which costs him considerable effort and danger. This, and only this, will heal Perry. It is a testament to personal responsibility, and accountability.

Gilliam's latest film, 12 Monkeys, takes up once more the themes of madness and of incarceration, in this case, by panels of 'experts'. Again, it has commercial appeal — Bruce Willis as a time-traveller; Brad Pitt as a terrifyingly convincing lunatic (he must have twitched for weeks after this film was finished); Christopher Plummer in a cameo role as Pitt's father, a rich and successful Nobel Prize-winning virologist; and Madeleine Stowe as a beautiful psychiatrist. This time, Gilliam uses the Terminator concept: someone from the future sent to the past (our present) to find out about a killer virus which has largely destroyed the planet's population. But unlike Terminator — and like Brazil — there is no happy ending, but only a cycle of futility.

James Cole, a criminal forcibly sent from the 'future', is hauled off to a pre-sent-day psychiatric institution (whose decay is positively Gormenghast). The Cassandra concept — the mentally ill as possible clairvoyants, gifted prophets and horrible truth-tellers — is eased in as a subtext, especially when the ultra-controlled psychiatrist finds herself doubting her own version of James's reality, and believing his. Unfortunately, this happens just as James is coming round to her original view.

12 Monkeys goes a step further, and puts the audience in the mind of a paranoid schizophrenic: patterns emerge in the daily fabric of life which are full of ominous significance. This is deliberately done, as it creates an awful conundrum in the viewer's mind: what if Willis's character James Cole really is just a present-day manic, whose paranoia has created the future 'world' in which he is a prisoner being punished for some nameless crime?

MISFIT: Above all, Gilliam is the master of films about the individual versus the Many, whether it be the medical establishment, the intelligensia, or a vast, tweaking bureaucracy. In Brazil, Baron Munchausen, The Fisher King, and 12 Monkeys, he takes fairly standard plot-lines and inserts a misfit, eccentric or lunatic at the key point, which gives the films an artful twist, while at the same time highlighting standards of sanity and insanity — these four characters are all men born out of their time. Sam is a romantic dreamer tied to a vicious state for his living, Munchausen is a relic of a passing age, Perry is a very good Arthurian knight who happens to live in present-day New York, and James Cole is well and truly out of his own time and place — he is sane in the future, and mad in the present.

Gilliam's movies will probably never do brilliantly in the commercial sense; he is no Spielberg (or rather, he is Spielberg out of therapy and off the Prozac). But his films are worth seeing, because they are powerful rebukes to collectivism, championing instead the world of the free imagination and the eccentricities of the individual. They also have a richness and depth of imagery which few other modern English-speaking films can
off the rails
Andrew Norton

Tunnel Vision: The Failure of Political Imagination
by James Walter
Allen & Unwin

James Walter believes economic rationalism squeezes out 'politics'. According to Walter, 'politics' recognizes the simultaneous existence of diverse interests and involves continuous conciliation and compromise. Economic rationalism, by contrast, is a 'single principle in public life'. It has marginalized competing ideas and undermined our capacity to speak of society in terms other than the economic.

Unlike some other critiques of economic rationalism, Tunnel Vision is short and written clearly. This makes it a relatively painless introduction to anti-economic rationalist thinking.

The problems begin when Walter falls for the extrapolation fallacy. The extrapolation fallacy is the belief that a trend will continue. An example would be that if murders are increasing by a certain percentage a year there will come a year in which everyone is murdered. Walter extrapolates from the economic rationalist position of supporting a trend toward greater use of markets to the view that economic rationalists see little or no role for the state.

This extrapolation is mistaken. Recognizing the limits of markets is a standard feature of the economic rationalist literature. The Hilmer Report, which led to some of the most important economic rationalist reforms, states that competition policy seeks to facilitate efficiency and economic growth 'while accommodating situations where competition does not achieve efficiency or conflicts with other social objectives.' Fightback! emphasized that its reform program was based on 'clear recognition' of the limits of markets, including the need to provide public goods, protect third parties, and supply some services to all persons. The National Commission of Audit's recent report was quite clear on the need for government intervention to remedy market failure and to promote social equity.

Walter's erroneous extrapolation leads him to misinterpret economic rationalism. The economic rationalist view is pro-market, but not uncritically so. Markets commonly have certain advantages over government direction - prices provide a means of communication between producers and consumers and profits provide incentives to satisfy consumer demands - but there are cases in which this is not so, or when other objectives are more important. Economic rationalists are certainly more sceptical of government than Walter, but still see it as playing a large role in Australian society.

The openness to non-market ideas that can be found within economic rationalism gives the lie to the idea that such rationalism represents a narrow economism in Australian political life. At best this criticism is no more than the obvious point that economic theories are about economics. Economic rationalists (as opposed to economic rationalism) avoid economism by incorporating their economic ideas into bigger political packages. 'Left' economic rationalists combine market co-ordination of the economy with favouring substantial income redistribution. 'Right' economic rationalists often favour markets as part of a general move to give greater freedom to individuals and the civil society.

These misinterpretations could have been avoided had Tunnel Vision been based on more substantial research. Of its nearly 250 footnotes, only about 20 are to books or articles whose authors could reasonably be described as economic rationalists, and many of these are repeat references to the same publications. If Walter had done in-depth reading, rather than relying on just a few sources and impressions, his account of economic rationalism would have been much more accurate and sensitive to nuances.

Ironically, one argument for markets is that they achieve Walter's aim of recognizing diverse interests better than does the political process.

The neglect of economic rationalist literature helps explain Walter's insistence on the idea that economic rationalists tried to marginalize other views. He believes that the economic rationalist case was presented as if there were no alternatives. But the evidence tends to point the other way. Through the 1980s and 1990s economic rationalists went to unusual...
more substantive 'recognition' than permitting participation in some political reconciliation of difference. 'Diversity' is more likely to cause problems when 'interests' are encouraged to fight over the spoils of government.

There is no failure of 'political imagination'. To the contrary, Australia's recent political history shows many examples of political leaders imagining the future. Whatever we might have thought of their ideas, we have never had so many manifestos and statements about where Australia ought to be heading. It was certainly more imaginative than the ad hoc approach to government of much of the 1970s and early 1980s. In the end, none of the visions was enacted more than partially. 'Politics' — the need to accommodate rival visions and interests — always, and probably fortunately, intruded.

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TURBULENT THAILAND

Derek Parker

Thailand's Boom!
by Pasuk Phongpaichit and Chris Baker
Allen & Unwin

FOR a long time, Thailand seemed to have been a country left behind by the world. Then, in 1985, things began to change. A decade later, it has emerged as one of the most dynamic and interesting economies of the region.

The surge was triggered by an infusion of Japanese investment following the appreciation of the Japanese yen in the mid-1980s. In Thailand, however, a key follow-up role was played by Thailand's Chinese community, which turned out to have quietly accrued a large stock of capital. The Thai Chinese also provided business acumen and international trading links when the country's leaders began to turn away from the previous strategy of import substitution and a heavy reliance on agriculture.

While some of its neighbours drew up sophisticated development plans and tightly controlled credits, Thailand carefully avoided the idea of 'picking winners' in the manufacturing sector. The main involvement of government was about macroeconomic stability, particularly regarding the currency and inflation. Aside from this general framework, the mechanics of growth were left to the private sector.

The economic boom was paralleled by a somewhat chaotic transition from military government to civilian democracy. The army had long been the source of political authority, but the surge of prosperity created a substantial business class, sometimes allied to a well-educated class of urban professionals (referred to as "the mobile phone mob") that wanted a more open system. Chatichai was elected Prime Minister in 1988, but his corrupt Government was removed by a military coup in 1991. But the coup led to a drop in tourism and a slowdown in foreign investment, and new elections were held in May 1992, resulting in a return to civilian government under Chuan.

NEW CRISES: Phongpaichit and Baker believe that the country is now facing a new series of crises — that is, the problems caused by success. Historically a rural society, Thailand's cities are now desperately over-crowded. Rapid industrial growth has also led to a degraded natural environment, with dangerous levels of air and water pollution. AIDS, fuelled primarily by the sex industry, is becoming a major
problem of public health. There is also the issue of equity, with a large segment of the workforce locked into low-income jobs in awful conditions.

A crucial question for the future is whether the government will continue its ‘hands-off’ attitude or will become more interventionist to address the problems of success.

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SEX AND JOBBERY

R.J. Stove

Sex and Anarchy: The Life and Death of the Sydney Push
by Anne Coombs

Viking

T

HE market for Demidenko Studies having reached saturation point, Australia’s biggest publishers were obviously desperate for the Next Big Trend. And the Next Big Trend has turned out to be the Sydney Push. Within the last year alone, former Monash academic Brian Kennedy has issued a life of the Push’s spiritual, if sometimes Oedipally-resented, father John Anderson; novelist Judy Ogilvie has published Push-derived fiction; and now Newcastle-born Anne Coombs supplies a Gibbonian overview, examining the decline and fall of the Pushian Empire.

Even disregarding the non-Ukrainian hand which famously signed the paper, publishers’ current joy over Pushiana is understandable. The Brits have the Angry Young Men, the Americans have the Beatniks, so why not mythologize our boozing, rutting, self-congratulating post-war Bohemian coterie? Well, several reasons. From the Angry Young Men — not that those rammed into this pigeonhole ever accepted it — there emerged the greatest British-born post-war writer, Sir Kingsley Amis. As for Beatniksville, Kerouac at his best could spin a ripping yarn, when not flooring disciples with gnomic asides like “The Buddha is a dried piece of turd.” But from the Sydney Push we got … hmmm. Frank Moorhouse, celebrated less for any particular novelistic insights than for being banned by WA’s government rather than merely, like lesser artists, by Queensland’s. Robert Hughes, whose The Fatal Shore makes Manning Clark’s misinterpretations look almost venial. Lillian Roxon, whose rock-music journalism (though always pleasurable) could scarcely transcend the limitations of its genre.

We also got Clive James; but then he fled the Push — indeed Australia — as soon as he possibly could, with which egress his enduring aptitude may not be altogether unconnected. Besides, does even his mastery outweigh in the moral balance the Push’s undeniable nurturing of Germaine Greer and film-maker Margaret (“I’ve had five abortions”) Fink?

Miss Coombs, it must be said, has written a useful book, subjected though it was within days of its launch to an un pitying burlesque by Sydney Morning Herald columnist Jenny Tabakoff (‘Sex and Wankery: The Life and Death of the Sydney Shove’). Expecting it to be one more doctoral thesis dolled up by its publishers — much as California’s morons allegedly endow corpses with men, is of Shavian proportions. Yet reproaching them for their underachievement misses the whole point of Bohemian literary culture, which is, not to create, but to vow that one day you will create: to carry over into your whole life the principle of telling the barmaid “Put it on the tab.” Extremist Pushers justified in diction by aesthetic reasoning worthy of, if incomprehensible to, Aristotle. (As one such sage says in Don’t Talk To Me About Love, Craig McGregor’s Push roman à clef: “Art is for the Alfs, my life is a work of art, man … ”).

UNDER-ACHIEVERS: True, Miss Coombs’ bibliography inspires astonishment at how little the most representative Push writers wrote, let alone published. I’d always viewed myself as one of nature’s sloths; compared to their printed output, mine is of Shavian proportions. Yet reproaching them for their underachievement misses the whole point of Bohemian literary culture, which is, not to create, but to vow that one day you will create: to carry over into your whole life the principle of telling the barmaid “Put it on the tab.” Extremist Pushers justified indifference by aesthetic reasoning worthy of, if incomprehensible to, Aristotle. (As one such sage says in Don’t Talk To Me About Love, Craig McGregor’s Push roman à clef: “Art is for the Alfs, my life is a work of art, man … ”).

On 1-2 June in The Weekend Australian, a Push relic named Roelf Smilde restated his belief in Push values as the only civilizing elements of the Menzies era, which he accused of violating human rights so monstrously that you could be sneered at for failing to shine your
shoes. During ordinary conversation several ex-Pushers manage recklessness still greater than Smilde's. One such dipsomaniac recently announced that within Menzies' "petty-bourgeois" support base, Pushers were as unpopular as "Jews in the Third Reich." Primo Levi's verdict on so memorable an observation would have been worth discovering.

As with other lands' pub-crawling cliques, so with the Push: failure to produce masterpieces was compensated for by abundant success in producing vomit. (Pusher Bob 'Short' Cummings, perhaps eager to distinguish himself by more culturally valid exploits than spewing, defecated in at least one host's cupboard.) Still, we must not overlook the features that made Pushiana special. It is doubtful if any overseas movement, as the Push bloodcurdlingly did, "university lecturers rubbing shoulders with wharf labourers ... arguing the merits of Freud and Reich." Australian whores in, so to speak, their primal Stalinist innocence are a chilling enough prospect; what must whores who read Reich be like? Memo to John Howard for improving dockside output levels: give each striker his very own orgone box.

In other ways, too, the Push was exceptional. The Angry Young Men and the Beatniks knew some history, if only to sneer at it. It is hard to discover a Push operant conversant with any history antedating Nietzsche's birth. Spouting philosophy, of a sort, was the Pusher's intellectual passion; studying most history was beneath his consideration. This should not surprise. The trouble with history is that so many of the questions it raises. (Are Bragança kings still installed in Lisbon? Was the 30 Years' War concluded at Westphalia or at Wollongong?) tend, rather unsurprisingly, to have answers. This limits history's attraction for an intellectually pretentious party animal.

But with philosophy, interrogation itself is considered a moral virtue. Far from presupposing intrinsic mental depth, techniques of metaphysical, epistemological and ethical enquiry — Who am I? Who are you? What is life? Can I be good? — are (as Chesteron complained 87 years ago) accessible even to, indeed incessantly voiced by, toddlers. From Descartes' mind to the average toddler's mind is a steep enough slope. From the average toddler's mind to the average Pusher's mind would seem a greater declension still, judging by Miss Coombs' copious evidence.

Seldom do her annals record a bon mot; most Pushers' uncontrollable use of the lavatory-wall lexicon precluded Beerbohmen verbal finesse. (Shades of the bardly depicted in The Jagged Edge who, after his addiction to saying "F*ck" has moved Glenn Close to snap "Didn't your mother ever wash your mouth out with soap and water?", replies "Yeah, but it didn't do any F*kin' good.") They banged on, as if they were, about sex acts like that toy rabbit in the Duracell-battery TV commercial which keeps thrashing a drum long after his fellow percussionists' inferior batteries have expired. However, Pushers' proselytizing in sex's cause — Miss Tabakoff sarcastically hailed them for inventing sex 15 years before anybody else had even thought of it — went with indifferent performance standards in practice: "The Push were hopeless sexually"; "The missionary position was the only one you could get into": these are among the lamentations we now hear from surviving Push widows. No mini-series screenplay could come up with love scenes nearly as crass as Pushers' real-life seduction techniques. "Want a shag, Mag?", asked one latter-day Marvell of his cissy mistress. Another, less articulate, chatted up an agreeable-looking girl in a pub by urinating on her foot.

To allay his and colleagues' condescensions in this area, Pusher Neil C. Hope coined the doctrine of "over-25-ism". This derived from Pushers' fear that after a man's 25th birthday his libido, unlike a woman's, gutters out. Well, such a fear, far from being a new star in the psychosocial heavens, has been experienced by every 15-year-old mortal boy, not excluding the 15-year-old Loyola. But the Push boys made this ideology a lifelong religion — it helped them endure jeering when they pursued girls half their age — whereas the typical 15-year-old boy eventually becomes a man and puts away adolescent things.

Other Push views on sex were found were repeated opportunities to stare at the ceiling of an abortionist's clinic. In Push argot abortions were described, with a euphistic delicacy which Walter Pater himself would have saluted, as "scrapes."

CENSORSHIP: Pushers (and not only Pushers, either) obsessively supposed that Australia's censorship laws were the world's strictest. Tell that to Solzhenitsyn. Not to mention other communist countries' current inmates. Not to mention De Valera's Ireland, where Nancy Mitford's Madame de Pompadour was banned because any book with "Madame" in its title surely concerns a bordello. Not to mention France: where De Gaulle's régime, having learnt that a new film called La Femme Mariée described an adulterous heroine, ordered it renamed Une Femme Mariée for fear that the original phrase would impugn French womanhood's virtue. (Heterosexual Anglo-Saxon males worldwide are still cursing this authoritative assurance that French womanhood has any virtue.)

But of course, the Pushers pined to John Howard for improving dockside output levels: give each striker his very own orgone box.
for martyr status — preferably Galileo's rather than Socrates' — and the best way of acquiring that was to equate all censorship with Nazism. Naturally, the surviving Pushers' passionate defences of intellectual freedom usually stop well short of intellectual freedom for Geoffrey Blainey, for Andrew Riemer, or for those whose grammar retains "sexist usage." (Deploring PC, the late Alister Kershaw wistfully wrote: "My God, when I think of the good old days. One only had to deal with the smut-hounds.)"

The greatest, perhaps the sole, artistic Push tragedy was Lilian Roxon's. Here was a lady gifted with a journalistic style so vivid that she could have analyzed Orlando Furioso and make it seem like Quentin Tarantino. So of course she squandered her talents on describing such luminaries as Bob Dylan, Janis Joplin, and some outfit called Mott the Hoople. By the time she settled in the USA she had decided that "I want to say something about the Push. They were dreary and sordid." Friends attest that for her, after the dreary and sordid Push, even the Big Apple seemed a let-down. Her death, in 1973 when only 41, was horrific. Suffering alone from an asthma attack, she spent her last moments trying to telephone a Sydney doctor "because no New York doctor would come out after hours." Three years later, America's charts were topped by a song (Hotel California) with a line perfectly epitomizing the expatriate Roxon's failure to slough her Push allegiance: "You can check out any time you like, but you can't ever leave."

POST PUSH: Like most who consider themselves foul-mouthed outlaw gonzos, Pushers had a cold-eyed genius for separating a sucker from his money and self-respect. Most showed a rare skill at affixing their snouts, as if by Araldite, to the inside of the public-sector trough. Several anthropologists who had moved to the ACT formed the Canberra Push, doubtless even more thrilling an organization than its parent. Lyn Gain, whose vaguely satanist-sounding byve called Witch Women was among the Push's other subsets, now directs the NSW Council for Social Services. Even P.P. McGuinness — than whom no-one is now more scathing towards Push hypocrites — found himself employed in that temple of free-enterprise, Moscow's Narodny Bank.

Eternal activist Wendy Bacon, when charged by Askin’s Government in 1971 with obscenity, cited as a defence witness one Fr Michael O'Halloran. He assured the court that Bacon, who had assumed a nun's habit and therein described herself as being "f**ked by God's steel prick," must be morally justified. After all, he argued, "St Teresa of Avila had clearly experienced orgasm during prayer." Yet the good padre's exhibitionism came very late in the Push piece. By 1971 the Push's main foe — the Askin-Bolte-Brand-Playford socially-conservative consensus — was, we can now realize, finished. Chipp, Dunstan, Hamer, Steele Hall, Whitlam and Wran were not its killers but merely its undertakers.

To understand further how puereility and irrelevance vitiated the Push's hopes of artistic merit, simply examine a letter in the 1-2 June Weekend Australian (yes, the very same issue where Smilde's laments appeared) from R.A. Baggio of Werribee, Victoria. It never openly refers to Push ideologues, but the following extract fits them with deadly perfection:

"Unlike the present generation, they could get jobs that were guaranteed by a tariff wall as high as the Tower of Babel, behind which they frequently achieved the longest strikes and the lowest productivity of any industrial civilization. Farm exports paid the bills and got us out of trouble."

What can be easier than preaching subversion while Menzies and McEwen ensure your lifelong influence? What, contrariwise, can be more meaningless than such preaching for Australians young enough and poor enough to experience global economic reality in its harshest domestic form?

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THE DANGERS OF ABSOLUTISM

Radicalism, Feminism and Fanaticism: Social Work in The Nineties
by Brian Trainor
Avebury, Ashgate Publishing Ltd

I n an absorbing account of the theories underlying social work and practice, Brian Trainor discusses in historical context the present-day divide between radical and mainstream social work. Radicalism, Feminism and Fanaticism details the dynamic interplay between the two. Its author illustrates how the positions of each and their theoretical differences derive from varying conceptions of the word 'social' in relation to three broadly-defined understandings of the nature of what we call 'society'.

The classical-liberal view, for example, regards society as having no reality per se though "it may be said to have a kind of false, de facto, reprehensible form of existence". Including the term "reprehensible" will be considered an exaggeration by some defending a view that "individuels and their personal concerns are alone real," together with the contention that society is at most a convenient way of referring to a "host of discrete, separate individuals - linked in certain ways." Only a very extreme classical stance, as invoked by the author, would describe the idea of society having some sort of existence of its own, sui generis, as "positively harmful and thoroughly objectionable," rather than merely unsustainable.

One could debate, too, Trainor's description of the conservative view that "we are truly and fully ourselves as social beings" when it expands to society envisaged as having "like an ordinary (natural) person ... a historically conditioned and concrete form of existence." Such a view - that society transcends the individuals comprising it - would seem to fit more comfortably as a collectivist...
tenant of socialist, rather than of conservative doctrine.

RADICAL CRITIQUE: However, it is with the radical concept of society that we are particularly concerned in this book, and Brian Trainor conveys very clearly that radical position which targets sources of social evil as largely capitalist and patriarchal. In line with this perspective, which views society as ethically deformed, radical social workers see mainstream social work as largely supportive of an oppressive status quo brought about by persuasive conditioning. Radical criticism challenges the so-called consensus view of society which tacitly upholds the value of order and regards only changes within — not of — the social system as legitimate.

Against this, the radical conflict view draws heavily on Marxist analysis of capitalist society. Radicals argue that relationships of domination and subordination are pervasive. Radical theorists see social interaction as in the interests of sectors such as a ruling class, or a particular ethnic or gender group. They therefore ascribe a positive value to dynamic change. Conflict and revolution are envisaged as radical levers 'liberating' individuals and society as a whole.

The tensions between the differing conceptions of the two main schools of socialism, one aiming for the transformation of society and its institutions, one for the maintaining of consensus and order, lead to differing interpretations of the role of social worker. Brian Trainor points out that with the passage of time radical socialist attention has largely turned from the notion of 'capitalist-bourgeois' ideology as the prime source of social ills to a new emphasis. Inequalities are now ascribed to racist, sexist and homophobic causes. The radical perspective therefore offers an analysis which links personal problems to the supposed inadequacies and inhuman features of socio-economic structures rather than to the alleged inadequacies of individual people.

Trainor acknowledges this divide in social work and the "synthetic tendency" of mainstream social work to take over or absorb radical insights and criticism. Moreover, from the point of view of the radical socialist there is no such thing as legitimate social work practice as all such practice takes place within an iniquitous capitalist system and thus serves to stabilize and reinforce that system. Radical socialism regards only 'consciousness raising' — and, ultimately, socialist revolution — as serving the best interests of the profession's clients.

Brian Trainor's is an impressively well-balanced account of radical fundamentalism with its idealistic desire to bring about "a truly human and liberated society". However, his account is a vital reminder that the consequence of a radical allegiance to a conflict model of society is a tendency to see conflict everywhere. For the radical, oppression then becomes like a kind of social universal, assuming a variety of different guises at different times. Trainor details how thoroughly objectionable, even fanatical, becomes this philosophy when it identifies the 'truly human' with the realization of a single value.

Radicalism, Feminism and Fanaticism is a wide-ranging account of where social work finds itself. Although of particular interest to those involved in this field, it will also appeal to the reader wanting a fuller understanding of theories giving impetus to social directions. Over-long sentences and paragraphs make for denser reading than is readily assimilable, and minor flaws include occasional proofreading errors. A smaller top margin than usual produces a more crowded, less inviting page, and the author's very thoroughness results in a tendency to repetition which can occasionally become tedious. But by and large this is a well-planned, valuable contribution towards thinking on important, contemporary social issues.

Trainor details how thoroughly objectionable, even fanatical, becomes this philosophy when it identifies the 'truly human' with the realization of a single value.

LIBERAL RIGHT: The author is on less strong ground when he attacks what he calls the radical right, envisaged in the writings of Friedrich Hayek or Milton Friedman. Given mainstream acceptance of a great deal of their thinking, it appears a dubious contention to characterize those individuals who were pre-eminent in highlighting the failure in economic and social terms of well-meaned socialist reforms, and who strongly endorsed the democratic principles of individual freedom and initiative, as introducing "a shrill note of fanaticism." Although demonstrably there is a radical left, its most critical opponents cannot necessarily be targeted as the radical right. The visualizing of extreme viewpoints as "absolutist" can yield valuable insights, but may on occasion itself be absolutist.

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