A U L I N E H a nso n and C h e r y l K e rn o t (in her former role as leader of the A u s t r a l i a n D emocrats) have both described their approach to economic policy as ‘economic nationalism’. So has Rex C onnor Jr of the A dvance A ustralia P arty.

W hatever their differences in other areas, the policies of these parties on economic and immigration issues are so similar as to be virtually indistinguishable.

O ther minor parties—notably the A ustra lian G reens and G raeme C ampbell’s A ustralia F irst—share the same views, as is shown in the attached table and is further documented in the publication I wrote recently for the I nst i tute of P ublic A fairs, O dd B edfell o ws: T he E conomic N ationalists and W hy T hey A re W rong.

‘Economically nationalist’ policies typically include restrictions on foreign investment and foreign ownership of Australian assets; tariffs, import taxes, quotas, or other import restrictions; greatly reduced or zero net immigration; re-regulation of the finance sector; the use of trade and/or aid policy to promote Australia’s political objectives in other countries; antipathy to privatization and support for a much greater role for government incentives, disincentives and regulation in the operation of business.

Y ou may think that the A ustra lian D emocrats, O ne N ation, the G reens and G raeme C ampbell are an odd group to share very similar policies.

B ut their common approach to economic management is not just strange coincidence.

I t reflects a shared belief in the supremacy of politics and a distrust of markets, and a view that Australians would fare better if governments took a more active role in their affairs.

T hings ‘foreign’ are definitely bad. Foreign goods, foreign capital, foreign ownership of assets, foreign culture and net migration of foreigners—are all undesirable in the lexicon of economic nationalism.

I t is rooted in the politics of fear and blame. If Australians have to be protected, it follows there must be people we need to be protected from. If the Australian economy is not working as well as it should, it assumes that different governments or malign foreigners are responsible.

A bove all, it rejects the economic direction of governments of both major parties in recent years—accepting immigration, promoting competition, opening the economy to freer trade, deregulation and pursuit of economic growth.

I n essence, economic nationalist politics reject one of the fundamental ideas of economics—that of gains from trade: the notion that, when people trade voluntarily, they are both better off—they exchange things they value for things they value even more. When we accept a job, buy a house or select a brand of baked beans, we are making a choice based on our own preferences.

E conomic reform in recent years has been based on the idea that, by and large, people are better off if they make these choices for themselves than if the government chooses for them.

C onversely, economic nationalists assume that we’d be better off if governments prohibited us from doing things we would otherwise choose to do.

E conomic nationalism uses nationalist sentiment to deny economics. Distrust of foreign engagement in the economy is used as the justification for a raft of government controls of investment, of imports, of immigration, of business and of the finance sector.

T he cultural case against foreign influence in Australia leads all-too-often to policies that are xenophobic, discriminatory and morally reprehensible.

P auline Hanson’s fears of being swamped by Asians are well-docu-

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✔ = has explicit public policy in favour

LYNDON ROWE
mented. Less well known is the Greens' concern about 'erosion of local culture in the face of imports of that have a strong cultural element such as films, electronic media, music and food'.

The Australian Democrats want to prohibit all media ownership by overseas proprietors, to deny some non-Australians the right to own property from migrants who don’t take up citizenship and to impose a 100 per cent surcharge on local council rates for investment properties owned by non-Australians.

Economic nationalism is a strange form of nationalism. It is based on fear and lack of confidence. It assumes that Australian businesses and Australian culture are not sufficiently robust to withstand exposure to the rest of the world. It proposes isolation, regulation and bureaucracy as the solution to our social and economic ills.

It is a pessimistic view of the world, and leads to a bleak vision of Australia's future.

It is one we should vigorously oppose.

Australians’ standard of living will ultimately depend on our capacity to harness the creativity and enterprise of all of us, not just that of public servants and politicians.

We will gain the most from our wealth of human and natural resources by engaging with the rest of the world, not by trying to build barriers against it.

Whether promoted by the political left or right, the major parties or the minor ones, the politically correct or the intentionally incorrect, economic nationalism would wreak untold damage on Australia.

Are you worried about media bias?

Do you think the performance of the media is good enough?

Do you think it is being held properly accountable for its performance?

Would you like to contribute to ensuring the media is held accountable?

Now you can!

The IPA is setting up

The Fund for an Accountable Media

The fund will finance a media monitoring service providing accurate, audited, quantitative and qualitative data on the output of the Australian media.

The service will use media monitoring techniques pioneered over the last 10 years by the Fraser Institute in Canada—techniques of proven value and effectiveness in improving media accountability. The results of the service will be published regularly.

We are seeking donations to this fund of $25, $50 or $100 from individuals, or become an IPA Member at $190 and receive all our publications. Corporate sponsorships are also sought.

If you wish to contribute, please send a cheque marked out to the ‘Institute of Public Affairs Limited’

A free press is a fundamental pillar of a free society and democratic politics. Only a media which is open, honest and fair, which properly performs its task of reporting society to itself, allows for genuine choices for voters and genuine participation in public debate.

By contributing to the Media Honesty Fund you can make a direct and innovative contribution to the health of Australian democracy and public debate.

Lyndon Rowe is Chief Executive of the Chamber of Commerce and Industry of WA.