



# EUROPE WITH

## *BRITAIN AND BLAIR*

John Palmer

It's a great pleasure and privilege to be here. I blinked slightly when Gerard said that I'm probably best known here as the European editor of *The Guardian*. I've already learned the hard way that I'm best known in Australia as the husband of Majella Anning – the ABC's European correspondent in Brussels. I find that if you want a hotel room just say that you're Mr Anning and it works wonders.

The title of the presentation this evening – “Europe, Britain and Blair” – has the implication, and it's a truthful implication, that maybe the old story of Britain and Europe is about to change because of Blair. So I want to examine a little of what's happening in Europe, what's happening in Britain and perhaps say something about the Blair effect on all of this.

I start out with the simple judgment that Britain has got Europe wrong for most of the last half century. We can examine why Britain got it wrong. It has a lot to do with history, imperial history in particular, an island nation, culture, and a certain transatlantic orientation. You can see various reasons over the years to explain why successive British governments failed to grasp the enormous implication of what was happening in continental Europe on their own door step in the years after the war in the decades that followed. But wrong they have got it over those years. They didn't understand the significance of the original formation of the European Community and what it would mean. They failed to understand the key developments of the European Community and how far this would go towards an economic and political union. And the result has been to leave Britain as a reactive rather than a proactive player in the wider European scene.

Recently I was reading some of the original history of the early days of the European Community in the post war period. My good friend and colleague at the European Policy Centre, Mark Kohnstamm who was present at the founding conference told me to look at what was said at the time by a Mr Bretherton. He was the British official who was sent by the Foreign Office in 1955 to the conference in Messina,

Italy where basically the European Community was launched. That led to the Treaty of Rome in 1957. Everything else followed from it. It followed a time of crisis when, in the post war years, the hopes of a united Europe had disappeared, the Cold War had developed, the French had rejected the idea of the European Defence Community (an early attempt to get France and Germany and the other countries together), and the whole European project looked dead in the water. Mr Bretherton duly went and observed a couple of days at the Messina Conference and sent back a telegram to the Foreign Office. In a key passage, addressing the minister, he said: "I can assure you there will be no agreement here to launch any so called common market. And if ever there was such an agreement it would come to nothing. But if ever, in circumstances I can't imagine, a common market were to be launched it would surely fail. In any case Britain's interests will not be affected significantly one way or the other."

Well I guess that gives you something of the tone of the British establishment then, and for many years afterwards, towards European affairs. But the European Community did develop, and it was of course from the beginning, and this is worth stressing, a political project. We talk about the common market, we talk about common agricultural policies, fishing policies and God knows what, but at its heart the European experiment was always deeply political. It was, above all, motivated by a desire to create circumstances, economic and political circumstances, that would avoid any future European civil war. There were three European civil wars in 70 years – between 1870 and 1940. Two of them had become world wars. It was understood fairly widely that mere cooperation between sovereign nation states, however well intentioned, would not be enough to guarantee no repetition of such tragedy in the future. And at that time, barely understood by anybody, even those involved, the European Community was a step that went beyond conventional cooperation to something much more revolutionary.

The revolutionary idea was to pool sovereignty, to actually pool decision making, with a view to so developing a common economic and political structure so that it would become impossible to imagine a war. The coal and steel community began that process, as you know, and at that time coal and steel were the two resources that fuelled wars. But in the years that followed what we have seen is the integration of the European economy on a scale which even the founding fathers would have found difficult to imagine or anticipate in the 1950s.

Now, part of the reason for this remarkable process of economic integration has been the force of world globalisation. Indeed European integration is in one sense a manifestation of a much wider phenomenon where we have become a global village. This has involved both the creation of a global trading village and through capital

liberalisation, to a global financial village. We are also very rapidly becoming a global information technology village with all the interdependence that involves. And that puts a new perspective on the argument of pooled sovereignty. Originally the idea of pooled sovereignty was to avoid wars and conflicts. However, in the last decade or so the idea in Europe of sharing sovereignty has been given a new impetus by globalisation. Why? Quite simply because nation states are losing sovereignty at a dramatic rate. They are losing sovereignty because the relationship between economics and politics is changing. The system is no longer wired up as it used to be in the days when you operated with a national Keynesian model of a more or less self contained economy. You adjusted for fiscal policy, you adjusted for monetary policy, you pushed the button here, you pulled the lever there and you got predictable results more or less. That has all changed.

Nation states everywhere find that they have much less purchase over real economic decisions than very large multinational corporations or other players in this global village. So the situation developed where the only way that governments could get any purchase, the only way that the public interest could get any influence over economic developments, was where nations, states and governments pooled sovereignty together to help shape economic and social outcomes. And this sense of powerlessness, this sense of sovereignty draining away, is sometimes misunderstood even in Europe. In Britain, for example it was widely thought, until quite recently, that the European Community was a threat to British sovereignty because it replaced decision making functions of the British government with decisions taken in Brussels. But that isn't the case. Many areas where governments take collective decisions in Brussels are precisely areas where it is no longer possible, for governments to take decisions by themselves and in isolation.

This has enormous implications not just for Europe but for other regions of the world. It is no coincidence that we are beginning to see the emergence of other global regions being drawn together by rather similar forces. Not always identical and certainly with a very different history. The fastest growing common market in the world is not the European Union common market. It is the common market of the South American countries. In Latin America the Andean Pact countries have now formed the Andean Community and are beginning to experiment with reforms of political integration, not just commercial and trading integration.

There is debate in the North Atlantic Free Trade Association countries. Two of the three countries, Canada and Mexico, but not yet the United States, believe they need to do more than have a common free trade area. They need some common decision making powers over matters of mutual interest such as environment, global migration, the consequences of migration and tackling international crime. Do we

need an international security presence? Internal security? How do we coordinate better the fight against global crime? These are the kind of questions being asked but not yet answered.

In ASEAN similar discussions are beginning. They are a lot further behind the European experiment. But some of the same forces are at work elsewhere in other global regions as are clearly at work in the case of the European Union. Now the process of European integration is accelerating. It has continued to accelerate in the recent past. Perhaps the major impulses to further integration were provided firstly ten or twelve years ago by the decision to create a single European market, not just a common market, but a single integrated market which involved pooling decision-making powers over aspects of economic policy, taxation and trade policy that hitherto were purely matters of the national state. But the single market has led with a certain inevitability to the idea of a single currency.

And in Europe we are now on the verge of major decisions to move to a single currency. I am personally quite convinced that the move to a single currency will take place on time as scheduled, 1 January 1999, in just 15 months time. You will begin to see the process of the abolition of a whole number of currencies in Europe and their replacement with one single currency. At least 11 countries will join that first wave move to Monetary Union in 15 months time. They will meet the rather tough economic conditions that have been set out in the Maastricht Treaty. Other countries will also qualify, Britain among them, but are, for political reasons, reserving their decisions.

What I am trying to describe is a union that is going through a process of accelerated integration, not as a result of any deep scheming or idealistic plotting by whoever in Brussels. Not as a consequence of any long laid plans of 50 years ago to move to a united Europe. It is driven very much by the agenda of a contemporary world which means there are frankly few other solutions available to countries in Europe, even large and powerful countries – Germany is a classic case. This process of almost revolutionary change will be given yet further major stimulus in the quite near future with the decision to enlarge the European Union. We have at present, 15 member states. Another twelve countries in Central and Eastern Europe and the Mediterranean have applied for membership. Negotiations will begin in a few months time. The first six, will be Poland, Czech Republic, Hungary, Estonia, Slovenia, and Cyprus. Slovakia's progress remains questionable given its violations of democracy and human rights standards laid down at the 1992 Copenhagen EU summit as preconditions for Union accession. Behind them are Bulgaria, Rumania, Latvia and Lithuania. And it doesn't take a genius to foresee that the queue of applicant countries is going to increase. It's not at all impossible that in the next

decade or so, and that timetable may in fact prove rather shorter than I am suggesting, we'll probably have 30 member states maybe more.

This by the way is producing the most enormous convulsion and political strains within the European Union. Institutions, the way in which policies are decided and decisions taken, were essentially shaped at Messina in 1955 for six countries rather similar in many respects, sharing a great deal of common history. We are going to have to change a lot of those institutions. We are going to have to radically reform the manner in which the European Union operates, simply to survive and act effectively with so many countries coming into a semi political union. In stages it has to become a full scale economic union. That process is a traumatic process for member states.

At the Amsterdam European Union summit this summer, the Treaty of Amsterdam was signed. This is the successor to the Treaty of Maastricht which among other things launched the idea of a single currency. It began to move us further in key areas towards a kind of federal union in Europe. For example, it's taken decisions which will transfer to the European Union responsibility for major areas of internal security such as international crime. It involves the setting up of an embryonic European police force. It will strengthen the powers of the European Court of Justice which is already very important. We've taken rather more modest decisions adequate enough in the field of external security to create a common European foreign and security policy. Everybody knows after the tragic events of the former Yugoslavia, when 250,000 Europeans lost their lives while the official institutions of the West were paralysed and incapable of action, that risk cannot be taken without similar tragedies being repeated. And therefore we are moving uneasily and very uncertainly towards genuine common foreign policy which will almost certainly involve a common defence policy, and a common European defence identity and a common European defence in the years to come.

So the background of change; the background process of integration is quite a dramatic one and the time scale is constantly altering. Plans that were laid to be achieved in 10 or 20 years are having to be done in five years. And this is having to happen, I cannot stress too often, not because of decisions that are made whether in Brussels or at the European Commission or with the Council of Ministers or the European Parliament – not so much because of that – but because of the problems which are piling in on the Union as it faces the consequences of globalisation in all their manifestations.

Now in this process, as I said at the beginning, Britain has all too often, at best, been an observer. At best, dragging its feet. At best, attempting to slow down the process in order to buy more time to take key decisions about where Britain should go in the new Europe. I say "at best" because we've had a period when it's been a lot worse than at

best. And during the years of Margaret Thatcher we saw a systematic policy of attempted sabotage of the process of European integration. And this led to a major crisis in relations between Britain and the European Union. It was at least an open question whether British membership of the European Union could be spoken about meaningfully if we were at every point not merely saying, "No we won't join" but trying to stop others moving ahead to closer cooperation when they wanted it. Margaret Thatcher's policy was to have the best of both worlds. The new prospect of integration, or closer cooperation, came to say, "No Britain doesn't want it". That you may say is fair enough, but not to deny the others the right and capacity to take decisions to cooperate more closely among themselves. This is the background against which the recent British election, in terms of the European situation, has taken place and which we've seen the return of a Labour government for the first time in 20 years - the Tony Blair government.

What effect is this having on European development as a whole? Probably the most important thing about the Blair Government is that in many ways it is a very middle of the road administration, and shares some important common policies in terms of the economy with the previous Conservative government of John Major. By no stretch of the imagination it is a left wing government as understood in the past, but it is a government, nonetheless, which will preside over some major changes in British society.

The most important of those changes is what is happening to the United Kingdom itself. And here I don't know to what extent Australian opinion has fully addressed the speed of change to what we call the United Kingdom. The return of the Labour government has broken the dam of demand for constitutional change. One important aspect of that constitutional change is the move to devolve government in Scotland and Wales and the English regions. Now this is important, not only domestically. It is important in the European context. The fact that Scotland will have, and Wales to a lesser extent, some powers of self government, means that Britain is moving into a model that is much more typical of the rest of Europe. Something remarkable has happened. I've been observing European affairs with Brussels for 22 years. As the integration of Europe has taking place, and as there has been the movement to more and more decision-making in important areas at the European level rather than the nation state level, far from this leading to a centralisation of political power, the opposite has happened. European integration has been accompanied by a decentralisation of government within the nation states.

Germany, of course, has a long established, highly decentralised government, in which the regional leader, or regional governments, play an enormous role. I remember the first meeting I ever covered as

European editor of *The Guardian*, sometime in the early 1970s, on education. I asked which is the German minister? Well there isn't a German Education Minister. There is a Bavarian minister at the moment because the Bavarians are acting. They rotate the presidency of the Council of Education Ministers among the different German regions. It's like having Australia represented by a Victorian Education Minister and at the following meeting it is passed to Queensland, or New South Wales, or whatever, because education is not a federal responsibility. It's a regional responsibility.

Belgium has equally consisted of two largely self governing regions - Flanders (Dutch speaking), Welonia (French speaking). Spain is a country in which the government of Catalonia in some respects is more powerful than the federal government in Madrid. Italy is moving down the same path. Even France, where the devolution has been more administrative than political, is moving fundamentally away from the old model of the Jacobean centralised state to a much more devolved system of government. This is true of other countries as well. Britain has been in many ways the last of the centralised super states. This gave Margaret Thatcher's charge that Europe was in the danger of becoming a centralised super state such irony, because in fact what Europe has done is to enormously encourage debate in Britain and now devolve government.

In 1973 there was the referendum. The biggest "no" votes against joining Europe were from Scotland, Wales and the north of England. Twenty four years later the largest "yes" constituencies are precisely Scotland, Wales and the regions in the north of England. They have established new identities, new relationships with other regions of Europe, new partnerships, new space. They are no longer confined by Whitehall and London as narrowly as they used to be. In Brussels I often pass the "Scottish Embassy", an official office. They do their business with the Catalans and the Basques and the Bulgarians and the world.

This is a Europe where 19th Century nation states are actually giving way to something much more diverse. What my friend and colleague in the Irish Institute of European Affairs, Paul Gillespie, calls the community of multiple identities, in which the regional identity, the national identity, the European identity subsist and co-exist with each other in which the principle of subsidiarity as it's called (in a reference drawn ironically from Catholic theology) with decisions taken as close to the people as possible. It is a federal model which you are familiar with in Australia. But you're a new country. You're not a country which grew up out of separate nation states. A federal model in Europe is a much more radical implication, of much more radical significance.

So the first thing the Blair Government has introduced is the elements of constitutional change of which devolution is only one issue.

Others will include the abolition of inhibiting the powers of the House of Lords, and proportional representation. Proportional representation is being introduced for regional and Scottish and Welsh elections. We have direct elections every five years to the European parliament. In future they will be conducted on the basis of proportional representation. The exact system is still being negotiated and debated. That's going to produce a change in the nature of British politics. It's going to mean much more fluidity, and different kinds of coalitions and alliances emerging and reemerging in British politics as they have done elsewhere. There will need to be freedom of information and the ending of the chronic secrecy of the British state which is probably only equalled by the French state in its attitude to the public's right to know. The European Union has to move down a path of greater openness and transparency, sometimes kicking and screaming, not least because we now have Nordic member states – Swedes, Finns, Danes – who bring with them a tradition of open government, sometimes breathtakingly open government.

You can go to the office of the prime minister in Stockholm every morning and ask to see his correspondence. You don't even have to be a Swedish citizen to do so. They will present you with a list of his correspondence. Some of it is marked security but a lot dealing with water, rates, etc, you can look at. The officials have to establish the right for you not to know. If you even challenge the security classifications there is a court standing by 24 hours a day which will hear an appeal against any decision to deny you a particular piece of information. And this culture is beginning to seep through slowly, and uncertainly, to the rest of Europe.

So Blair's election and the return of the Labour government, is more significant for taking place at a crucial moment in the reshaping of what Britain is. The reshaping of Britain comes at a crucial moment in the reshaping of Europe. It is an unfinished story. The process has only begun and nobody can predict, with any kind of certainty or any kind of confidence, what the final outcome will be. Will it be a classical federal state? Maybe not. But it will be more like that than it will be a community of separate sovereign states, each taking decisions on the basis of a kind of club of political leaders who take decisions only when everybody is agreed there is no such thing as majority voting and accountability to a collective European parliament and so on.

How will Blair's Government play in the future of European debate? Here the jury is out. On the one hand the Blair Government is much more open to European developments than any of its conservative or, indeed, any of its Labour predecessors. We heard in the last two or three days fairly clear signals coming from London that Britain is going to be ready to join the single currency, and much earlier than had been thought. Maybe not in 1999 in the first wave. But very

soon thereafter. One year, two years I don't know. We are seeing that happen.

Notice the dog that hasn't barked? Where is the uprising of the Eurosceptic masses in Britain? We were told by particularly extremely conservative newspaper publishers that the British people would not tolerate any closer European integration. We now find them saying, well maybe there is a case for Europe after all and we are going to have to look at its merits. In other words public opinion is beginning to assert itself and real public opinion is far less ideologically hostile than the Eurosceptic myth that developed under Margaret Thatcher and her allies. This is a healthy thing. The younger generation in Britain, and indeed in particular the minority nations in Britain – Scots and Welsh – have clearly understood for a long time that the posturing that went with imperial nation statehood is all past. If even the United States cannot conduct itself single handedly as a world power any longer, the idea to some people that the United Kingdom could, is long since dead and buried. And the future lies in closer co-operation in sovereignty-sharing, in the pooling of decision-making, sometimes to face desperately difficult decisions which we all have in common.

Here the Blair Government is at least open to the argument. It is not closed minded. But it carries with it a lot of the past. All governments carry an inheritance from the past. Sometimes, I have to say, there has been downright disinformation passed to the British public about what the European thing is all about. I once did an analysis of stories that appeared in the British media and something like 80 per cent were horror stories. Brussels says you can't have certain kinds of flavouring in your potato crisps. Brussels says in future bananas must be straight. You wouldn't believe the kind of rubbish that's been written. All seamen must wear hair nets in future says EU Commission. An enormous labyrinth of Euro mythology was built up and disseminated, and it has undoubtedly had an effect. That's now changing. It will be possible in future I believe for issues to be examined more dispassionately and for decisions to be taken much more on their merits.

I would conclude by saying that the Blair Government will agree to the following: Firstly, the single currency and all that flows from it is going to happen. This will mean much closer coordination of economic policy at the European level to support us into the currency. Collective policies on unemployment; collective policies on taxation and fiscal regimes; common policies on the environment because they affect the level playing field of the common market if one doesn't move in that direction; common policies on peace and stability in Europe; common policies in the fight against international crime. The Blair Government in some cases reluctantly, in some cases protesting it is too fast, too

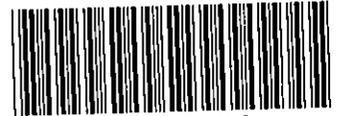
much, will nonetheless, by and large, move with the European mainstream.

Secondly, the Blair Government has already concluded that the enlargement of the European Union is the cornerstone to peace and stability in Europe for as far ahead as we can see. Speak to any Czech, Pole, Hungarian, Estonian and you will find that in their minds democracy in their country, stability in the continent and in their region, is linked intrinsically with membership of the European Union. Any decision to shut the door on them would be to risk a reversion to instability and conflict. Just let me give one example if I may to prove my point. For the best part of 200 years there has been a constant conflict between Rumania and Hungary. Both countries now wish to join the European Union and this means that for the first time Rumania has introduced a constitution that very largely meets the demands of the democratic rights of their Roma, the gipsy, and their Hungarian minorities.

One country that has refused to cooperate is Slovakia. The country is now moving back from the European Union. The process of integration is linked to the process of democratisation. The process of recoiling from Europe is often linked to a reversion to nationalism and tolerance of minorities, frontier tensions and all that flows from that.

If enlargement, wider union, more integration have happened, we have to change the institutional decision-making structures of Europe. We have to move beyond the national veto. We have to move to quite radical reforms of the powers of the European parliament to ensure greater democracy. The time has come when the president of the Commission should be directly elected from the European Parliament. It should not be left to a sort of lottery game played among the heads of government meeting together once every five years, by asking who is available to send to Brussels. It's got to be much more accountable than that.

The whole process of reform of the management structures of the Union have to follow. And here the jury is completely out on how far Blair, or come to that any of the other member states, will be willing to go. The danger if we don't reform is that the Union will be incapable of carrying the responsibilities of enlargement and the expectations that now go with closer European Union. But the debate is on, and for the first time, one can say with greater hope than pessimism that Britain under Blair will be a more positive player in the European process than has been true of any British government since the end of World War II.



# **BOUNDERS,**

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## ***BIOGRAPHERS AND BILLETS-DOUX***

**Christine Wallace**

From Paris to Pymont to Port Phillip Bay, the name paparazzi stinks in the nostrils of right-minded people after the death of Diana Spencer. In a single spaniel-like leap, one Australian newspaper columnist has questioned whether the authors of unauthorised biographies – authors like me – are their literary equivalent. My accuser then answered her faux rhetorical question copiously in the affirmative, and expanded on my alleged sins.

They included, *inter alia*, that I am a finance journalist; that I am not a Cambridge don; that I lack historical perspective in my comments on Germaine Greer's ditching of her convent school girlfriend in 1954 after pressure from her mother; that I presumed to judge Greer's life and literary work; and that I am laughing all the way to the bank.

For the record, I plead not guilty, guilty, not guilty, guilty and not guilty respectively.

I am not, and have never been, a finance journalist. Finance journalists report on financial markets. I spent the last decade reporting on federal politics and the economy from the Canberra press gallery. It is true I am not a Cambridge don, but then nor is my accuser. If this is the license required for the review, analysis of and commentary on significant people, ideas and events in our community, then virtually all which occurs now is illegitimate – a preposterous proposition.

The charge that I lacked historical perspective on school girl lesbianism circa 1954 is particularly odd. My comments reflect those of Germaine herself, who in *The Female Eunuch* said of her abrupt ditching of Jennifer Dabbs: "I expiated that pusillanimous, lying betrayal of myself and my love for weeks. After such knowledge, what forgiveness!"<sup>1</sup>

It is true that I analysed, assessed and commented on Germaine's life and work – that is what critical biography is all about. To this I happily plead guilty. It was the entire point of the exercise. As to whether I am laughing all the way to the bank, the very idea gives my bank manager a good laugh. Eighteen months without a single dollar of

income during the final stage of the writing could hardly fund a caviar and foie de gras lifestyle.

On the basis of direct costs and income forgone in the writing of the book, I am currently in the red for a substantial six-figure sum. Income earned on the sale of book excerpts went to repay the publisher's advance, which had long ago been spent on research. So much for my alleged life as an antipodean Kitty Kelly!

Were my accuser here she would probably cry: "Stop whingeing." The right to self-defence, she would have it, belongs solely to the subjects of unauthorised biographies and their champions, not to the writers of biographies no matter how they may be defamed or their motives impugned.

It is really a lot of rot, this business of authorised and unauthorised, of wounded and wounders. When it comes to biography, there is a huge risk that authorised will mean compromised. Authorisation almost inevitably risks some trade off, some trimming of the sails to suit the authoriser. This jeopardises the fundamental obligation to ethical behaviour and truthfulness incumbent on all writers dealing with the real world. These are obligations to readers as well as to subjects and sources.

Not that it is all necessarily plain sailing with readers either. Biographer Norman White has commented that sometimes the audience can be the villain in what he describes as the basic biographical dilemma. "What often gets in the way of telling truths about someone's life," says White, "is not the biographer's distortions or myopia, but the reader's preconceptions about what should be there, the way it should be told, and the conclusions which should be drawn."<sup>2</sup>

Reader preconceptions about Germaine seem to fall into two baskets, that she is akin to a feminist saint and should be beyond critical evaluation and comment, or conversely that she is hell on wheels and I am blameworthy for heightening public interest in her. The first group would have preferred I write a billet-doux, a love letter, a hagiography of Germaine; the latter that I had not written at all.

There is a small but most interesting reader subset: women who were broadly contemporaries of Germaine, living out the same sort of convention smashing lifestyle. A few of them, sharing Germaine's aversion to introspection, seem to take my analysis of Germaine's life and mores personally – to read it as an analysis of their own life, too.

We can expect, I think, a rash of "life as it really was, not as you young impertinents think it was" books from such figures. This will be welcome: a proliferation of direct account to enrich our knowledge, and help us sort out the blowhards and bulldust from the enduringly important. It will be unlikely, too, since most of these figures are

approaching 60 – an age when the reaper's scythe will obviously begin to cut a broader swathe.

An account of a meeting with a queen now long dead well illustrates the value of biographical writing hostage to neither reverence nor hostility. It is very bit as intimate and revealing as the work of a long-lens wielding *paparazzo*. Yet presented alone, within the context of hyperventilated outrage in which the British tabloids frame the photographs of modern young Windsor royals, the effect is quite different. It is the account of a private audience on 8 December 1597, with Elizabeth I by France's then ambassador to London, Andre Hurault. Elizabeth, who had been unwell, received the ambassador in the Privy Chamber, dressed in her nightgown:

She was strangely attired in a dress of silver cloth, white and crimson, or silver "gauze" as they call it. This dress had slashed sleeves lined with red taffeta, and was girt about with other little sleeves that hung down to the ground, which she was for ever twisting and untwisting. She kept the front of her dress open, and one could see the whole of her bosom, and passing low, and often she would open the front of this robe with her hands as if she was too hot. The collar of the robe was very high, and the lining of the inner part all adorned with little pendants of rubies and pearls, very many, but quite small. She had also a chain of rubies and pearls about her neck. On her head she wore a garland of the same material and beneath it a great reddish-coloured wig, with a great number of spangles of gold and silver, and hanging down over her forehead some pearls, but of no great worth. On either side of her ears hung two great curls of hair, almost down to her shoulders and within the collar of her robe, spangled as the top of her head. Her bosom was somewhat wrinkled as well as one can see for the collar that she wears round her neck, but lower down her flesh is exceedingly white and delicate, so far as one could see.

As for her face, it is and appears to be very aged. It is long and thin, and her teeth are very yellow and unequal, compared with what they were formerly, as they say, and on the left side less than on the right. Many of them are missing so that one cannot understand her easily when she speaks quickly. Her figure is fair and tall and graceful in whatever she does; so far as may be she keeps her dignity, yet humbly and graciously withal.<sup>3</sup>

The ambassador's depiction of Elizabeth is underpinned by neither cloying reverence nor contemptuous hostility. Though some of its elements could have seemed brutal, the realism of the picture is complete. The bare wrinkly bosom, the cheap pearls, the old, long thin face and the yellow, unequal and occasionally missing teeth are described with the same weight as her fair figure, her height, her gracefulness and dignity.

The overall effect is humanising. Elizabeth is here not a saint, not a sinner, not a queen of hearts, not some mythical figure of history; she is a human being, drawn in the round. It is good biography. Reading

this four hundred years later, I feel I was with the ambassador visiting Elizabeth on that December day.

To be of any value, diplomatic reporting, of course, must faithfully and accurately render people and events for the benefit of distant governments. For centuries monarchs and politicians have drawn on such accounts to make policy – not infrequently on matters of life and death. Care, balance and accuracy were and remain, therefore, at a massive premium.

The same qualities should be the bedrock of biographical endeavour. One might venture that, mostly, they are. Why, then, does “biographer” seem to be a code word for bounder?

My hunch is that it is because an individual’s reputation has a value; that reputations are to a greater or lesser extent constructed; that the reputations at stake are generally those of public figures possessing power and influence; and that biography is potentially threatening, or at least destabilising, on all these scores. I think it is also because biography is the branch of literature most amenable to infiltration by journalists, and in its subject matter most closely related to journalism.

Inherently, biography holds the potential for the recalibration of the subject’s reputation. It may be a recalibration up, it may be down; and whether up or down will depend on the individual perspective of different readers. Whatever the direction, a biography may represent destabilisation for the subject in terms of their standing in the world, and is therefore potentially threatening.

The reputation of a public figure is to a greater or lesser extent constructed. To the extent that biography seeks to separate fact from myth, it again may represent a potential threat to the subject. By its very nature, being a public figure involves possession of some degree of power or influence. To the extent a biography can affect the subject’s public standing, it can also affect the acquisition or maintenance of power and influence. Again, this may represent a potential threat to the subject.

Paul F Boller, an aficionado of American presidential elections, recounts how as far back as the 1828 contest between John Quincy Adams and Andrew Jackson, contending biographies played a direct political role. To counter a glowing biography of Jackson, the Adams camp ensured publication of *Reminiscences; or, an Extract from the Catalogue of General Jackson’s Youthful Indiscretions between the Age of Twenty-three and Sixty* which catalogued the multiple fights, duets, brawls and shoot-outs in which Jackson had been allegedly involved. Jackson’s “intemperate life and character (made him) unfit for the highest civil appointment within the gift of (the) country”, it argued.<sup>4</sup> Sound familiar?

On a day-to-day basis, it is through biographical writing in the media, of which there is a copious amount, that biographical conflict

for overtly political ends is played out. This is particularly important in relation to politicians who may flit through public life too quickly to merit book-length treatment – or who, from a public interest perspective, many not receive it until too late.

The 1860 presidential election campaign of “Honest Abe” Lincoln provides a neat example of how old the manipulative biographical practices considered a vice of the modern media really are. At a Republican state convention in Illinois, Lincoln’s cousin, John Hanks, produced two old fence rails allegedly split by Lincoln 30 years earlier. Hanks was positioning Lincoln as a rustic, as a humble, honest rail splitter. A cheer went up “for Honest Abe, our next President”.

As Boller recounts, the humble fence rail-splitter story spread and was taken up by that part of the press sympathetic to the Republicans. By the time of the party’s national convention in Chicago later that year, a delegate seconding Lincoln’s nomination declared in a reference by now with resonance for everyone: “I arise on behalf of a portion of the delegation from Ohio to put in nomination the man who can split rails and maul Democrats.” After Lincoln’s nomination at the convention, the candidate’s rail-splitting prowess was celebrated in countless songs.<sup>5</sup>

Just as the Republicans built up the rustic “Honest Abe” image in this way, so did their opponents seem to drag it down, and there was no shortage of newspapers willing to help. The *Chicago Herald* reported that aged 18, Lincoln averaged 76,000 split rails a day; the *New Albany Herald* said all the rails Lincoln had split combined could build a ten foot fence from the North to the South Pole; and another Indiana paper ran a satire in which “Honest Abe” shooed an official delegation away from his house because he had promised to split three million rails before nightfall, and he still had another two hundred thousand to go.<sup>6</sup> Boller’s account of the personal slugging Lincoln attracted is, from a modern perspective, astounding.

“He . . . is not known except as a slang-whanging stump speaker of which all parties are ashamed,” wrote the *Atlas and Argus*.

“(They) take up a fourth-rate lecturer, who cannot speak good grammar, and who, to raise the wind, delivers his hackneyed, illiterate compositions at \$200 a piece,” thundered the *New York Herald*. “Our readers will recollect that this peripatetic politician visited New York . . . when, in return for the most unmitigated trash, interlarded with coarse and clumsy jokes, he filled his empty pockets with dollars coined out of Republican fanaticism.”

“A horrid looking wretch he is,” wrote the *Charleston Mercury*, “sooty and scoundrelly in aspect, a cross between a nutmeg dealer, the horse swapper, and the night man, a creature “fit evidently for petty treason, small stratagems and all sorts of spoils. He is a lank sided

Yankee of the uncomeliest visage, and of the dirtiest complexion. Faugh! after him what decent white man would be President?"

And, not least, there was the *Houston Telegraph*: "Lincoln is the leanest, lankest, most ungainly mass of legs and arms and hatchet face ever strung on a single frame. He has most unwarrantably abused the privilege, which all politicians have, of being ugly."

History, not least that embodied in biographies of Lincoln, judged this president quite differently. As awful as the attacks like those suffered by Lincoln are, the overly reverential approach can be as stomach-turning.

One of the hagiographer's tricks is nicely exposed by Boller in relation to a 1904 campaign biography of Theodore Roosevelt. Posed the author rhetorically, has the heroic Roosevelt no faults? Fortunately, yes, he answers, since he wants a live man not a dead saint for president. Roosevelt cannot dance, the biographer continued, and he cannot sing.<sup>8</sup> This is surely a classic of the subject being praised with faint damn.

It is not only hagiographers who are willing to praise with faint damn; sometimes the subjects will do it themselves for the biographer. Prime Minister John Howard, then Opposition leader, attempted it when interviewed by Gerard Henderson for Henderson's pre-election book, *A Howard Government?: Inside the Coalition*<sup>9</sup> which incorporated mini-biographies of Howard and the now Deputy-Prime Minister Tim Fischer. John Howard reckoned he had changed – for the better, obviously. Henderson searched him out.

Henderson: "I'm just trying to work out if you have any faults."

Howard: "Oh I have plenty."

Henderson: "Would you care to nominate six?"

Howard: "I smoked for too long."

Henderson: "When did you give up?"

Howard: "1979."

Henderson: "Years before I arrived."

Howard: Yeah. I smoked too much. And I used to sometimes not look at people when I was talking to them."

Henderson: "Yes, that's true. You used to walk away from people in conversations. That has changed, has it?"

Howard: Yeah, Quite a lot.

Unfortunately for "Honest John", this verbal footsie was not going to work on Henderson who then moved in the book from transcript to commentary: "At the time Anne Henderson expressed the view that John Howard never walked into a room; he just walked out of the previous one." Ouch.

When Henderson continued that Howard "maintains" he had grown, that his people skill and political acumen had developed and matured, the subtext was that this was complete bunkum. Here a

biographer was warning voters that they were about to elect a social dysfunctional to the prime ministership. While to no avail, it is nevertheless an example of public interest biography in action.

Biographer Richard Holmes has pointed out that the two most successful biographies in the English-speaking world to date have been James Boswell's *Life of Samuel Johnson Lld*, continuously in print for two hundred years, and Andrew Morton's *Diana: Her True Story* which has sold millions of copies and has just returned to the best seller list.<sup>10</sup>

A decade ago I visited News Limited's Pimlico office in London for the first time, where journalists servicing News' Australian papers were then based. I remember my shock at finding one of the precious desks there assigned to a full-time royal reporter. How naive I was! Never having bought a newspaper to read a royal news story, nor having bought a biography of any of the Windsors or their spouses, I had only vaguely absorbed the racy goings on through electronic media accounts. On the rare occasions I gave it a second thought, that thought was: "What a load of rubbish! How can they possibly know?"

Again, naive me. Andrew Morton's mighty scoop – with Diana Spencer herself as, indirectly, the direct source – was, well, a mighty scoop. And when Elizabeth II came out, stood on the pavement outside Buckingham Palace and bowed her head as Diana's cortege passed, it was proof that popular opinion significantly shaped by a biographer's work could really have consequences.

In this case, the consequences should be worrying for Britons interested in maintaining the monarchy. As Adam Gopnik commented last month in *The New Yorker*, monarchies led by the heart tend to be unsustainable: "Sixty years ago, the politicians fired the last King Edward because he insisted on following his heart, and the long-term results of that pursuit justified the decision: first, your heart tells you that you need to marry a twice-divorced woman from Baltimore, and then it tells you that people are being unfair to that nice Mr Goebbels."<sup>11</sup>

For Australians who want a republic, as I do, the significance of Diana's death and its consequences is quite different. I don't mind old Liz, as they say, but the very thought of life in a country like Britain where so many positions of power and influence are assumed by birthright rather than merit repulses me. The idea of bowing and scraping to the possessors of hereditary titles is to me untenable and socially corrosive.

Just as the idea of aristocratic legitimacy like that underpinning Britain's polity should be rejected by us, so should the idea that there is some natural aristocracy of biographers with dons writing authorised lives at its peak.

Bounders? Billets-doux? Bah! In the democracy of letters, may biography broadly bloom.

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### Endnotes

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- 1 Germaine Greer, *The Female Eunuch*, (Paladin: London, 1991), p 95; first published MacGibbon & Kee: London, 1970
- 2 Norman White, "Pieties and Literary Biography" in John Batchelor (ed.), *The Art of Literary Biography*, (Clarendon Press, 1995), p.214
- 3 Andre Harault, "A Private Audience with Elizabeth I, 8 December 1597" in John Carey (ed.), *The Faber Book of Reportage*. (Faber & Faber, 1987) pp 158
- 4 *Reminiscences, or, an Extract from the Catalogue of General Jackson's Youthful Indiscretions between the Age of Twenty-three and Sixty* cited in Paul F Boller, Jr., *Presidential Campaigns*, revised edition, (OUP New York), pp 47-8.
- 5 Boller, *Ibid* p 103
- 6 *Ibid*, pp 106-7
- 7 *Ibid*, p 107
- 8 *Ibid*. p 185
- 9 Gerard Henderson, *A Howard Government? Inside the Coalition*, (HarperCollins Sydney 1995)
- 10 Richard Holmes, "Biography: Inventing the Truth" in John Batchelor (ed), *The Art of Literary Biography* (Clarendon Press Oxford, 1995), p 15.
- 11 Adam Gopnik, "Crazy Piety", *New Yorker*, September 1997, p37



# **PROTECTION AND**

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## ***THE BUSH***

**Wendy Craik**

With some Asian financial markets in turmoil, this is an excellent opportunity to place the emphasis on world trade liberalisation, and really put some pressure on the European Union, the US and North Asia for some substantial reform of their policies of subsidisation and protection.

The National Farmers Federation as you would know, has been at the forefront of the push for trade liberalisation for decades, and we were encouraged by statements by the Prime Minister last week which echoed our concerns. We were specifically gratified to hear him call for an end to the EU's minimalist approach to reducing their incredible system of subsidies, and, after their strides under the FAIR Act, needle the US into continuing serious reform of their policy of protection of their farmers. We were also gratified to hear him use the Asian currency crisis to underline the need for continuing economic reform at home.

Let's step back and take a wider view of our situation. Australia is a small country, with 0.3 per cent of the world's population, one per cent of the world trade, and an export orientated agricultural sector. Given how important agricultural exports are to Australia, I was surprised to read a recent column of Gerard Henderson quoting a 1945 B A Santamaria monograph, in which he argued that "the concentration of the production of crops for sale on the overseas market is the economic basis for the ruin of Australian agriculture". Just as well we took no notice. Australia exports nearly four times what we consume domestically, and it is just as well Santamaria was ignored. Australia has an image of quality products which generate 22 per cent of our export income from agriculture. We would also lose out, as globalisation means that geographic distance is now largely a cartographic feature where world trade is concerned.

We have much to gain from trade liberalisation and it is in Australia's interests to support an international trading system based on GATT rules. It took 45 years before agriculture formally became part of the GATT, but even with that foot in the door much needs to be

done to increase access for Australian farm exports and to reduce distortions to world markets arising from protection in other countries.

The next multilateral round of trade negotiations for agriculture is mandated to start in 1999, and the NFF is already in the throes of a major effort to have agriculture high on the agenda (if not at the top). These negotiations are a major opportunity to advance freer world trade in agricultural products. Countries like Australia participate in multilateral trade negotiations to secure benefits that are only available from liberalising in a global context, but these benefits do not materialise until participating countries accept the adjustment involved at home – for their own protected industries.

Over the past decade Australia has made steady progress with domestic liberalisation – led, predominantly by the rural sector of farmers and miners. But we've been disappointed over the government's recent decisions to slow down the rate of tariff reduction in the motor vehicle and TCF industries. They would appear to indicate a worrying change in the political mood – although the Australian government professes to be committed to free trade, these recent actions are cause for concern.

Before the Uruguay Round, agriculture was largely excluded from GATT rules on export subsidies, domestic support and barriers to trade. But the Round represented a tremendous step forward – the rules and disciplines of the GATT have been extended for the first time to trade in farm products. By setting minimum levels of access to previously closed markets; by expanding access through tariff quotas; and by restricting export subsidies; the Agreement on Agriculture is estimated to be worth \$1 billion a year for Australia by the year 2000.

Without diminishing the significance of the Agreement on Agriculture, it is recognised that truly substantial liberalisation of agricultural trade did not follow the Uruguay Round, and another substantial round concentrating on agriculture will be needed before a truly "giant leap forward" can commence. The Agreement on Agriculture put farm trade firmly "on the table", and established a basis for further liberalisation in 1999, but there are no cast iron guarantees. While the arguments for greater liberalisation are clearly fair and reasonable, the promoters of protection are alive and kicking around the world and, of course, here at home.

Let's visit some of those fair and reasonable arguments. Free trade enables a country to obtain imports at a lower price than could be produced at home. Cheaper imports means lower input costs for the production of exports. This cost saving represents "the gain from trade" – which releases resources for other productive purposes, while restricting the freedom of international commerce reduces the gains from trade. In short, import tariffs become a tax on exports, and tariff protection has the effect of reducing the competitiveness of Australian

exporters. Although the economic case for free trade is straightforward, because economic welfare increases for the country as a whole, in practice any change in trade policy will benefit some people and harm others.

The current "industry policy" debate in Australia is dominated by proposals which clearly benefit the person or business making the proposal, and impose a cost on the rest of the community. Basically, there is no "magic pudding" – with every action having a consequence and a cost, it is, unfortunately, not possible to get something for nothing.

After a decade of policies appropriate to the needs of an open, globally competitive economy, there is a growing chorus of voices in Australia trying to resist rather than embrace the forces of change. As an organisation which has been intimately involved in the political process since 1979, the NFF should not be surprised by the rise of populist thought on trade – but it's there, and it must be resisted. Globalisation has changed our world beyond recognition. It is the driving force behind most of the recent economic changes which have so profoundly affected ordinary Australians. But if governments use protection to shelter industries from change they will harm the economic growth and lower the living standards of all Australians.

Why do governments submit to populist pressures? I suspect the reason is that the political system reacts to what Professor David Robertson from the Melbourne Business School calls the "identity bias" arising from changes in protection. Businesses in a protected industry are visible identifiable "losers" from trade liberalisation, whereas consumers and exporters, who gain from trade liberalisation, are often invisible and are difficult to identify. Politicians react more to obvious effects than to invisible ones. Localised hardship in a community (especially when there are large, noisy demonstrations on national television) has more political impact than general and dispersed welfare gains even though the gains may be larger. Factories closing their doors (even prior to government decisions being made) are much more visible than every farm paying an extra \$3000 in costs to prop up the TCF and PMV industries – rather than investing the money in more productive areas.

Let's look at some good news on the world trade front. In the past few years there have been five main achievements for the free traders to cheer.

The Uruguay Round, despite its shortcomings, went further than any previous global trade deal. Further cuts were made to protection for manufacturers – which are now down to a global average of just 3.8 per cent in rich countries. Governments also agreed for the first time to some liberalisation in agriculture and services. New agreements were forged to regulate the use of technical barriers which have previously

restricted access for some Australian exports. For example, the ban on hormone growth promotants (HGP) in cattle providing meat for the EU market has been successfully challenged in the WTO.

Second, the Round established the World Trade Organisation (WTO) and set up a new mechanism for settling trade disputes. Under the old GATT, any member could veto the verdict of a panel set up to rule on a trade dispute. But, WTO panels are stricter. Countries found to have broken WTO rules must either mend their ways or offer compensation – if they don't, they may face trade sanctions.

Third, more countries are joining the WTO. During the Uruguay Round, membership of the GATT rose from 92 countries in 1986 to 114 when negotiations ended in 1994. The WTO now boasts 130 members – and another 28 countries, including China and Russia, want to join.

Fourth, world trade is booming – even the Asian meltdown appears to have little chance of stopping the trade juggernaut – although there are likely to be a few shudders, and Australian agriculture may lose from \$300m to \$1 billion from potential exports. However the exchange rate is favourable for Australian exporters with the Australian Wheat Board raising the price of wheat \$5/tonne today. The WTO estimates that the volume of world trade in goods grew by 8 per cent last year – four times the growth of world GDP.

In fact, international trade during the 1990s has grown faster than world output. And there is another piece of good news, which was given little coverage when it occurred, but has far-reaching consequences. In 1997 the WTO successfully concluded the Information Technology Agreement, which will eliminate tariffs on around US\$600 billion of information technology products. It represents a significant milestone for the newly established WTO. As an aside, it's worth looking at jobs growth in the information technology industry (40 per cent a year) compared with TCF (-3 per cent per year).

On the downside an emerging emphasis on reciprocity is creeping into international negotiations and it's not a healthy sign. What messages is Australia sending when it announces its TCF tariff decision while the Minister for Trade is in Beijing trying to persuade China to free up their trade. Shoring up the notion that protection from imports provides a lever for opening other countries' markets devalues the argument for free trade. Reciprocity is the foundation for the doctrine of "managed trade" which advocates equal market shares in broad industry categories, as well as overall balance in bilateral trade.

Such an approach would be detrimental to Australia which has a substantial trade surplus with Japan and Korea, and a trade deficit with the US. In textiles and clothing, trade has been governed for 30 years by a system of bilateral quotas. Under the Uruguay Round these quotas are supposed to be scrapped by 2005 with textiles brought into line

with WTO disciplines. But the quota phase-out process, which began in 1995, has been delayed by leaving the most politically sensitive quotas until last. It would appear that delaying the effect of the deal does not seem to be consistent with the behaviour of committed free traders.

Other challenges which will give countries the opportunity to either make trade freer, or hobble it, include: incorporating China, where it will be technically difficult to bring a vast, semi-planned economy into line with the WTO's more-or-less free market principles; attempts to shackle trade deals with "other" issues such as the environment, social issues, labour standards and foreign investment; and regional trade deals which can divert trade from one part of the world to another.

Those of us with an agenda for genuine free world trade need to be permanently alert to such diversionary tactics and try to "head them off at the pass". Specific sectors of the world trade spectrum remain highly protected and there is much to do in 1999. GATT Uruguay Round processes plus US and Australian bilateral pressure have led to a substantial opening up of the Japanese and Korean beef markets. Reforms already implemented have increased the value of Australian production by an estimated 10 per cent, or \$242 million, in 1996 and are expected to be worth around \$4.4 billion over the next 15 years.

Beef commitments agreed to under the Uruguay Round will mean a decline in Japanese tariffs from 70 per cent in 1991 to 38.5 per cent by the year 2000; a doubling of import quotas and the replacement by a tariff in Korea; and a 21 per cent decline in EU subsidised exports. But forward commitments under the Uruguay Round finish in 2000 – and the scope for further gains are as big as those already achieved.

The opening up of our increasingly valuable live cattle export trade was boosted by the Uruguay Round. For example, the Philippines made a commitment to remove quota restrictions on imports of feeder cattle. That commitment has had real impact, with the live cattle export industry exporting around 400,000 head from Darwin in 1996. The Round also forced Japan to accept imported rice, although the bulk of Australian exports are being placed in storage alongside excess domestic production. By the end of October 1997, stored rice in Japan will rise to 4.4 million tons, which is costing Japanese taxpayers 61.6 billion yen a year in storage costs. Although Japanese agriculture is increasingly seen for what it is – inefficient and over-protected – change will be slow in a country of strong local lobbies.

The most significant distortion to the trade in grain is export subsidies – and the US is the guilty party here. The US Export Enhancement Program (EEP) provides subsidies on exports to selected

markets in response to export payments by the EU. Although there have been no EEP-subsidised sales over the past two years, potential EEP payments are provided through to 2002 – another cause for continued monitoring by the free traders.

Dairy exports are rising and this is an incredible success story for Australia – just over 50 per cent of total milk production is sold on overseas markets in the form of various dairy products. Despite that, world dairy markets remain highly protected. Canada uses production quotas, internal prices and export subsidies; the US disposes of surplus production on the world market with the assistance of export subsidies; the EU uses quotas, intervention prices and export subsidies; and Japan uses production quotas and controlled domestic prices.

Nevertheless, the Australian dairy industry, which gave up protection some years ago and has lost over 8,000 producers since 1982, has turned adversity into triumph. It expects to export around two billion dollars worth of product to the world by 2000, six times what it produced in 1983 – imagine what the industry could do in a truly free trade environment.

Closer to home, limited progress has been made in APEC on liberalising agriculture. Member countries make voluntary offers to reduce protection. In the first round of offers, a number of member economies included tariff reductions which went beyond their Uruguay Round commitments, but excluded offers on agriculture.

I'd like to dispense with a myth which has gained a little currency in some sectors of the community. It is often claimed that Australia is "leading the charge" when it comes to reducing tariffs. In the last eight years, Australia has cut its trade-weighted average tariffs from 19 per cent to five per cent – only motor vehicles and the TCF industry stand out. But other countries have joined the charge. South Korea has cut tariffs from 51 per cent to six per cent; China from 35 per cent to 19 per cent; Thailand from 35 per cent to 16 per cent; Taiwan from 25 per cent to seven per cent; New Zealand from 22 per cent to four per cent – and they're just a few examples.

For Australia to be competitive on export markets, it is important that costs in the supply chain are kept to a minimum – and genuine competitiveness will stem from a reduction in tariffs. It requires reform on the waterfront, in transport and distribution, in employee relations, taxation and government services. Against the background of a decade of reforms under Labor, the Coalition government's PVC and TCF decisions, supported by Labor, have sent mixed messages which may weaken the community's will to accept essential economic reform in these other areas.

The Hawke Government's 1991 decision to end Australia's century of protectionism and put in place a timetable for gradual tariff reductions to the year 2000 was one of the last substantial liberalising

decisions in Australia. The decision to freeze car and TCF tariffs really represents a decision to delay the inevitable forces of globalisation. The car and TCF decisions were bound up in the government's announcement that, "Australia will be taking into account progress by other APEC members" in addressing APEC's free trade goals.

It's worth noting that Thailand has made disturbing noises about Australian dairy and beef exports because of delays in assessing the Thai applications for cooked chicken meat. This cautious approach of the Australian government appears to be at odds with the ambitious goal, stated in the Bogor Declaration, to achieve "free trade and investment" in the region by 2010 and 2020.

Australia's chairmanship of the Cairns Group should symbolise that we are at the forefront of global trade reform. An absence of effort on global trade reform will mean costs to communities all over the world. Recent PSE (Production Subsidy Equivalents) figures show the comparative effects of protection. In 1996 Australia had a PSE of nine per cent. However the NFF disputes this figure as it includes diesel fuel rebate and landcare, two things that are not subsidies – so we are actually well below nine per cent. In 1996 New Zealand had a PSE of three per cent, the EU 43 per cent, Japan 71 per cent – so there is a long way to go.

However, I'd like to leave you with a specific example of just how high those costs are to your hip pocket. And I'm indebted to our Minister for Trade, Tim Fischer, for this account. He tells of meeting a UK farmer, recently enjoying a holiday in Australia. He farmed 300 acres in Coventry – a small farm by Australian standards, but an operation which allowed him to fly first class to Australia. He admitted to the Minister that the arrival of his subsidy cheque from the EU just days before his departure had permitted him to afford such luxury – the cheque was for \$500,000!

I'll leave you to estimate just how many EU farmers there are – do the sums, and calculate the costs of this kind of protection. But the unrealistic policies of the EU is protecting an inefficient sector and has apparently produced a race of farmers more intent on perusing the official journal of the EC, and making small fortunes for consultancy firms offering subsidy optimising software rather than doing what Australian farmers devote their lives to – responding to market signals, and producing around 22 per cent of our export income.



# **PRIVACY AND THE**

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## ***PRESS***

**Lord Wakeham**

I'm delighted to be delivering this lecture this evening – although I must say that when I accepted David Flint's very welcome invitation to address the Council some months ago, I had no idea the subject would be quite as topical as it has turned out to be.

I am also, of course, deeply honoured to be receiving the 1997 Australia Press Council Fellowship – and honoured for a number of reasons.

First, because there have always been such strong bonds between your Press Council and the United Kingdom's Press Complaints Commission. We have always learned from each other's best practice and even from the very occasional mistake. Long may those bonds which unite us flourish.

Secondly, on a personal point, because of my own very warm regard for my friend David Flint – who has done so much for this Council and for the World Association of Press Councils stoutly to promote the cause of press freedom not just in Australia but across the globe. For that he deserves our great respect, and my own sincere thanks.

And thirdly, because in receiving the Fellowship, I would like to think I am doing so on behalf of a much wider body of people – not just colleagues on the Commission, but all those in the British press who have made such a success of self regulation these past few years. In honouring me, you honour them, too.

So for these and many other reasons, I am delighted and proud to accept the Fellowship – for which I thank you enormously.

I would like to do three things today. The first is to talk in general terms about a question which is just as important in Australia as it is in Britain: how best can the press seek to reconcile personal privacy with the public's right to know? The second is to tell you a little about how my Commission has been performing in the past few years – particularly in regard to that difficult issue of privacy. And the third thing is to share some thoughts with you about how the British

newspaper industry's Code of Practice on which all my work is based is likely to develop in coming months.

The dreadful events two months ago in Paris focused world-wide public attention on to the issues of privacy and the press – about which you asked me to speak with great prescience. Not just in the United Kingdom, but here in Australia and across the globe, people have been asking questions about the way in which the media operates – how it gathers news, what it publishes, and how it treats high profile people.

However, I have to say that, in my view, although those events directly propelled privacy onto the public agenda, it had to some extent always been with us. And, at the risk of being controversial (which is usually something a former Government Chief Whip in the Parliament likes to avoid at all costs) I have to say that I think it never will go away – for one very good reason: in a free and open society, there must *always* be controversy about the protection of personal privacy – at least so long as there is a free press.

Simply put, that is because news can never just be about issues, it must also be about people. In reporting about the activities of people – most often those for one reason or another in the public eye – newspapers, and indeed the broadcast media as well, sometimes have to intrude onto territory which those involved will consider private. That is true of *all* the different sorts of newspapers that you can buy in Europe or here in Southeast Asia – not just tabloids but local newspapers as well.

At one end of the scale, is it possible to report on the question of corruption in government – or indeed to uncover it – without reporting on the private activities of those involved? I doubt it. And in another part of the newspaper market, is it possible to report on the tragic circumstances of a road accident, or a burglary, or an outbreak of a disease without including some of the personal details of those involved? Again, I doubt it.

Then there is another aspect to the reporting of *people*, as opposed to the reporting of issues, as well. Although it may very often be hidden from the view of the ordinary reader, the truth is that many celebrities actively court publicity and put up with the resulting intrusion into their private lives. To an extent, newspapers and magazines are doing them as much a service as they are their readers – who in turn like to be informed about the lives of the rich and glamorous.

The eminent Victorian constitutional historian Walter Bagehot once said about the British Monarchy that the “least peep into the King's closet intoxicates man and will to the end of his life”. I would go a little further, and say that the odd glimpse into the lives of those who fascinate us in the world of sport, or the arts, or showbusiness, can be intoxicating as well. But that is not an intoxication created by newspapers; it is one they reflect. Newspapers and magazines carry

stories about actors, about the stars of *Neighbours*, about footballers and pop singers, and even about notorious criminals, because they know that the public has an unquenchable thirst for them.

In short, my perhaps controversial assertion is therefore that there will always be an issue surrounding the protection of privacy in a free society. The day there isn't would either be the day, in any democratic country, when a once free press had been subjected to such stringent laws and penalties that it no longer dare report on matters of legitimate public interest. Or it would be one where the public had lost all interest in casting the odd glimpse into the secret world of those in the news.

I don't think either of those events are going to happen. So in the sort of society we live in – especially one in the throes of a technological revolution which is beginning to transform beyond recognition the way in which we get our information and the number of sources we can get it from – the question must be how best to combine respect for personal privacy with the legitimate rights of the public for access to information and knowledge.

I have always been quite clear that law is not the answer – as is the new Labour Government in Britain, like its predecessor.

Indeed, I would go further and say that the whole debate about whether law ever could assist in the protection of personal privacy is growing increasingly outdated. Even if it were desirable, how could you ever subject the press to a special legal regime which would inevitably limit the public's access to information through newspapers and magazines – when that same information and news could be available in a thousand publications elsewhere in the globe, and in tens of thousands of outlets on the Internet?

There are many other reasons why a law would not be the answer. One of the most compelling is that at least in Britain – where there are very serious strains on the budget for legal aid which most people need to bring a legal action – it could only ever be available to the rich, and in particular to those who did not object to their private affairs being dragged openly and in great detail through the courts. A law would be for the wealthy and for the thick skinned.

Another compelling reason against a privacy law always has been – and always will be – the death knell it would sound for the robust, investigative journalism which must be one of the bedrocks of a free society. So often, legitimate investigation in the public interest will entail legitimate intrusion – and there is no way round it, as a number of recent high profile cases in the British press have proved. While a privacy law might be enacted to protect those in the public eye with *nothing* to hide, it would also be used mercilessly by those who had *everything* to hide.

How then do you protect privacy in free societies such as ours? And how do you do it in a way that such protection is accessible to

ordinary people as well as to the wealthy? The answer lies – and has always lain – in effective self regulation by newspapers and magazines. For it is, in my view, self regulation alone which can combine both the *freedom* and the *responsibility* of the press.

The Press Complaints Commission, which is shaping up for its seventh birthday in January, is at the heart of the system of self regulation in Britain. It is designed to do all those things the law never could do.

- Unlike the law – made either by the Courts or by Parliament – it is cheap, accessible and flexible.
- Unlike the law, it works for the 90 per cent of ordinary people who complain to my Commission about alleged invasions of privacy – as well as for the 10 per cent who are either in the public eye or are institutions or businesses complaining on someone's behalf.
- Unlike the law, it is private. With self regulation, an alleged intrusion into privacy is not compounded by a lengthy and very public court case – in which every minutiae of an individual's private life would be displayed before a fascinated public. It is conducted in private so that those who really have suffered need to suffer no further.
- And finally, unlike the law, it works in a way which means that those with something to hide have no legal powers to stop legitimate investigations in their tracks or halt publication of unpalatable truths. Except in a few instances relating to harassment, we act only after we have received a complaint about something that has actually been published. We are not therefore in the business of pre censorship.

Central to this work has been the Code of Practice administered by the PCC. As you may know, the Code is drawn up by editors for editors – and, although it must be ratified by my Commission before it takes effect, it is very important that it remains firmly the property of the newspaper industry. It is their Code I am administering – and it is their rules that they must live by.

The Code is a simple document – designed to do a number of things: to provide editors with a basic set of ethical guidelines, which will assist them in making decisions about what or what not to publish; to set out in a non-legalistic and accessible format for working journalists a set of tools to assist them in the gathering of news; to give the Commission a yardstick by which to assess complaints and make an adjudication; and to act as a benchmark for people who complain as to what their legitimate expectations are from a newspaper or a magazine.

The Code covers basic areas such as accuracy, privacy and harassment. But it also provides special protection for particularly vulnerable groups of people – including children, those in the care of a hospital,

victims of sexual assault, those suffering in grief or shock and the innocent relatives and friends of the perpetrators of crime. For those groups it provides protection over and above the law – which is a great plus for self regulation, and an excellent example of how a non statutory system can help protect privacy.

The Code works – because it is simple, easy to understand and flexible. It can develop over time, and indeed it has. There have been many changes to it since it was originally established by a group of editors in 1991 – and it is about to change again.

I want to say a little more about the Code and its development later, but before doing so I thought I might turn to the second of my tasks and set out some thoughts on how successful the PCC has been in practice. I think I can chart the success in six main areas.

First, I do not believe there can be any doubt that standards within the British press have risen very significantly in recent years. Ten years ago there were far too many unjustified intrusions by a handful of publications into the private lives of ordinary people – and it was those that led to the closure of our own Press Council in 1990 and in the establishment of the PCC. Today those sorts of stories hardly ever occur. When they do, they are very much the exception rather than the rule – and inevitably incur severe censure from the PCC if a complaint is made.

Secondly, it is possible to judge by the sorts of complaints we receive the areas where the Code has produced tangible results. For instance, since 1991 when the Code was established:

- there have been only a handful of complaints about invasions of privacy in hospitals. Where these have occurred, there have inevitably been extenuating circumstances;
- there have been only very rare complaints about the interviewing and photographing of children. Where there have been breaches of the Code and an adjudication made, the circumstances have not recurred with any other publication.

Thirdly, it is quite possible to discern how standards are being raised because of either the Commission's case law or, in some areas, the way in which we issue specific guidance to editors on difficult issues. Matters such as the publication of home addresses – once a source of many complaints – have been tackled in a way which means breaches of the Code are now very rare. Case law and example work.

Fourthly, we can see self regulation working to protect privacy in a number of more high profile cases. I think most obviously of the way in which newspapers have honoured without transgression their undertaking in August 1995 not to publish unauthorised pictures of Prince William while he is studying at school – an undertaking which is even more important now. I also think of the way the press reacted to the terrible events in the Scottish town of Dunblane – which you may

recall was the town where a lone gunman murdered sixteen children in their schoolroom. In that case, the press left the town en masse after the Queen had visited it, therefore allowing local people the space and tranquility they needed to grieve.

Fifthly, I am quite clear that editors do respect the PCC and fear its censure – which is another important hallmark of the success of self regulation. Newspapers fight like fury to avoid a critical adjudication – which many of them see as devaluing their product – and the best way to do that is not to breach their own Code of Practice in the first place.

And as a result of that, on the sixth and possibly most important point, there has been a sea change in the last five years in attitudes towards accuracy. When editors get something wrong today, they admit it and put it right rather than have the complaint proceed to the PCC. When we do get complaints – 75 per cent of which are about accuracy – some 8 in 10 of those are resolved by a correction or apology to the satisfaction of both complainant and newspaper. That is a significant success story and a marked strength of self regulation.

So across a range of fronts, I can see practical ways in which self regulation and the PCC are working.

But it is not – and never could be – a perfect system. And that leads me onto the final point I want to make about the way in which the Code is now developing. I notice from the press clippings that I receive back in London that there has been some coverage here of the proposals I made in the wake of the death of Princess Diana to tighten the Code. You might therefore well ask me why, if everything has been going as well as I said it has, we need now to toughen the Code. I have two answers to that.

The first is that I have always made clear that self regulation would not succeed over the long term if newspapers simply labelled it “success” and then pitched their tents accordingly. Self regulation has constantly been on the move – responding to events and innovations, meeting public expectations, and being mindful of legislative considerations. That is what we are doing now – ensuring we meet public concern about ethical standards of reporting and doing so against a potentially tricky political climate in the British parliament.

The second answer is that we are talking not so much of revolution but of evolution. Many of the proposals I made – especially those on children and on intrusion into grief – were ones on which the PCC had already been working. And the reason for that is that the Code under which all British newspapers work is in many ways a living document. It is constantly changing as a result of suggestions from the industry or from the Commission’s own judgements. In the last two years there have been major changes to the Code on the jigsaw identification of children in sex cases, and on payments to witnesses. After the reforms that are being put in place now have been completed,

I imagine there will be further changes to the Code in future. But then that is the beauty of self regulation: it can adapt swiftly and flexibly to changing circumstances in a way that a statute never could.

There will be much in the new Code which further strengthens the rules on the protection of personal privacy. Let me tell you a little about some of them.

One of the principal changes is that for the first time the Code will give special protection to the children of those in the public eye – and not just the famous but the infamous as well. It will say that in any story about the child of someone famous, there must be a justification for the story other than the relationship with one or both parents. I am also proposing to place a ban on the payments to children for stories about themselves or other children – which will, I think, do a great deal to cut down on the market for intrusive stories about minors.

The Code will also include introducing new rules on harassment that aim ruthlessly to cut down on the market for paparazzi pictures in the United Kingdom. Editors will no longer be able to take pictures that have been obtained by “persistent pursuit”. Recognising that this is a global problem, I am seeking to make progress on this matter elsewhere in the world where there is a market for paparazzi shots – and I look forward to discussing during my visit potential areas for co-operation between our two countries.

The new Code will contain a new definition of private property – on which journalists should not take pictures without consent – to include those places where individuals might have a legitimate expectation of privacy. This might include, for instance, a Church, a restaurant, or in some circumstances, a beach – all of which are public property but where individuals might nonetheless expect to be free from media intrusion. I am also proposing for the first time, as well, a definition of what constitutes a “private life” – home life, family life, health and correspondence. This has never been attempted before, and marks a significant change to the Code.

My proposals also seek to introduce new rules on the sympathetic publication of material about those suffering from grief or shock. At the moment, our Code says that when individuals are in a state of grief, newspapers should make enquiries of them with due sympathy and discretion. I also believe that at such times, newspapers should also normally write about them in such a way too.

Those are some of the changes that will be put in place and which will allow us – crucially – to continue to balance the individual’s legitimate expectation of privacy with the public’s right to know.

And it is on the right to know – their freedom to be informed – on which I should like to finish, before taking some questions. I do so not in my own words – but in those of Abe Rosenthal, the crusading editor in the 1970s and 1980s of the *New York Times*. Nearly twenty years

ago, he delivered a moving lecture at Colby College in Waterville, Maine in honour of the memory of Elijah Lovejoy, a Colby graduate of 1826, who died defending his printing press against a mob violently opposed to his stand on the abolition of slavery. Speaking about the threats constantly posed to freedom of expression he said that:

Resentment against the press comes from many things...[But] most of it comes from the virtues rather than the failures of the press, the unpleasant virtues of telling the people the truth about Vietnam, Watergate, corruption in government or in business, the aggressiveness and cantankerousness which are part of our make up and function.

We annoy the hell out of people. And we have our faults, by God we have our faults. There are scores of publications I wouldn't read, let alone work for. But there is a difference between resenting the press or even loathing it, and trying to control it. [That is why] we have the First Amendment . . . written not to protect the press from the admiration of government but from the loathing of government, all branches of government.

Well, I agree with him. The press has its faults – but fulfils a crucial role in a democratic society. It must be free to annoy, and free to attract the contempt of those it scrutinises. And it must be free to do those things in the name of public interest.

With more eloquence than I can muster, Roosevelt – at the time America joined the war in Europe against tyranny – spelled out what he described as the “four essential freedoms”. The first and foremost of them, he said, was the freedom of speech and of expression.

He was, of course, right. But in recalling his words, in conclusion, I observe only that freedom of expression, central though it is to a free society, will always make those in a position of power uncomfortable – because it is in the cold light of day the freedom to criticise and on occasion the freedom to intrude into privacy in the name of the public.

And it always will be. So if you were to ask my successor in a hundred years time back to talk on the same subject – privacy and the press – he or she might, I suspect, say exactly the same things to you. But then, that's what makes the job eternally fascinating. That is also why it is such a privilege for me to be among you today, and to receive from you a Fellowship which I will always treasure.



# **DIPLOMACY AND**

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## ***HUMAN RIGHTS***

**Count de Marchant et d'Ansembourgh**

We are approaching the fiftieth anniversary of the Universal Declaration of Human Rights. The United Nations General Assembly adopted the Declaration on 10 December 1948, proclaiming it to be "a common standard of achievement for all peoples and all nations." Now is the time to look ahead and focus on some of the problems we face, and the opportunities we have to achieve this common standard. This evening I should like to do just that – with an eye to the position of your country in this region.

To speak of a future for human rights implies a shared notion of where we stand today. The first thing to come to mind is that the world in which we are now seeking to achieve human rights has seen tremendous changes in recent years. Since the end of the Cold War, more and more states have democratised, there are fewer autocratic or totalitarian states, and a third group of states – known as "failing states" – has arisen, whose societies are disintegrating, and whose governments are unable to effectively run their country.

The character of human rights diplomacy is changing too. Firstly, the human rights issue is less a case of ideological trench warfare between East and West, and more a matter of dialogue. The dialogue includes many ideological positions and is no longer dominated by two superpowers. Secondly, human rights are increasingly being linked with other policy areas, including democratisation and good governance, and also development and economic relations.

In a world no longer dominated by two superpowers, individual states have become more independent. As a realist, they have become more inclined to accept their interdependence with all other states. They no longer hide behind the shield of national sovereignty, as they did in the Cold War. Such behaviour is now regarded as an obstacle to nations attempting to develop themselves through international co-operation. As a result, states are now more prepared to give up some of their sovereignty.

ASEAN is a case in point. It was set up for reasons of security, in particular the threat of communism. Today, Vietnam and Laos are members, even though they are Communist states. Economic and political cooperation within the organisation has intensified to a point that would have been unthinkable not so long ago. ASEAN foreign ministers are today debating the need to further limit national sovereignty to allow the organisation as a whole to benefit more from the opportunities offered by the world economy. ASEAN member states realise the mutual benefit of closer economic and political cooperation. And they realise that this requires rules that restrict the leeway given to individual states. It comes as no surprise that ASEAN is debating the issue of sovereignty in economic terms. But the trend is unmistakable, and holds promise for human rights too.

Countries are growing increasingly aware of their mutual dependence, at a time when the pace of global economic integration is also accelerating. It is therefore inevitable that human rights issues should become closely linked with trade and investment. The trend is clear in development cooperation. In the last seven or eight years, financial flows to developing countries have shifted towards private capital and away from official bilateral and multilateral development aid. Ten years ago, official development aid amounted to some \$US50 billion whereas private investment came to less than \$10 billion. But six years ago both amounted to some \$50 billion each. Today, \$50 billion still goes on development aid but private funding has seen explosive growth and is rapidly approaching \$250 billion a year.

This situation highlights the potential for human rights to be recognised by more and more states as an instrument of development rather than as a means of interfering in the internal affairs of other countries. A change in image if you like – but not an unimportant one. More states are seeking to benefit from private capital. Investors require guarantees, including property rights, investment laws, independent judges and the rule of law. This is human rights territory. Calls from governments for a human rights infrastructure closely linked to the rule of law and principles of good governance are definitely on the increase.

The trend towards dialogue and the tendency to link human rights with other policy areas is also clear in developments at the United Nations. In the 1990s the last of the UN's member states finally acceded to at least one of its most relevant human rights instruments. On that score, all nations are now on board the UN human rights train – even though some still have one foot hanging out the door, so to speak. The 1990s also saw the confirmation of the universality of human rights at the Vienna World Conference on Human Rights and the Beijing World Conference on Women. The consensus reached on these occasions was based on a delicate balance between the recog-

dition of the universal validity of human rights and the recognition that regional differences can safely be taken into account in their implementation.

Of course, I am not arguing that regional peculiarities can ever justify torture – but I do believe that there is more than one way of protecting the right to education, for example. Specific circumstances call for specific measures, which may quite legitimately vary. The essential thing is that human rights should be implemented without undermining their substance. Let us also not forget that, under the European Convention on Human Rights, the European Court of Human Rights allows signatories a certain amount of freedom in deciding how to live up to their obligations. Again, the essential thing is that human rights are put into practice and that the way in which this is done is put to the test. But that should not make us afraid to allow states a measure of discretion in doing so.

Having mentioned the universality of human rights, I should like to comment briefly on what the leaders of a number of states in this region have said in relation to the 1948 Universal Declaration of Human Rights. They argue that because so much has changed since 1948, the Declaration should be revised. They argue that many new states have come into being since then, none of which took part in the negotiations leading up to the adoption of the Declaration by the General Assembly. They argue that the Declaration reflects “Western values”, the implication obviously being that Western values have no bearing on Eastern lives.

Permit me to take a clear stand on this issue. Firstly, I ask myself why the Universal Declaration has been singled out for such criticism. The Declaration is part and parcel of earlier and subsequent attempts to construct a normative universal human rights framework, efforts that span the globe and have certainly not been limited to the West. Secondly, I do not agree with this analysis, which I believe is based on a fundamentally flawed vision of what human rights are all about. Human rights are not about strong states imposing their will on weaker ones, nor about old states imposing their will on younger ones, nor about transplanting one culture into another. Human rights are simply about giving citizens a means to protect themselves against arbitrary action by the state and entitling them to protection from the state when their rights are threatened, from whatever quarter. Thirdly, many decolonised states have made important contributions to human rights instruments that have built on the very contents of the Universal Declaration. Their active involvement in this (especially in relation to the two UN Covenants – one on civil and political rights and one on economic, social and cultural rights) was largely due to the prior experiences of their peoples who had been denied their human rights under colonial rule.

This brings me to my fourth point. The experience of these decolonised nations in the fight for human rights gives us every reason to believe the very opposite of what the critics of the Universal Declaration suggest: the many changes in the world since 1948 have not rendered the Declaration obsolete – by no means. They have in fact demonstrated its continued relevance in all corners of the world. Irrespective of who invented human rights – a question which in my view is largely irrelevant – the global applicability of human rights has been proven time and time again. Like any good idea, human rights knows no bounds. They are recognisable everywhere, and apply to all people. It comes as no surprise that complaints about the validity of human rights always come from those in power, never from the victims of human rights violations.

Lastly, I wonder what purpose such a debate on the Universal Declaration would serve. I see no point in discussing the colour of one of the pillars holding up the framework of human rights protection before the building has even been finished. I can think of other priorities for action in the human rights field. For example, strengthening the supervisory mechanisms for the UN human rights treaty system and promoting more effective UN scrutiny of human rights, as well as meaningful technical assistance.

Dialogue is obviously not a matter of continuously singing each other's praises. Nor is dialogue always easy, or free of ideological frictions. The experience of the European Union during the latest session of the UN Commission on Human Rights made that clear to anyone who might have thought otherwise. Some Asian governments took the view that human rights serve in practice as a tool for interference in the affairs of other countries, especially by Western countries. Indonesia repeated its accusation that our foreign policy is simply "neo-colonialism". China accused the EC of seeking confrontation by meddling in its internal affairs. Standing here, on the other side of the world, one becomes aware of the weight of those remarks. In Geneva, those who in the eyes of some may be secretly harbouring a neo-colonial outlook may at times be tempted to think that Asia is a far-off place. In Sydney, no one could be tempted to think that.

This realisation brings me to what I believe is a fundamental requirement if our common human rights policy is to be successful. Human rights are an objective in themselves. We want to see human rights respected because we share a belief in human dignity, in what that represents and in what is needed to ensure that it is respected. But there is more to human rights than that. Political realities dictate that human rights also represent a vital interest for relatively small nations like ours (please forgive me for comparing your nation spanning a continent to mine spanning no more than a river delta). It is in our interests for the international community to interact according to

agreed rules, treaties and international law. Any blatant disregard of these rules by states, especially those bigger than us, affects the same vital interest, in whatever policy field. Here, security, trade and human rights are so closely interlinked that they virtually become one and the same thing: sticking to the rules ourselves and making sure that other states do so.

I strongly feel that we should recognise this interest every time we come across it and we should live up to it. To give but one example: if we really care about having China integrated into the World Trade Organisation, we need to do the same for human rights as we are prepared to do for intellectual property rights. We cannot afford to have some rules respected and other rules flouted. We therefore need to stress the fact that the rule of the law, labour rights and the role of the International Labour Organisation and its core conventions are intimately linked to the international trade regime. To do otherwise would be simply fooling ourselves into pretending that we have other options.

At this juncture, I should like to ask for your indulgence while I briefly touch upon a tiny ripple that has recently disturbed our otherwise harmonious relations. I refer, of course, to the Australian response to the proposed framework agreement with the EU. For some time now the EU member states have been including a human rights paragraph in their cooperation framework agreements with third world countries. Behind this lies the conviction that economic ties and human rights policy can go hand in hand. The framework agreements therefore enable all parties to discuss human rights issues in the context of cooperation between states and thereby broaden the scope for effective, and above all, positive, action to promote human rights. As a rule, all of us are more inclined to listen to critical remarks when they are presented in the context of cooperation on a wide range of topics. The framework agreements between the EU and third countries include an operative human rights paragraph that allows any party to take appropriate measures unilaterally if another party fails to live up to the terms of the agreement.

The Australian government expressed the view that including a human rights paragraph would be inappropriate in an agreement on trade and cooperation that sought to strengthen relations between Australia and the European Community. It argued that other agreements served to put our common concern about human rights into practice and that, consequently, there was no need to integrate them in one agreement. In view of what I have just said, it will come as no surprise to you that I believe we have missed an opportunity here in not explicitly including human rights on the same footing as other areas in which we cooperate. Human rights do not deserve to be reduced to a mere legal discussion in international fora – and this is not in the interest of small states. I firmly believe our common interest merits the

type of cooperation the EU proposed. I also believe that a framework agreement could have encouraged this type of comprehensive cooperation elsewhere in the region, where many of your neighbours have similar interests when it comes to their future and the question of sovereignty.

However, life is full of opportunities and I feel confident that we will keep on creating and exploiting them as we have done in the past.



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# **AUSTRALIA'S**

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## ***HEALTH - AUSTRALIA'S MEDICINE***

**Judith A Whitworth**

Australia has led the world in cutting male road deaths and we have been extraordinarily successful in reducing cardiovascular disease. Overall by international standards Australia's health is very good. But those overall data mask the fact that the health of Aboriginal Australians is appalling by any standards.

Aboriginal infant mortality is 3-5 times higher and life expectancy 15-20 years less than that of non-Aboriginal Australians. Some gains have been made - these infant mortality rates have reduced substantially over the last 2-3 decades, but there is still a large gap. Although other indigenous peoples, e.g. Maori, American Indians, are also disadvantaged in health, the gap is smaller than in Australia. Aboriginal health is a national disgrace.

There are significant challenges for Australian governments in delivering accessible and good quality health care to all Aboriginal and Torres Strait Islander people, wherever they live. However, some of these challenges are now being taken up in a serious and sustained way. Collaboration is now occurring between different levels of government and the Aboriginal Community Health Services community sector. This is a significant step forward in the push to improve indigenous health.

We have, for the first time, agreement between all jurisdictions on key goals and targets for improving Aboriginal health. We have also started to systematically identify what needs to change to deliver lasting improvements in this area, and we have begun work to implement those changes. Of course, sustainable improvements in Aboriginal health will be dependent on change across a number of areas - not only in health service delivery, but in environmental health, education, transport and housing. Many Aboriginal communities simply don't have access to quality food supplies for example.

Self determination must be a core element of Aboriginal health. We have a cadre of Aboriginal medical, nursing, allied health and

primary health care workers who have the energy and commitment to turn things around, but we need many more.

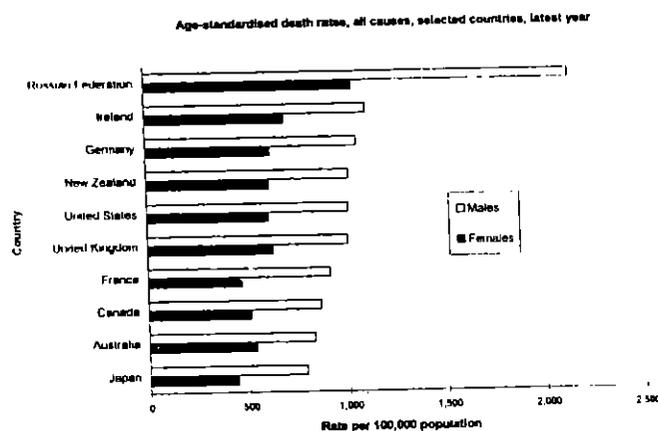
This is the International Decade of the World's Indigenous People. At the 50th World Health Assembly in May 1997, the Department of Health and Family Services was a co-sponsor of a resolution requesting the Governor-General, inter alia, to further encourage countries to develop health programs for indigenous people, taking into account both the need for active participation at the local level in the whole health process, and the need for cultural sensitivity of health services and the participation of health care workers of indigenous origin. The rhetoric needs to be matched by achievement.

### Key elements of Australia's health system

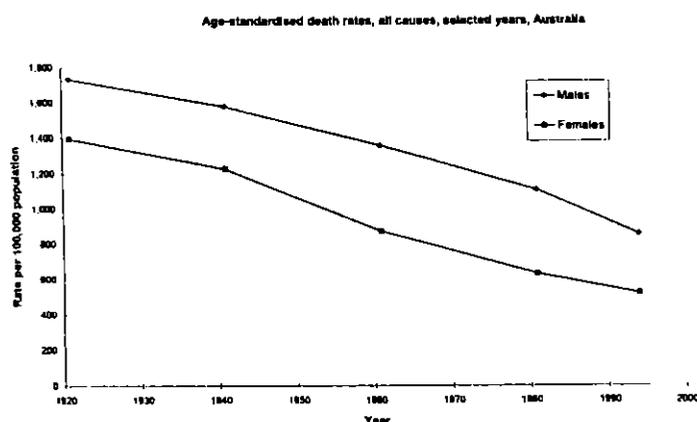
From 1901 the only Commonwealth health power was in quarantine matters. The Commonwealth currently has a broad policy leadership and financing role in health matters. State and Territories provide finance and deliver a number of key public sector programs, including hospitals. Private providers deliver almost all non-hospital medical services and pharmaceutical services. Environmental health which includes sanitation and hygiene to ensure compliance with State and Territory public health law, is largely the province of local government.

The major problem facing the health system today is to meet the ever increasing demand for high quality care and improved outcomes with finite resources. Imperfect though it might be, in international terms we have a very good health system. The challenge is to make it better.

Health is a large component of the Australian economy, involving around \$42 billion of public and private expenditure in 1995-96. This includes pharmaceuticals, allied health and community health services, as well as hospitals and doctors.



The Commonwealth contribution is in four key areas: medical services (the Medical Benefits Schedule); pharmaceuticals (the Pharmaceutical Benefits Scheme); hospital services by means of grants to the States; and nursing homes. The States' contribution is largely for hospitals. Private spending is mainly for out-of-pocket expenses, largely pharmaceuticals and private health insurance.



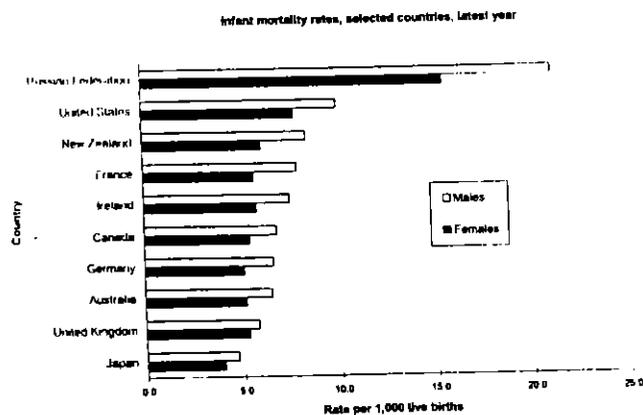
Spending is:

- 45 per cent by the Commonwealth, including funding to the States for hospitals
- 23 per cent by the States for their own revenue; and
- 32 per cent non-government spending.

At 8.5 per cent of GDP, Australia spends a little under the OECD average on health.

Interestingly, Australia's 30 per cent private spending is one of the highest amongst comparable OECD countries. In terms of public spending, Australia ranks around the middle of the OECD countries.

Medicare levy revenue for 1996/97 is estimated at \$4.06 billion which is 21 per cent of total Commonwealth health expenditure and around 8.5 per cent of total national health expenditure. Medicare provides universal access to the doctor of choice for out of hospital care, free public care and subsidised pharmaceuticals. Its policy objectives are universal access, affordability, quality care and outcomes, and equity.

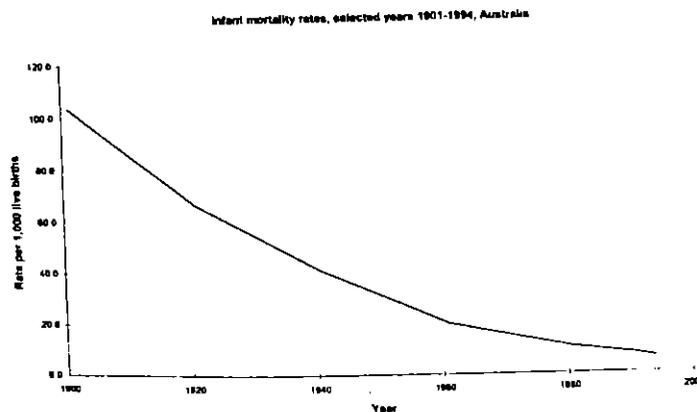


### Public hospitals

In comparison with OECD countries, Australia has a high hospital admission rate (1992/93 246/1000 pop.) but a short average length of stay (4.9 days) both figures reflecting our use of same day admissions. Trends show increasing public hospital utilisation, with increasing admissions (37 per cent over 5 years to 1993/94) reflecting increases in population, ageing, new technologies and decreases in private health insurance.

### The health workforce

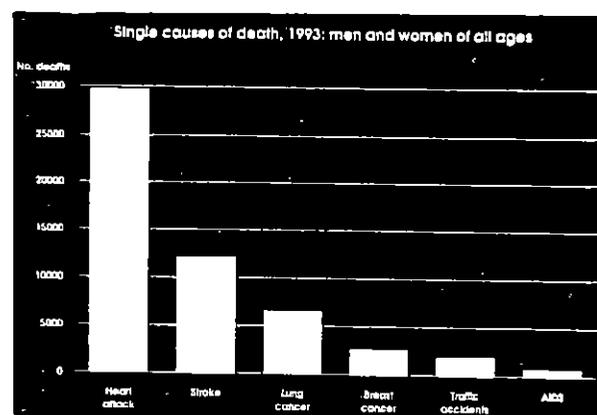
Australia has a health workforce of over half a million people, 584,100 in 1995, 7 per cent of the total workforce, 76 per cent of whom are women. In 1994-95 we had 43,200 doctors and 152,900 nurses and midwives.



### National structures

National structures that are important in health policy include the Australian Health Ministers Conference and its Advisory Council (AHMAC), which aim to promote a consistent and coordinated national approach to health policy development and implementation; the Health Insurance Commission (HIC), a Commonwealth Statutory Authority which processes benefits, and records data; COAG (Council of Australian Governments), the Australian Institute of Health & Welfare, and the National Health and Medical Research Council (NHMRC).

The contribution made to Australia's Health by Australia's medical research is incalculable. Four of Australia's seven Nobel Prizes have been in medicine – 1945 to Howard Florey, later Baron Florey of Adelaide, for the work he did in development of penicillin; to the Director of the Walter and Eliza Hall Institute in Melbourne, Sir Macfarlane Burnet in 1960 for his work in fundamental immunology; to Sir John Eccles in 1963 working in Canberra for his work on how nerves transmit their signals and in 1996 to Peter Doherty for his work on how the body recognises viruses, also done at the John Curtin School in Canberra.



Research is an investment, not a cost. To quote Paul Rogers, "Knowledge for diagnosis comes from research, knowledge for treatment comes from research, knowledge for cures comes from research. Medical research is the beginning, the starting point in hope, in efforts of diagnose, treat, or cure the diseases of mankind." Put more simply, today's treatment is yesterday's research. Today's research is tomorrow's treatment.

In an article published a couple of years ago in the prestigious international journal *Science*, Kirschner and co-workers, reminded us that lithium treatment for manic depressive disorder has saved the United States alone, over \$US145 billion dollars in hospitalisation costs, and that the discovery of the role of *Helicobacter pylori* in ulcer disease saves around \$US600 to 800 million annually in treatment costs. What that article did not mention was that both were Australian discoveries - lithium by Cade in Melbourne and *Helicobacter pylori* by Marshall and Warren in Perth. Extrapolating these arguments to Australia, it is apparent that these discoveries alone have led to savings well in excess of the cost of our entire national health research effort ever.

Most Australians rate good health as their number one priority and accept that medical research is essential to improve and maintain human health. This notwithstanding, we are often asked why Australia should do medical research here rather than simply import it, as we do with so much else.

The answers are simple. Research in Australia ensures a broad base of expertise in delivering health care, teaching health care and administering health care. In this way we can deal with uniquely Australian problems. Research in Aboriginal health will never be done overseas.

We also undertake research to contribute to world knowledge. We do research to obtain a seat at the international table so that we can share in new knowledge.

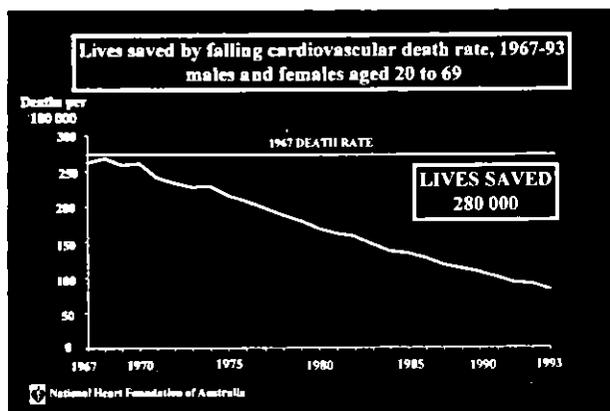
Research done locally provides us with local expertise. This helps us evaluate new developments to determine their relevance and applicability to Australian conditions. Research expertise determines what is real advance and what is just fashion; whether the results in, say Sweden, are applicable to Australia. Research underpins the response by providing on site expertise. The Australian containment of HIV/AIDS has been outstanding.

Research also provides us with the local expertise required to apply new high technology advances cost effectively, for example, diagnostic ultrasound in pregnancy, where local work has shown substantial overuse. Quantum leaps often come from unexpected sources. Polio was overcome by scientists working on gut viruses, rather than engineers working on better iron lungs or neurologists trying to overcome the paralysis.

### **Future developments in health and disease internationally and locally**

Predictions for the global burden of disease show that the pattern in developing countries will more resemble that in developed countries and tobacco will be the major preventable cause of death world-wide.

The increase in non-communicable diseases notwithstanding, globalisation and climate change will see the spread of emerging and established infectious disease. The population will be older, with all the implications of that change for health and aged care services and an increased burden of diseases in the elderly such as dementia and osteoporosis.



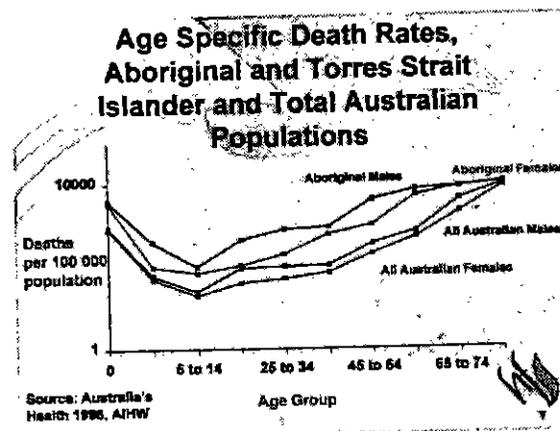
The explosion of knowledge in genetics will see a revolution in knowledge of individual disease susceptibility, with all its implications for tailored prevention offset by a host of moral, legal and ethical questions. Gene therapy for both inherited and non-inherited diseases such as cancer will be a reality. Cloning of spare parts for organ donations will be feasible (the headless frog) with all the ethical questions that raises. The information technology explosion will change the way medicine is practised, giving doctors and patients alike instant access to-up-to date information on disease and its management, and providing distance consultation and distance investigation.

### Managing the future

There are various levers for change available to the Commonwealth in determining policy. The Health Care Agreements with the States provide opportunity in the broad to promote the quality agenda by linking a quantum of money to quality measures.

The Pharmaceutical Benefits Schedule (PBS) is predicated on safety, quality and cost-effectiveness of drugs, and a recent budget initiative is designed to put the Medicare Benefits Schedule (MBS) on a similar footing. The key to all this is Evidence Based Medicine (EBM), development of intersections between medical science and the IT revolution. Individual patients management decisions are determined by the practitioner's knowledge, her clinical assessment of

the patient and the patient's wishes. The doctor's knowledge base used to be undergraduate and post-graduate training, often outdated texts and a selection of medical journals. With EBM, the knowledge base is contemporary and comprehensive. Even so, EBM guidelines simply provide a framework for individual clinical judgments about a unique patient. The notion of evidence based medicine is very simple - observing what works, encouraging its adoption and eliminating what does not work.



This is underpinned by the Cochrane Collaboration, an international collaboration with groups working in each country feeding information into the world's largest database with evidence on which medical interventions work and which do not work. The collaboration is not subject to copyright and the entire database costs around \$80. The Commonwealth is seeking to introduce reforms to increase the cost-effectiveness of the health and community services system. It is also facilitating the development of a body of knowledge to demonstrate how cost effectiveness and quality can be achieved, by fostering medical research and the adoption of an evidence-based approach to policy as well as practice, working in partnership with State and Territory governments, the not-for-profit sectors, the private sector, professional organisations and unions, patients and consumers.

The key role in health prevention and promotion is played by the National Public Health Partnership which delineates roles in public health for Commonwealth, States and Territories, particularly in improving public health and infrastructure and policy. To reduce the likely burdens of disease, tobacco control measures need to be promoted as aggressively as the tobacco companies promote smoking. Communicable disease will be minimised by immunising our children.

We need public education about basic elements of food safety, personal hygiene and risk minimisation and where appropriate legislation.

There is often a perceived dichotomy between preventive medicine and curative medicine. This is a largely artificial distinction. Obviously prevention is better than cure, but when prevention fails, or is never implemented, or where prevention is simply not possible then appropriate treatment services are essential. In reality there is very substantial integration of prevention with care. For example, in management of high blood pressure, risk factor modification with smoking cessation, weight optimisation, cholesterol reduction, increased exercise and healthy diet is an essential element of practice. If a hypertensive patient has a heart attack or a stroke, then secondary prevention to modify risk is part of core-management. Big health gains at the population level will depend on both primary and secondary prevention.

An exciting new development is the knowledge that maternal and hence foetal nutrition can have a major impact on disease in later life – for example small babies subsequently have more hypertension, diabetes and kidney disease. There are obvious potentials here for improving Aboriginal health in particular. The aging of our population and the genetic and information revolutions will all present major ethical dilemmas for which we need to prepare now. I believe we can best position ourselves for the future through research.

Predicting the future is fraught with difficulty. The process of foresighting has become fashionable in management circles and has extended into academic and science management. In defence of foresight, it is in fact about positioning for the future rather than predicting the future, and positioning to manage a variety of possible futures. Predicting those futures is another matter. The British astronomer Royal told of an extremely eminent group meeting in the late 1930s in the United States to predict major future directions in science. They predicted synthetic petroleum and synthetic rubber as the two most likely advances.

They failed to predict antibiotics, rockets and space travel, the transistor, the explosion in computers information and communications technology, and a host of other advances which have transformed society.

The Bureau of Industry Economics reporting recently on a performance of Australian science pointed to the whimsical nature of technology:

“Everything that can be invented has been invented” – Charles Duell, US Patent Office, 1899.

“The computer has no commercial future” – IBM 1948.

“X-rays will prove to be a hoax” – Lord Kelvin.

"That is how the atom is split, but what does it mean? To us who think in terms of practical use it means nothing" - Lord Richie Calder, 1932.

"The possibilities of the aeroplane have been exhausted" - Thomas Edison, 1895.

"Space travel is utter bilge" - Astronomer Royal, 1956 (one year before Sputnik).

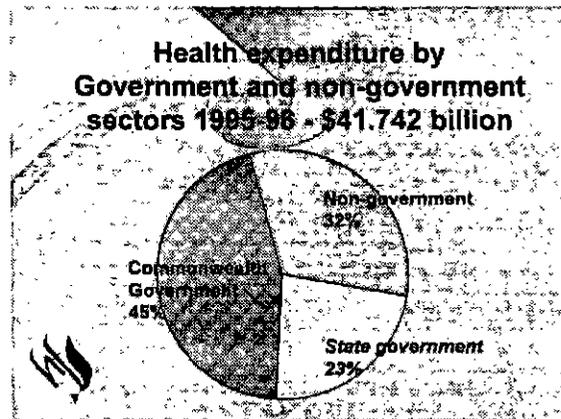
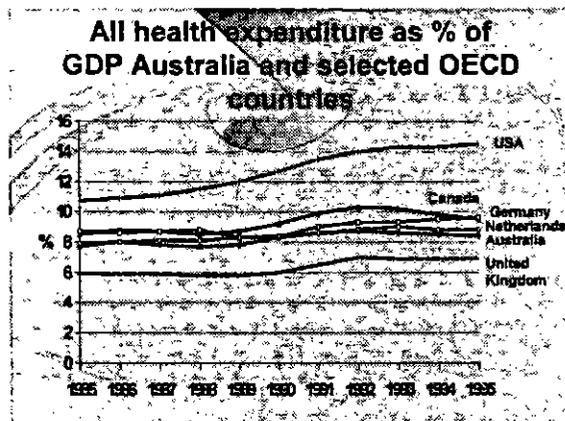
One of the visions Bob Hawke had for Australia, unhappily one that has not yet been fulfilled, is that we should become a clever country. This notion recognises the direct relationship between a country's strength in research and development and its wealth generation, a fundamental principle as pressures mount for more goal orientation in research. Health research has social and public good as its primary aim. Facilitating commercial development of health and medical research findings is important but the major economic gains of biomedical innovation are in reducing health care costs rather than in generating products. The critical climate produced by research is the best in which to train young people. Medical research cannot be bought off the shelf or to order. Nor can quality standards in health care. A highly trained research workforce with relevant expertise and interest are what is required.

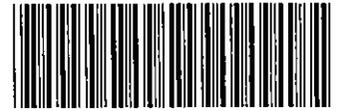
As the Prime Minister said on 8 September 1997:

Any balance sheet of human progress over the last couple of generations will tell us that there is no area of human endeavour where there has been more success than in the area of medical science and medical research. The unbelievable progress that has been made in that area, all around the world, is something that ought to give us, as human beings, part of the human race, an immense amount of pride. And Australia has played an enormous role in that.

Finally the words of Machiavelli:

There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things, because the innovator has for enemies all those who have done well under the old conditions, and lukewarm defending in those who may do well under the new.





# THREE GENERATIONS

## - *THREE AUSTRALIAS?*

Hugh Mackay

It has become conventional wisdom that the essential characteristic of contemporary Australian society is its diversity. In the world of marketing, people are starting to talk about "particles" (rather than the more traditional "segments") of the market. Most of the traditional generalisations about Australian society can be made with less confidence than before...and many of them can no longer be made at all.

We have been living through a period of turbulent and relentless social change, and this has been re-defining the character of our society. The roles and responsibilities of men and women are being radically reassessed. Patterns of marriage and divorce have been through revolutionary upheaval. As a result, patterns of family formation and dislocation have been irrevocably changed: the one-parent family is now "mainstream" and 25 per cent of babies are born out of wedlock.

Patterns of work and leisure have been destabilised by high unemployment, the rise of part-time work and the increasing casualisation of the workforce. Electronic technology (especially information technology) has revolutionised the workplace, the retail environment and, increasingly, the home. Money is becoming invisible and the credit revolution has wrought a culture shift in our attitudes to saving and spending.

Feminism, environmentalism, multiculturalism and republicanism have all re-shaped our agenda and our way of thinking about ourselves. There is now more diversity of thought, of attitudes, of values, and of behaviour and it is therefore becoming increasingly difficult to talk about "typical" Australians or about "mainstream" attitudes.

In the midst of all this, it is easy to overlook another source of diversity in our society, and another set of changes which are progressively re-shaping us - socially, culturally and politically. These are the changes in values and outlook which have been occurring, from generation to generation, since World War II.

The term “generation gap” was coined to describe the social and cultural gap which opened up between the Baby Boomers and their parents. To the horror of the Boomers, however, a new gap is opening up between them and their children which might turn out to be even wider than the one they created between themselves and their own parents.

To understand the remarkable differences between the three dominant generations in contemporary Australia (the Baby Boomers, their parents and their children), and to appreciate their impact on political attitudes and voting behaviour, we need to recognise some of the dominant influences upon those generations during the formative years of their childhood and adolescence.

### **Born in the 1920s**

The generation now in their late sixties and seventies – our tribal elders – were the children of the Great Depression. The Depression was the shadow across their childhood. They recall childhood as being tough and deprived. (Indeed, if you invite them to reflect upon childhood memories, they will try to outdo each other with tales of hardship and deprivation.)

And yet, this is the generation who *celebrate* the role of the Depression in their lives; the generation who believe that, thanks to the impact of the Depression on their families and neighbourhood, they got their values straight at an early age. They learned about loyalty (to a marriage partner, a family, an employer, a bank); they learned about the value of hard work; they learned to accept their social obligations (particularly to the even more disadvantaged of their neighbourhood); they learned, above all, to be prudent and cautious, and to plan carefully for their future. They also learned about the comforts of political and religious prejudice: the line between loyalty and *fierce* loyalty is a thin one, and many of that generation learned to hate their opponents (Catholics/Protestants; socialists/conservatives; free traders/protectionists) with unbridled passion.

This generation then became the adolescents and young adults of World War II. Again, they regard the dark years of that conflict as having been “character forming”; in spite of the further deprivations it visited upon their lives, they saw it as another period when values were clarified and the national focus was sharpened: “We know who we were, and we know what we were doing.” (And, of course, “We knew who the *enemy* was.”)

After such a tough beginning, they came to adulthood – and to the process of career-building and family-formation – at a time when Australia was experiencing an unprecedented economic boom. They arrived, to their own surprise, in a land flowing with milk and honey.

Looking back, they describe themselves as “the lucky generation”, because they enjoyed the unique combination: a set of sound values shaped by the hardships of their parents’ generation, and a subsequent period of economic comfort and prosperity undreamed of by those parents.

This is the generation who look back with pride at their stable marriages, stable work patterns, and good fortune in having had a life-cycle in fortuitous phasing with the economic cycle. It’s also a generation who have tended to be stable in their voting patterns and to disapprove of the trend towards “swinging”; a generation where the wives tended to take their voting instructions from their husbands (who had typically taken theirs from *their* fathers).

The “lucky” generation see themselves as having laid a solid foundation for coping with prosperity: they were going to benefit from it but not be “swayed” by it.

### **The postwar Baby Boomers (1946-61, but especially 1946-55)**

That phasing of the “lucky” generation’s life-cycle could not have been more different from the experience of their children – the babies born in record numbers during the 15 years following World War II. Every generation is characterised by its contradictions, and the Baby Boomers certainly found themselves in the grip of the most peculiar paradox.

On the one hand, they were the children of the boom years of the 1950s and 1960s. The construction boom, the manufacturing boom and the mining boom all created a period of unprecedented growth and prosperity. There was so much work to be done that we set out to attract as many immigrants as we could to help us get on with it. It was a time when Australians typically believed that the economic escalator would go infinitely upwards . . . and that created a mood of great optimism for the baby-boom generation. They were, in many ways, the symbols of their parents’ belief in a peaceful and prosperous future.

On the other hand, they were the children of the Cold War. They grew up with the idea of World War III as a kind of “future historical” reality. The possibility of the nuclear holocaust was planted firmly in their minds: they knew there was a chance some Russian or American would push the wrong button – deliberately or accidentally – and blow us all to pieces.

This created a most peculiar tension: the tension between belief in a rosy, easy future on the one hand, and *no future at all* on the other.

What would such a tension do to a generation that grew up with it? You might expect it to produce an obsession with instant gratification, encouraging people to the view that they should *have it now*. Impatience, in everything from the consumption of material goods to

education, travel and sexual relationships, might be the expected outcome.

In short, such a combination of contradictory influences would be likely to produce what it did produce: the Me Generation - a generation whose catchcries became "Do your own thing" and "Look after Number One".

This was a generation who were destined to become poor planners, unenthusiastic savers but voracious consumers. ("We're not here for a long time; we're here for a good time.")

Its formative influences were the very opposite of those of its parents' generation. Coming out of a period of comfort and prosperity, this is the generation who hit the turbulence of the Age of Redefinition: the period since 1970 when we have been destabilised by relentless social, cultural, economic and technological change; the period that cast the Boomers in the role of social pioneers.

Their parents' generation had their values established before they hit the "soft" patch. The Boomers had the soft patch as their formative influence - a start which resulted, inevitably, in a lack of a clear moral framework and of a solid value-system comparable with their parents'. The things their parents said about values, religion and morality tended to be overwhelmed by the evidence of a materialist society...and, in any case, the Boomers were the iconoclasts who wished to create a new social order!

So the Boomers were ill-equipped for what would happen to them in their middle years. In their quest for the happiness they so desperately sought, they have become our most divorced generation. In their quest to maintain a high standard of middle-class comfort, they have created the two-income household as a norm. In the process, they have redefined the dynamics of family life.

They are the generation who were on the leading edge of the gender revolution, as the Boomer women rebelled against the ideal of feminine domesticity which had been presented to them by their married and settled mothers (who had donned their postwar aprons and settled down to the serious business of creating the postwar baby boom, surviving comfortably on the income of their husbands). This is also the generation who, having grown up with the ideal of egalitarianism, have been horrified to find our society splitting into the haves and have-nots at such an alarming rate.

And while all that has been happening, they have been bombarded by messages from all kinds of social engineers and self-help evangelists, urging them to be "good". They are under pressure to be the kind of parents who enjoy "quality time" with their kids; to be well-informed consumers who only buy environmentally-sensitive products; to be fit, and preferably lithe; to be careful eaters, informed voters,

impeccable sexual partners . . . and to be sensitive to every kind of minority group in their attitudes and language.

Not surprisingly, the Baby Boomers are finding the going a bit tough and, as a result, are strongly attracted to the comforting cocoon of *nostalgia*. They are reluctant to part with their youth, because they associate it with a time when everything looked rosier than it does today. They are the generation who are still trying to stuff themselves into blue jeans in their late forties (partly to pretend that they are not as old as they are, and partly to "stay close" to the children with whom they are desperately trying to find some "quality time"). They are still playing the music of their youth and young adulthood; they are still inclined to prefer long hair; they are determined not to act their age!

If their parents thought of themselves as "lucky", the Baby Boomers seem to think of themselves as *stressed*. They are acutely conscious of their own anxieties and their own frequent retreat into alcohol, tranquillisers and other drugs as a means of easing the pain. "Why does it all have to be so hard?" is a question they are often asking themselves as some of them confront the difficulties of a second or third marriage, and the strain of raising someone else's children, and others reflect wistfully on the gap between the expectations of the 1960s and the reality of the 1990s.

### **The rising generation, born in the 1970s**

Generalisations are always dangerous, and I have already offered too many of them. When it comes to the rising generation of young Australians, though, generalisations are particularly hard to make. We can't talk about 18 and 19 year-olds in the same breath as 23 or 24 year olds, and one of the characteristics of this generation is their resistance to the idea of generalisations being made about them. But there are certain things we can say about those who are now in the early years of their adulthood. These are the children of the Age of Redefinition.

Because they have grown up in a period of rapid social, cultural, economic and technological change, they are not conscious of the fact that it is a period of change at all: constant change is the air they breathe; this is simply the way the world is.

This is the generation for whom the Women's Movement was an established historical fact. It is the generation who takes equality between the sexes for granted; who know that 50 per cent of university students are female and 45 per cent of the workforce is female. They know that "girls can do anything" and that most mothers combine motherhood with paid employment outside the home (because that's precisely what most of their own mothers do).

They have grown up with the reality of a rising divorce rate (and they have probably heard of the widespread predictions that their own generation will experience a divorce rate around 45 per cent). They are

postponing marriage: only five per cent of today's young women married by the time they are 20 (compared with 30 per cent of the women of the Baby-Boom generation). They are postponing the birth of the first child, and often using that as the trigger for a decision about whether or not to marry at all. They know they are facing a tough job market. For some of them, work has already come to seem like an option which might or might not be exercised: "I tried work once, and I didn't like it." For them, multiculturalism is a reality, the republic is an inevitability, and the environment is a precious resource which earlier generations abused.

The idea that technology is constantly changing is integral with their thinking. They know that today's technology will soon be superseded by something else, just over the horizon. E-mail, mobile phones, fax machines, personal computers, the Internet, virtual reality and interactive media are all rather ho-hum. (This, after all, is the generation that seemed to be able to program a VCR without even reading the manual).

This is the generation who have grown up in the presence of AIDS, who know there is a drug culture in their school or their suburb and who know how to gain access to it if they wish. This is the generation which has spawned significant numbers of street kids, and it is the generation that has doubled the youth suicide rate.

If their grandparents' buzzword was "lucky" and their parents' buzzword is "stress", what is the buzzword of the rising generation? I think it is "options". This is the wait-and-see generation; the "hang loose" generation, the generation committed to flexibility and openness to change.

This is the generation inclined to postpone commitment - whether to a system of religious belief, a political philosophy, a political party, a course of study, a sexual partner or even a brand. This is the generation whose parents say they are reluctant to commit themselves to the question of whether they will be home for dinner on Saturday night . . . they want to keep their options open until the last moment. And it is the generation who, when they leave home, take as little as possible with them, so that, once again, they can keep their options open.

Ironically, this is also the generation which feels itself to be more independent than any other but which is, in fact, more dependent than their parents' or grandparents' generations: they are staying at school longer, being supported by their parents for longer, and going onto the dole sooner - and in large numbers - than any previous generation of Australians.

### **Learning to live with ambiguity**

If one of the defining characteristics of contemporary Australian society is its *diversity*, then another is certainly its *insecurity*. Yet our

analysis of these three generations suggests that even the word 'insecurity' masks some quite different dynamics: like everything else, insecurity has its generational components.

The older generation's insecurity arises from their uneasiness about the direction in which Australian society appears to be moving; uncertainty about the likely future of some of the institutions which they have cherished and nurtured; fear for the future of their grandchildren; and fear for their physical safety. The Boomers are stressed by the relentless impact of change on their lives, and the unexpected instability of their middle years (including, in particular, the uncertainty of employment for them and their children).

The rising generation, for all their cool adaptability – for their tendency to “hang loose” – often feel alienated, depressed and unfocused (as reflected in their retreat into various forms of drug-abuse or music-induced oblivion and, most tragically, into suicide). There seems little doubt that the common thread running through this story is that the rate of social and cultural change is accelerating and the experiences of these three generations have equipped them to deal with that phenomenon in different ways.

The older generation are inclined to call for tougher regulations to get things back under control. The Boomers – as we have seen – slip easily into nostalgic escapism, but are also showing signs of wanting to re-evaluate some of the long-forgotten values of their parents' generation. They are creating a boom market for books which offer the kind of moral guidance which they once regarded as being unacceptably conservative.

The Options generation, recognising intuitively that the pace of change is unlikely to slacken, have understood that their own precious resource for coping with it is their personal relationships with each other: they have recreated “the gang” and they are putting far more emphasis on relationships than their parents or grandparents did.

There is, of course, no reason why these three generations should see the world in the same way, nor is there any probability they will. After all, the increasing complexity of Australian society is only a reflection of the increasing complexity of our lives and our identities. One of the many outcomes of the gender revolution is that we have become more conscious of the fact that multiple roles really amount to multiple identities: our sex, marital status, family relationships, work and social groups, and even our private passions, each define only part of us.

Australian society is no different from that. Progress towards harmonious co-existence between any groups within Australian society – including generational groups – depends on our being able to acknowledge that each of us is a product of the society which shaped us and that homogeneity – if it ever existed – is a thing of the past.



# **BODYJAMMING,**

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## **FEMINISM AND PUBLIC LIFE**

**Jenna Mead**

Displays of chivalry and knights on horse-back are rare in the public domain. But in early November 1997, when the book I edited called *bodyjamming: sexual harassment, feminism and public life* was published, Robert Manne – Melbourne academic, columnist and one-time editor of *Quadrant* – girded up his loins to play a doughty Sir Lancelot to Helen Garner's troubled Queen Guinevere (*Age* 3/11/97). Describing himself as "a battle-scarred worrier" [sic] he said "by the time I had completed *bodyjamming* I was genuinely shocked." Apparently this book's "central purpose is not so much to throw new light on the (Ormond College) affair as to destroy (Helen) Garner's reputation." For the contributors in this book "Helen Garner's is the voice of patriarchy at its moment of crisis".

This is stirring stuff – "genuinely shocked", "battle-scarred", "crisis" – there's nothing like that good old-fashioned tub-thumping language from the Cold War days. In this classic confrontation of good and evil, Manne was up against three academic feminists (read baddies) whose titles seemed to give Robert Manne some real gip. I'm always fascinated by how people name their enemies. Ann Curthoys lost her title of Professor and along with it the Manning Clark Chair in Australian History and that gangleader Jenna Mead was stripped of her PhD. Though the real enemy of everything decent who emerges from this column, Rosi Braidotti, was, with a gallant flourish, allowed to keep her title of Professor.

Robert Manne has a well-deserved reputation as a respectable columnist in Melbourne, in particular, through his columns that appear regularly in the *Age* newspaper. He is regarded by many as "the most interesting of the conservatives", as a Melbourne feminist once expressed it. In other words, here is a columnist who is very careful to avoid the obviosities – the cheap rhetorical tricks, gross generalisations and predictable agendas – that we all recognise blaring out from the op.ed. pages with monotonous regularity. Some of that chutzpah was evident in the way Manne handled his removal from the editorship of

the conservative, right-wing *Quadrant* for being, as it emerged, too left-wing, too-PC on issues of race, multiculturalism and reconciliation. In the wake of his dismissal, Manne, who had done much in his columns to promote anti-PC rhetoric, emerged as a hero of the left-liberal Melbourne intelligentsia by deploying much the same rhetoric he had previously condemned with so much success. The turning circle here is about 180 degrees but it was tremendously effective and plaudits for Manne's time at the "helm of *Quadrant*" emerged from all sorts of quarters. On the evidence of his columns, Robert Manne is a man who knows the value of a finely-calibrated public language.

What then does the rhetoric of the Cold War in this column on *bodyjamming* tell us? This is the language of the early 1960s – of conspiracies and counter-conspiracies, crises and unholy alliances, attacks on ordinary people and commonly held beliefs, the battle waged between right and wrong, freedom and totalitarianism. It is the language of simple (and simplified) divisions between good and evil, right and wrong, men and women, us and them. It is also the world of the spy thriller, espionage, infiltration and secret files and, true to the generic form, Robert Manne produces, in classic ASIO-style, a tape that was (secretly) made the night he (didn't) accuse me of being the leader of the feminist conspiracy that "brought down the Master of Ormond College". Le Carré could not have done better. What is one to make of all this? In the context of the late 1990s this is the language of nostalgia for the time when the values of good, right men held true (at least for some of us) and the world was a far better place (also, at least for some of us).

Robert Manne's substantive point – aside from an ingenious misreading of *bodyjamming* in general and Ann Curthoys' essay in particular – seems to be that someone (Braidotti? Curthoys? Jenna Mead? Is this a conspiracy?) is being mean to Helen Garner. He singles out the memoir by Rosi Braidotti of her time at Fitzroy High School in 1972 and in doing so he draws attention to the piece, above all the others, that reviewers and commentators have tried hard to think about. Danielle Wood (*Sunday Tasmanian* 26/10/97), Ken Wark (*Australian HES* 29/10/97), and Catharine Lumby (*SMH* 8/11/97) have all found the piece a challenge and it's been described as "cruel", "self-indulgent", "aggressive". Ken Wark called it "spirited, intelligent, useful but not wise". Robert Manne called it "a bizarre cultural interpretation" of the episode when Helen Garner was dismissed from Fitzroy High School for using inappropriate language in unscheduled sex education classes for first-year students and "genuinely cruel." Michael Duffy agreed that Rosi Braidotti's piece is "cruel". And then quoting Janet Malcolm he was acute enough and realistic enough to point out that "writing accurately about reality often does involve cruelty" (*Australian* 8–9/11/97). In private conversations and e-mails

people have told me they think the piece is terrific, gusty, passionate, long-overdue.

So, there's some real heat here and let me lay my cards on the table by saying that I love this confronting piece. I admire its courage and its honesty and the way it's written. I'm humbled by the fact that someone could, after twenty-five years, open the door on an experience that was obviously demanding and complicated and powerful and too big all at once. An experience that, as the piece shows, it took twenty-five years to begin to have the language to remember – let alone analyse. That's part of the reason I published it. And let me also say that while *bodyjamming* is a book that fifteen people agreed to publish in, they do not all agree with each other on every topic. I disagree with some of the things each person has written. They certainly have a range of options – that seem to change – about "Remembering Fitzroy High". There is surely nothing "bizarre" about disagreement.

I knew there were risks – many risks – in publishing what Rosi Braidotti had written. Not least that this piece would be picked while others were ignored and in that I was right. Not many people have taken up the huge range of issues canvassed in *bodyjamming*. Matthew Ricketson's terrific piece on new journalism risks becoming a set text for journalism courses rather than the start of a public debate about the ethics of journalism. Alice Blake's account of the agonistic struggle between feminism and the union movement has gone largely unnoticed and the reasons for this would bear closer scrutiny: is the problem feminism, the union movement, a perceived antipathy between the two and if so, then why? Foong Ling Kong's analysis of sexual harassment and race and the links between the US and Australia on these topics raise issues that are of immediate relevance to us now. The issues of race and how to think about it and how its politics are factored into the everyday life we are all living – the experiences circling in debates on reconciliation for instance – are far larger than the defence of one person's reputation – whether that person is Helen Garner, or Robert Manne or me.

But that's not actually the point I want to take up here. What interests me about this piece is that people have objected to it as "a personal attack" – as though there are none of those in public life. It's been described as "angry" – as though no-one is ever angry in public and certainly not in print. Rosi Braidotti has been accused of confusing her "personal opinion" with her public judgement – as though the two don't usually have much to do with each other. There seems to be a generalised dismay about the fact that this piece is critical in much the same way as there was about Janet Malcolm's review of *The First Stone*. Susan Wyndham under the heading "Stoned or stroked" in the *SMH* (17/7/97), Robin Usher's "Garnering notice" in the *Herald Sun* (14/7/97) and Peter Craven in *Australian's* "HES" (16/7/97) all sought

to hose down the perceived damage done by Andrew Clark's report of Malcolm's review (*Age* 10/7/97). Rosi Braidotti is seen to have been "self-indulgent" and, not only to be a tall poppy and therefore in need of cutting down, but also to have done some tall-poppy syndroming of her own. More than half the problem seems to be that Rosi Braidotti has done all this, been all this, in public and this too, apparently, a rarity. The most astute objection to this piece is the one that argues that in attacking Helen Garner, Rosi Braidotti has turned her into a victim, an underdog for whom the Australian public will, reliably, have a sympathy that will detract from the genuine criticisms she is making.

I have no problem with people disagreeing with Braidotti's piece but first, I think they miss the point of the piece and second I think these reactions tell us about the effects of this piece which people are struggling to articulate. My interest then is how language is working – or more accurately failing to work – here. I think the power of this piece is, not actually its revelation of the other side of the Fitzroy High story or its criticism of sexual libertarianism in second wave feminism. I think its power lies in what journalist Helen Elliott calls, "the clarity of its emotional truth". This piece of writing conveys not only Rosi Braidotti's anger, released after all those years, but the shock of her discovery that, as she says, history was repeating itself: "she's doing it again" with the Ormond College case. We aren't used to this kind of emotional clarity and affective force from a woman who is a feminist, a professor, a Senior Fellow at Princeton, who has a reputation "over there" in Europe and the US.

The other point here I think is about who we licence to tell what kind of truth. Rosi Braidotti combines all kinds of anxieties mainstream Australian culture has about smart women: first, they're smart and second, they're women. She's a working-class migrant whose parents washed cars in Fitzroy in the 1970s and who is now entitled to call herself "Professor". She grew up in Melbourne and then went to university first in Canberra at the ANU and then in Paris. She doesn't live here, so she taps into the expatriate narrative – if you can use that word about a migrant. What does she look like? Does she wear clunky shoes? Has she got thin lips? No-one's seen a picture of her. She's saying something no-one else has said before. So how do we check up on her? All kinds of boxes are being leaped out of here.

Truth-tellers tend to be created as icons. They are public figures. They make their claims and receive their authority in the public domain. Their names are familiar and summon up values and associations we all know. We call them "household names" for short. We know what they look like. They set themselves up – usually over a period of time. They use a language we come to know and expect of them. Look at the columns of any well-known columnist over a period of time. They have a "position" and we all know what to call it. They often

appear in tandem with another household name and that's called "balance".

But "Remembering Fitzroy High", with its first person strategy of address, its dates and real places, its names of recognisable bits and pieces – the *Age* newspaper, the radio station, the Labor Party, the slogans of the time – its undeniable claim "I was there" confronts us with a kind of truth and a truth-teller who is a private individual, a nobody, someone whom it's difficult to balance, who fails all the usual tests for icon-status. Someone who is, on top of it all, telling us something we don't want to hear: for in "Remembering Fitzroy High", Rosi Braidotti taps at the icon of a real truth-teller in a way that we aren't accustomed to. Somehow this piece seems to slip through all the usual gatekeepers and rules of protocol, all those niceties and politenesses that hose things down, to go right to the heart of the matter. Instead of being "civilised" Rosi Braidotti is angry and this makes her unfeminine as well.

The power of this piece, I think, is that it uses a language that, in the public domain in Australia, is unlicensed, transgressive, rebellious and therefore offensive. But this is also the language of a migrant, "one of us" whom "we" don't want to hear, a woman who speaks more than one language, a woman who is an intellectual, a woman who challenges many of the assumptions that circulate in public (and private) discourses about women, about migrants, about people's everyday lives. What Rosi Braidotti's piece achieves is an attack on the comfort zone that is produced when assumptions go unchallenged in the public domain. When we are quick to talk about "a fair go" without thinking about who is getting this fair go and under what circumstances. Keeping this comfort zone in place, as Foong Ling Kong argues in her contribution to *bodyjamming*, has enabled the Federal government to move "against social welfare and the under privileged; against Aboriginal people and ethnicity, and against feminism and women". One of Australia's most distinguished Ombudsmen, Irene Moss, has her files hacked into. There is still no appointment to follow Sue Walpole as Sex Discrimination Commissioner.

I think this tells us something else about the public image we create for ourselves. With few exceptions, our public commentators are not particularly skilled in dealing with the emotions we entrust to them. In other words, I think there's an important role for passion in public life but we are very unskilled in handling it. This lack of skill in dealing with emotions, the ear for truth that's missing, I think contributes enormously to the "retreat from tolerance" that Phillip Adams uses for the title of his terrific collection of essays published in June this year. If we can extend to, say, a Helen Garner the privilege of owning her emotions in her "much more personal book", then surely we can show the same tolerance toward Braidotti or anyone else for that matter. You

don't have to be a feminist to understand the importance of tolerance in public debate.

Meanwhile, the other issues are lost or obscured. In the 1970s feminists argued that "the personal is political" but in the late 1980s a feminist called Gayatri Spivak argued that "not only the personal is political". Rosi Braidotti's memoir is about the culture of schools, the strategies of pedagogy and institutional politics generally. *bodyjamming* is a feminist project and feminism, as Meaghan Morris once said, is on the side of the real. That's why its forms and alliances are constantly changing – because the real lives of women and their everyday concerns are always on the move.

Radical changes in government policy such as those to child care, health care, work cover, enterprise bargaining, welfare support and legal aid made by the current Federal government have reminded feminists that no improvement in the conditions in which women – and their families – live and work can be taken for granted. The challenge for feminists in the public service, private industry, welfare services, teaching, medical and legal professions – among others – is to find effective ways of resisting this systematic undermining of women's rights. It's called "mainstreaming" and it makes women invisible.

My aim in *bodyjamming* was to engage some of those wide-ranging issues that disappeared from the public agenda in favour of crop tops and a prurient interest in young women's bodies. The effects on women over a range of issues – equity, the workplace, sexual harassment, legal reform, the media, the ethics of journalism, the trade union movement, neoconservatism – all need to be visible in the public domain. But one of the central arguments of *bodyjamming* is that we need public languages – discourses – in which to address and defend the real attacks, public and private, that are being made on these issues and their effects on women.

The timing could not have been better. In the previous fortnight, the Office for the Status of Women, under Pru Goward, announced that violent husbands abusing access privileges would be "shamed" into improving their behaviour. Where can such an ineffectual and misdirected policy have come from? This is an example of the shift, analysed in Jenny Morgan's essay, from thinking about relations between men and women in terms of equality to making decisions based on morality. The question is: whose morality prevails? It's only a short step backwards to the stage where women are, as Anne Summers once said, either "damned whores or god's police". In June 1997 Anne Summers spoke in the ACTU Whitlam Lecture series. Her lecture was called "Back to the Future Urgent Issues for the Men and Women of Australia" and detailed an audit of the Federal government's cutbacks, roll-backs, undermining, dismantling and dismissal of women's issues, programs, policies and finance. These are issues of public concern, the

public need for equity, that need a language and speakers and activists – feminists – at every point.

While *bodyjamming* was in production, the Federal government demoted two high-profile women ministers from the Cabinet. What more proof do we need, as Natasha Stott Despoja argues from the floor, that women must pressure political parties, of whatever colour, to commit to equal representation? For as long as women are the token minority in Australia's parliaments they will be easy targets to sideline and send-up. In this all too familiar scenario the concerns of half the population continue to be unfairly under-represented.

In the last weeks, the Federal government seems determined to bring about an election that is already being billed as "the racist election". This will be a crisis of conscience in Australia's history as a nation. Ann Curthoys' essay argues that the reconciliation is the task, not for Aboriginal people, but for non-indigenous Australians. Like everyone else in the country I'm anxiously turning the pages of today's newspaper to find out what will happen when the government's response to the Wik decision is debated in the Senate. What I'm looking for is the tenor and means of public debate: who will speak? What language will they use? What contribution can feminists make to these debates? How?

*bodyjamming* has no quick-fix solutions for the meanings of sexual harassment, the future of feminism or the conduct of public debate in Australia – which veers between the embarrassingly bigoted (Frank Devine on Noel Pearson *Australian* 6/11/97) and the downright silly (Peter Craven on Frank Devine *Australian* "HES" 5/11/97). But I think what's at stake is analysis not moralising; genuine engagement not self-interested posturing; dialogue not bullying. In his introduction to *The Retreat From Tolerance*, Phillip Adams tells a story about a young man who argued that Australians were into "differencism". "We are uncomfortable with difference, no matter what it is." "We are unhappy with disability, with eccentricity, with intellectualism, with anything or anyone (who doesn't) conform". This is a telling point for without difference we are locked into the stupidity and ignorance – the intolerance – that makes us all into bigots.

Feminism will always be asking hard questions, saying uncomfortable things. Feminists will always be "bad girls". I can only agree with McKenzie Wark (29/10/97 *Australian* "HES") when he says that (Jenna Mead) thinks "we need a new kind of public conversation about issues of gender and sex, public conversation about issues of gender and sex, public utterance and private desire" – among other things. He's right – I do. *bodyjamming* is one kind of feminist contribution to that conversation.

# **BODYJAMMING,**

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## **FEMINISM AND PUBLIC LIFE**

**Meaghan Morris**

When friends and acquaintances heard I was invited to speak at a Sydney Institute function forum with Jenna Mead, most of them said: "Good Lord! How did you get yourself tangled up in *that*?" The only answer I could give was, "Slowly, very slowly."

Like quite a few, normally vocal feminists of my age, I was slow to untangle what I actually thought about the controversy created by Helen Garner's *The First Stone*, and indeed about the book itself. I prefer to think that genuine hesitation, rather than fear of abuse in the media, filled the silence of all those professional women who sympathised with the Ormond women in private but said nothing about it in public. I found the speed and virulence of media reactions to Garner's critics deeply shocking, given the evident complexity and, for those not closely involved, the obscurity of the Ormond events.

I was also shocked by the intensity of what Garner herself describes as an "angry, self-righteous" pleasure enjoyed by those who made a scandal of the fact that two young women insisted on having their complaint taken seriously and properly heard. In *The First Stone*, Garner attributes this kind of pleasure to feminists. I've certainly come across it in feminism. I know the self-righteous pleasure of rushing angrily at a situation, having it all sorted out – who's bad, who's good, what's right, what's wrong.

But this response is not restricted to feminism. It's clearly the sort of mood in which Garner herself dashed off her famous letter to the Master of Ormond College. On her own account, she read an item in the newspaper and she had everybody's number. The book is full of projections of this kind, where Garner's feelings are used to explain other people's motives. Yet who will throw the first stone at Garner, as though they have never themselves opened a newspaper and spluttered, "Good Lord! What's the world coming to?" Who has never reacted instantly to some possibly frivolous factoid with anger, self-righteousness – and pleasure? For there is, as Garner says, a "bitter" pleasure in

having an indignant, knowing response to a bit of news if it hits your prejudice button in exactly the right way.

I might have reacted like that to *The First Stone*. In fact, my response was immediately ambivalent and a bit paralysed. On the one hand I have, and always have had, a conservative view not only of sexual harassment – which is not just any casual overture, but an institutional act of aggression – but also of consensual affairs between teachers and their students if and when, but only when, a student is formally under a teacher's supervision. I think such behaviour is wrong, but I think it should be discouraged without regulations, bannings and codes. Jenna Mead – who is more progressive on this issue than I am – calls it “mischievous and senseless” to forbid teacher-student sex, and I'm sure she's right. However, I also used to believe that harassment, too, could be dealt with quietly by peer pressure, a little leaning and guilt-inducing to defuse a bad situation. The “*First Stone*” debate has at least made me realise how nostalgic and unrealistic that attitude is today.

On the other hand, I taught in the US during the peak years there of the political correctness panic, and I was pretty scared by some of my students. In those years, a mass hysteria of the kind depicted in *The Crucible* swept through the media to the universities, gripping seemingly sensible people with the weird conviction that in an era of right-wing Republican ascendancy and declining enrolment by African-Americans in higher education, power had been seized by fanatical blacks and feminists. But to call this a panic is not to deny that in the process serious problems in American society – and some seriously weird individuals – came to the fore.

I think it worked like this. By the early 1990s, the media campaign against PC had created a sense of embattlement and divisive suspicion on campus, worsening racial, gender and generational tensions. Most of the early PC horror stories picked up on the authoritarian fantasies of tiny radical groups frustrated by their inability, in fact, to affect American political life. But as the hysteria spread, so did the sense of frustration as many more ordinary Americans felt “targeted” simply because of who they were – feminist, gay, black. Classes were riddled with crazy verbal anxieties. One of my students refused to read about Bergson's vitalist philosophy, because the word “life” had been tainted by Right to Life campaigns. Another, I am sure, was dying to catch me out in a gesture that could be read as sexual harassment.

Some US universities have absurdly expansive definitions of what harassment can be. In those years, I had no less than three friends falsely accused of “sexual” harassment. Or rather, one was falsely accused, plain and simple, while the other two were inappropriately accused under the elastic regulations in force on their campuses. One

snapped at a student in class. The other (wrongly, I think) kissed a student in public, believing after a long verbal flirtation that the kiss was both consensual and strictly theatrical. Neither teacher had vilified their students sexually or tried to sleep with them, although the kisser was accused of this.

Loony? I'd say so. But before getting hysterical ourselves about similar goings-on in Australia, let's remember that American universities are run quite differently from ours. As huge corporations, they are also mini-states in some respects. They can impose their own codes of conduct in the territory they control, and all sides bring in the lawyers whenever a conflict occurs. They can also take very effective measures to destroy a person's livelihood. A condemnatory report attached to a file may follow a teacher to every job application she makes for the rest of her life.

Even in the US, good sense can prevail. After months of anxiety, my snappy friend's case was resolved out of court. My exhibitionist friend, Jane Gallop, went on to write a book about her experience, called *Feminist Accused of Sexual Harassment*. The official investigation cleared her of that charge, but found her guilty of violating a university policy against "consenting amorous relationships". That's "amorous", not "sexual" – she was guilty of a kiss and nothing more.

While Gallop no doubt acted foolishly, her university's policy strikes me as barmy. The point, though, is that it existed at a particular workplace, not all over the United States – and certainly not all over Australia. Yet when we read about such incidents in the Australian media, they're pitched at us screamingly as signs of a nation-wide American disorder which will spread to Australia like a virus in the next few months.

We're in a period of irresponsible reportage in that respect. Nervous as some of my American students made me, I am much more fearful of the level of sheer ignorance about Australian institutions, laws and customs that we continue to tolerate in our media, and demonstrate ourselves. How easy it is in this country to whip up a frenzy on the principle that whatever happens somewhere there will naturally happen everywhere here. How gullible or even flattered we can be when a story assumes our institutions are just like American institutions, that they have no history or culture of their own.

The text that finally gave me a useful perspective on all these mixed feelings was not *The First Stone* but David Mamet's play, *Oleanna*. The media had warned me I'd hate it – "see it with your husband at your own risk!", etc. We both thought it was fabulous. This play shows us step by painful step how a middle-aged male teacher – not a good teacher and not a wonderful human being, but not a bad man – comes to be falsely but sincerely accused of harassment by a young female student. This case doesn't end happily. Driven to

breaking point by the girl's persecution and the wrecking of his career, the teacher snaps and punches the student. At the end of the play, he faces being rightfully charged with assault.

From the beginning, I identified totally with the teacher – the man. There he is in his office trying to do a bit of work. The phone is ringing relentlessly. His wife rings, his lawyer rings, his real estate agent rings, his editor rings, his colleagues ring, students ring – for every few seconds of work there's another interruption. And it all has to be dealt with – unending bureaucratic demands, political intrigues, economic problems, family pressures, career moves to be made if you want to keep your job. Any busy professional knows how that feels. It's a day when you've fallen into a piranha pool and ants are eating your brain.

Then this student enters the room. I can't find the right word for the heavy, sullen atmosphere she carries with her, though I recognise it instantly. "Dim" or "thick", perhaps? But that implies contempt for someone who is struggling to understand, and that's not it. This person seems to struggle against understanding even as she craves to be understood. She has this stubborn, resistant, opaque emotional barrier about her that nothing you say can get through.

The rest of the play takes us through the slow, deadly collision of two incompatible forms of need. On the one hand, you have a teacher with no time to teach. Even if this man were a kinder, more sensitive human being, if he were a little more loving and lot less self-absorbed, he would have no time because of his working conditions. On the other hand, you have a student with a need for love so immense that she wants more time from this one teacher than he or anyone else in his position could ever give her.

In conditions where employers are trying to regulate relations between their "human resources", you have a recipe for disaster. Because there is one group on campus capable of making this student feel loved and understood – a feminist group that teaches her how to blame her teacher's failings on the malice of thwarted lust, and how to seek revenge. We never see these women. They're off stage, supplying paranoid but lucid explanations of the girl's experience. So we're free to imagine them as our own paranoia sees fit, and this is why some critics call *Oleanna* anti-feminist. Personally, I had no trouble imagining just such a feminist group, and I doubt that I'm the only feminist of 25 years standing to find Mamet's account of their logic credible.

But *Oleanna* is a fine play because the paranoid process it stages doesn't really have to be "feminist". A religious cult could undertake a salvation in just this way. So could any number of extremist groups flourishing all over the US and to a lesser extent in this country, groups making lost and unhappy people feel better about their lives. They take you in, offer love and support, and give you the comfort of a single, fabulously simple explanation for everything bad that happens – "X" is

to blame. Most attacks on fundamentalist movements make people who join them look stupid. *Oleanna* shows how the coldness and aridity of our "mainstream" social worlds can make such movements attractive.

With its wonderful economical sketch of the unbearably pressured existence called "academic life", *Oleanna* helped me understand what was missing from *The First Stone* – work, and a sense of the challenging complexity of public institutions. Garner's book is subtitled, "Some Questions about Sex and Power". But as Jenna Mead has pointed out repeatedly, harassment raises questions about "Work, Sex and Power". Of course it involves men and women, sex and sexuality. But harassment is concretely a workplace issue, not a floating human dilemma that is much the same from the late 1960s to the mid-1990s, from the masseur's table to the college hall, between strangers and between people bound by a relationship in which one has a "duty of care".

*Oleanna*, for example, is a brilliant play about work, not just men and women, sexism and feminism. It's the way we work now, as well as the insecure conditions in which we do so, that gives workplace conflicts over gender and sexuality their form and much of their edge. Jane Gallop understands this very well, although she shares (as I do) Garner's hostility to puritanical forms of feminism, and expresses something like Garner's enthusiasm for "Eros" as a vital aspect of pedagogy. The big difference is that where Garner writes that she will never understand "the passion certain people – usually men – harbour for institutions", Gallop gets off on the academy. *Feminist Accused of Sexual Harassment* is primarily a book about the erotic nature of work in an academic institution, and not a book about sex.

New kinds of conflict emerge when people start to work at a level of intensity unprepared for by the middle class expectations of 25 years ago. I was not brought up to expect to put in 60 or 70 hours-and-climbing a week before I could "do my own work", as most academics must today, and I never dreamed there might not be a pension or a stable welfare system to depend on in my old age. Sexual harassment becomes an issue of particular intensity in environments where baffled veterans of the old, more leisurely working regime – people my age and older – have power over young people who have had to cope from the outset with savagely competitive conditions.

Today, universities are very big and complex workplaces. We still find it easy to dismiss the concerns of academics and students as though they are peripheral to society and don't do any "real work". At the same time, we know this is not the case. Universities are major employers. Whole towns depend on them for survival. The University of Western Sydney is one of the biggest employers in the region, as is the University of Newcastle in that city.

The old "small world" in which a few responsible parties could quietly fix the situation if a teacher stepped out of line or a student caused trouble has vanished forever. Today, large public institutions as well as private corporations need clear and reliable procedures that everyone knows they can count on to resolve conflicts when they arise. Vanishing, too, is the world in which most women generally put sexuality, family and personal relationships at the centre of their lives – the world that shaped the second wave feminism of Garner's youth, and mine. We fought to make "personal" issues "political", and we succeeded to a large extent. Partly because of our success, but very largely because of the transformation of our society by global economic change, the working world and the terms of our access to it are now central to many middle class women's lives.

Focussing on the workplace rather than "sex" helps us to see why sexual harassment is importantly, not trivially, a form of discrimination. Sexual harassment makes it harder for the person singled out to make a living. To object to this by lodging a formal complaint about it is not to be "afraid of life". On the contrary, it is to have the vitality to demand the right to participate, or, if you don't like that word, to compete on equal terms in public life.

Access to work matters desperately to young women, and indeed to young men, today. This point is actually made in *The First Stone* but then dismissed by its author. A 36 year old tutor, "Michelle B", explains to Garner that the Ormond women were confronting men of "the last generation who haven't had to deal with feminists in their ordinary work". Noting that her own student generation wouldn't have rocked the boat, she adds, "But these days girls don't put up with it." Only the last word, "it", interests Garner, not the main point about ordinary work. Put up with what? She asks her reader: "What else was there in this story, beyond accusations of nerdish passes at a party?"

This reader felt moved to reply that almost every stirring and significant change in Australian society over the past 25 years is somewhere in this story, as "Michelle B" succinctly explains. Students today face a future that middle class feminists of my age find it hard to imagine, however much we might know about stress. Whether we personally wished it or not, we're the ones who've dismantled the protectionist and protective society we grew up in. We've done away with "jobs for life", buried the 8 hour day, taken our tax cuts thankfully, watched the slashing of government services and, in universities, casualised the employment of our country's future academic leaders. Yet we seem to expect younger people to act in the laid-back, carefree spirit we think we used to have, as though all the old social mechanisms were still there keeping them safe.

Well, they're not still there. Of course young women strike out fiercely in defence of their right to compete for jobs on equal terms with

men. Does this mean that Australian society is becoming more American, more prone to looniness, litigation and violent social conflict? Perhaps. If it does, and if we continue dismantling our distinctive institutions at the rate we've been at it for the past 20 years, I can only say that we haven't seen anything yet.

Having just read *bodyjamming*, I'm delighted to say it's a terrific book about work and power. As a contributor, I was relieved to find that I wasn't tangled up in the single-minded group "reply" to *The First Stone* that some reviewers had led me to expect. *bodyjamming* is a richly varied book, written by women with many different points of view. But this diversity of approaches does not make its essays "strange", as Robert Manne suggested in a defensive review ("More Stones thrown over Ormond affair", *SMH* 3 November 1997).

It's very simple. Everything in *bodyjamming*, including the stories and essays that make no reference to Garner (the bulk of the book), is about work. Rosi Braidotti's much criticised contribution, harsh as it may be in its judgement of Garner's past conduct as a teacher herself, is mainly an essay about industrial relations – and the social conditions that made Fitzroy High a tough workplace for pupils in the 1970s. In the intervening years, the toughness of a Fitzroy High has spread to zones of our society that once believed themselves immune to economic desperation and "public image" crises, taking strange new cultural forms along the way.

In this respect, the key contributions for me were Elspeth's Probyn's story about a thin young academic feminist who gives a paper about images of anorexia, and Amanda Lohrey's bitingly sad, edgy sketch of the inner life of a stylish woman who doesn't have a job, but who has turned the "production" of health and beauty – her public image – into such hard work that all she can tell her diary about the rest of life is "too tired", "so tired".

These stories are about the not so far off horizons of the world that increasing numbers of working women have to deal with. This world, not Jenna Mead's book, is "strange" to those of us who grew up in and were shaped by another time. In an earlier era of "industrial revolution", the nineteenth century novel gave eloquent expression to its dilemmas and conflicts of work, sex and power. Perhaps our strange new world has yet to give rise to artists and intellectuals who will understand it intimately. *bodyjamming*, however, is an eloquent start.

### Discussion – Wendy McCarthy

I am of the same generation as Helen Garner and like her, had a career as a sex educator. I read and enjoy all that she writes and looked forward to reading *The First Stone*. I was not disappointed. It was a great read and I was absorbed from beginning to end. That doesn't mean I agreed with all her views.

On reflection, my enduring response to Garner's handling of the issues in *The First Stone* was puzzlement at her view that the young women had used the law. Why wouldn't they?

In a modest way I had contributed to that legislation, when as a member of the National Women's Advisory Council in 1979, Quentin Bryce and I had paraphrased US legislation in the hope that it might help the parliamentary draftsman put it on the Australian agenda. Such naivety, for it was some years later, and after the longest debate in parliament, that the Sex Discrimination Bill became law.

I mention this because, like Meaghan Morris, adopting a regulatory position is not my usual approach. I am an educator with a strong belief that people will find their own way if information and reason suggest justice. However, even I could see that the hearts and minds were not following and there were many people whose lives were severely disadvantaged through discrimination. And it should always be remembered that the rules were there to be used.

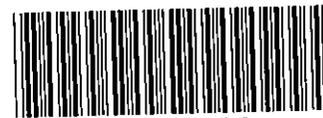
Reconciliation may well be at the heart of the matter, but it has not been achieved between either gender or race without educative legislation. It's worth a try even though we accept that the penalties for using the rules may sometimes be worse than those suffered by the original act of discrimination.

Reading *bodyjamming* was illuminating, rewarding and salutary because at last we could observe that the issues of discrimination at work were being discussed by many voices from many perspectives. The Ormand College affair has liberated the discussion, yet the bottom line remains that the young women used the rule book created by women like me. The office/college party is not a social event but a formal workplace event and the rules apply so that people are protected from sexual harassment. Why is this a surprise?

I come here as a consultant who has today spent six hours with three groups of 20 people discussing diversity in the workplace. It is not a role I had envisaged in my professional life as I have consistently taken the view that with good role modelling and management it is not required. Well I would concede that I was wrong; many people do not understand the line between offensive and "fun" behaviour. The law is a mystery and I am frequently told that the old order of gender relations is natural. There is nothing natural or creative about sexual harassment.

Let me use this opportunity to speak in favour of political correctness which in my book is about good manners and sensitivity. Why is it attractive or clever to call people slopes, wogs, sluts or, the ultimate put down, girlie? Let's hear it for "Ms" on job applications. . . .

Thank you Jenna for an interesting and engaging book. While some of my friends queried my involvement tonight, I don't believe in polarity. *bodyjamming* adds to the understanding of sexual harassment and recognises that we are in a documentary without a script in male/female relations at work. I recommend that you all read it.



# KILLING THEM

## *SOFTLY: HOW WE DAMAGE YOUNG PEOPLE IN THE NINETIES*

**John Marsden**

I taught at Geelong Grammar for nine years through the 1980s. Geelong Grammar has been co-ed for about 30 years. Even so the number of boys continues to be greater than the number of girls. The reason for this preamble is that, of the boys enrolled at the school during the 1980s when I was there, I know at least 17 who are now dead. There may be more. I haven't done a census. But I know that there are at least 17 of them who have died since 1989.

There's another thing. None of the girls who were at the school during that decade have died – none that I am aware of.

It strikes me that there is some kind of meaning to these figures. I'm not sure what the meaning is. But that's one of the things I'm going to explore tonight.

I don't want to catastrophise. I don't want to deal in extremes. Growing up has always been difficult in any society and in any age. Every age and every culture will have its own problems. We have our problems in the 1990s. Without catastrophising, though, it is important that we keep monitoring our problems, keep looking for solutions, so that we can make growing up a rewarding and exciting experience rather than a tragic or destructive one.

I want to look at some of the issues that do damage young people in the 1990s. Young men for example. One of the problems for young men nowadays is that it's getting increasingly difficult to defeat your father. And it's very important for most young men to beat their father. For many of them, it's quite a landmark in their lives when that moment comes.

I was talking to a group of Year 12 boys about this a few years ago and one of them described how he was playing his father at tennis. He was leading five games to one and 40-15 and about to serve for the match to beat his father for the first time in a game of tennis. I said, "What happened?" He said, "I double faulted, lost that game, lost the next five and lost the set 7-5." Another boy in the group told the story of how he was racing along the beach. For the first time ever he started

to gain on his father and realised in fact that his father was puffing and panting and wheezing and starting to fall behind. And I said, "What did you do? Did you fall over at that point and let him win?" He said, "No, I beat the bastard by the biggest margin I could."

That young man was more likely to have a healthier adulthood than the tennis player.

Why is it important? Because, as little boys, we regard our fathers as powerful, omnipotent, omniscient, supermen and if we go on into adulthood still believing that, then it makes it very difficult to become our own men, to become our own adults. So defeating the father is one way in which we establish ourselves securely as our own adult person.

Now this may be an issue for young women too. I'm not sure. In some families it is. The struggle to defeat the mother.

An issue which seems to be more related to young women in the 1990s is a new phenomenon where mothers are in competition with their daughters. One girl told me about a friend of hers whose mother never took the "P" plates off the car when the daughter had been driving. The mother leapt into the driver's seat because she wanted people to think that she was 17 years old and on a "P" plate. And another school girl said to me, "Everything I do, my mother immediately starts doing it too. I took up horse-riding. Three months later my mother took horse riding lessons. I took up aerobics. A month later my mother joined the gym and started aerobics too, in the same class." Later a teacher at the school told me that the girl had terrible problems. She had an eating disorder. She'd been in a psychiatric hospital on and off for twelve months. However, no matter how sick she was, she kept her place in the school debating team. Whenever the school had a debate she would sign off from the hospital and go out to the school to participate. I could understand why. The mother couldn't join that debating team. The girl was able to assert herself in that area at least.

There are other ways in which we make growing up difficult in the 1990s. One of the most powerful is that we have convinced ourselves, and young people, that they must stay at school not for nine years, not for twelve years but for 15, 16, 17, 18 years. Not just primary education, not just secondary education but tertiary education as well. Over my generation the change has been quite dramatic. There were quite a number of boys who left school at 15 when I was in secondary school. Now almost nobody does.

We persuade ourselves that there are sound educational reasons for this, which of course is nonsense. The reasons have more to do with socialisation and with economics. We have no jobs for young people so we have persuaded them that it's important for them to stay at school. If there was a sudden need for unskilled labour tomorrow then we would find sound educational reasons why those same young people

should leave school at 15 and join the workforce. But because we don't have the jobs we keep them at school.

This is all part of the bigger picture of extended adolescence which has become so familiar a characteristic of recent times. Adolescence now goes on until the early twenties. A survey in America recently showed that young people's age for leaving home has gone from an average of 23 to 26 in one generation. This may be bad news for any of you who are hoping to get your sons or daughters off your hands in the next 12 months. You might be lumbered with them for a while yet.

We keep them at school even though what we're doing is quite cruel and quite destructive. Imagine if you were manager of a company and a young employee came to you and said, "I've been in the mail room for three years now. I'm getting a bit restless. I've mastered that job. I'm really on top of it. And I've done a few courses which would fit me for much more challenging work. I'm very keen to get promotion, to take on bigger responsibilities." If you said to that employee, "Fine, now go away for another six years, stay in the mail room and come back and see us at the end of that time. I'm sure we'll have something for you by then," you'd be a pretty bad manager. But that is in effect what we're doing to young people. At the age of 15, 16, 17 they are telling us, and they are showing in all kinds of ways, that they are ready for something more; they are ready for greater challenges; they are ready for more adult responsibilities. What we're saying to them is, "That's fine, just stay at school for a few more years and then go and do a three, four or six year course at a tertiary institution and then we might have something for you at the end of it all - if you're lucky".

Another way that we make life very difficult for young people is by controlling them through money. Again, this is linked to the unemployment situation. Even within the family, parents often control their sons and daughters through money. By withholding money, or advancing money, parents exercise all kinds of subtle controls over their children. If you have young people at home, they should be working at a part-time job, at least, to have their own independent income. This is one of the ways in which we measure our maturity - by earning our own money.

Unfortunately we keep giving young people at 15, 16 17 the same roles, the same jobs, the same responsibilities that we give to seven and eight year olds. Someone at home has to feed the dogs and set the table and unload the dishwasher. And those jobs have to be shared by all the people in the family. But those jobs can be done equally by seven year olds or 16 year olds. And if they are the only responsibilities the 16 year old has, then what are we saying to them about the way we perceive them? If you have young people in your house who are 14, 15 or 16, they could be taking on jobs that are traditionally reserved for adults.

For example, with some education they should be able to do the family shopping at the supermarket every week. You should be able to drop them off there, pick them up an hour and a half later, with the shopping completed. They should be able to cater for a dinner party in your home for your friends.

And they should be paid for it. Everybody else in this society expects to be paid for the work that they do. The only people who don't get paid for working are students. I once tried paying my students to see what effect it would have on them. I've never witnessed more dramatic changes in their behaviour in my 13 years of teaching experience. Yet we continue to use all kinds of unsustainable arguments for not paying young people for the work they do at school.

Money is a potent force in our society. The way we use it to control young people's lives, to manipulate their behaviour, is quite unethical and often quite dishonest. Instead of saying to them, I don't like the idea of your going to that party, I don't like the idea of your going away for the weekend with that group of young people, we say to them, we haven't got any money, we can't spare you any money, sorry you won't be able to go. It is a dishonest way of manipulating their behaviour.

Another way we damage young people in the 1990s is by lying. We have become a very dishonest society over the centuries. A concealing culture, a hypocritical society. By concealing things like child abuse, domestic violence, corporate malpractice, we've done terrible damage to the society as a whole and to the individuals who are in it. There are all kinds of ways in which we lie to young people and in which we lie about young people. One of the most potent lies, that we all believe quite religiously, is that children are innocent. And we cling to that lie despite ample evidence that they're not. Children can be dishonest, violent, selfish, greedy, cruel. At the same time as they can be generous, honest, fair and loving.

There is something about humans which causes us to delude ourselves. I was in Kakadu a few months ago looking out over a lagoon, or billabong. The woman sitting next to me said to me, "Isn't it beautiful? It's so peaceful." At the time, a group of ducks on the other side of the billabong were trying to kill each other. There was a full on civil war. They were trying to rip each other apart. This woman saw what she wanted to see. She wanted to believe that nature is peaceful, that nature is beautiful, that nature is serene. Anyone who has worked closely in the bush or worked closely with nature knows that the truth is a little more complex than that. In the same way the truth about children is a little more complex than just saying they are innocent.

I remember a woman in Melbourne talking about a birthday party she had when she was seven years old. She invited everybody in her class except one girl whom she hated. When her mother found out that

this child had been excluded she forced the girl to invite her. On the day of the birthday party the girl whose party it was stood outside the front gate. When she saw this one unpopular girl approaching, she grabbed the present from her and told her to go home again. The child walked away crying. Forty years later this woman remembered it with a sense of guilt and remorse. All of us can remember stories like that from our own childhood. All of us can observe behaviour like that in children around us. Yet we continually close our eyes to it and pretend children are innocent because it suits us to believe that they are innocent. We perpetuate this lie for all kinds of complex reasons. One of them is that we find it very difficult to cope with the idea that society is complex, often dark and threatening and sinister. And we like to believe that there is some kind of magical land where everything is wonderful, everything is beautiful and everything is perfect and innocent. We'd like to believe that is the world of childhood or the world of nature or the world of Camelot or America in the 1960s when John Kennedy was president. We cling to all these little illusions because we desperately want to believe that there are such places.

It would help us more if we could maturely accept that society is complex. There will always be good and evil forces, always be a dark side as well as bright sides and if we look for some kind of utopia we are bound to be disappointed. Especially if we look for it among children. When we talk about the innocence of childhood we usually mean the ignorance of children. A child says something like, "I know where babies come from. They come from the zoo." We all laugh and say isn't that sweet, she's so innocent. In fact she's ignorant, she does not know how babies are born. We laugh at children. This is quite destructive as well because nobody likes being laughed at. Gradually they start to look on their ignorance as some kind of illness, some kind of disease from which they have to try to recover.

Another lie that we tell ourselves about young people is that they are impressionable. There are some impressionable people around, as there are some innocent people around. I know innocent people, some of them are in their seventies, some in their middle years, some children. One of my nieces I would call innocent. Equally I know impressionable people. Some of them are old, some of them are middle aged, some of them are young. If you've ever tried to get three year olds to eat cabbage you will see how impressionable three year olds can be. If you've ever tried to get a fifteen year old to change allegiance to a different football team you will see how impressionable fifteen year olds are. Someone told me about a lady in a bank who was with her three year old son. She was trying to get him to sit down so she could go over to the teller. Eventually after a long and bitter struggle she got the child to sit. As she walked away, the boy muttered, "I might be sitting on the outside but I'm still standing on the inside." Not very impressionable.

Being impressionable, like being innocent, is a function of personality and not of age.

The reasons we get into this lie about young people being impressionable are again complex. It's partly because our first experiences often make a strong impression on us. And you're more likely to have first experiences when you are young. So the first time you see snow, the first time you see your parent cry, the first time you go sailing, the first time you fall off a horse, the first time you kiss someone, these are powerful experiences which may well mould your attitudes for the rest of your life. And we are more likely to have those experiences when we are children or when we are adolescents. That's why we believe that adolescents are automatically impressionable. It's got nothing to do with that. It's to do with the quality and the timing of these experiences.

We believe that young people are immature and we take chronological age as some kind of meaningful criteria. Chronological age means nothing. What is important is someone's emotional age. Someone's intellectual age. Someone's social age. Someone's spiritual age. Someone's physical age. These things are important. Chronological age, the number of birthdays you've had, is completely irrelevant.

I visited a school in Melbourne where they are fast tracking a number of students who are academically gifted. I had to talk to a Year 9 audience about my book *The Journey* in which there are some scenes which contain explicit sexuality. The students were studying the book. A boy in the front row put his hand up to ask a question. In a rather pompous voice, he asked, why it was necessary to include so much obscenity in my book *The Journey*? And I said, in fact, sex is not obscene. It's a very important part of being human, a powerful but often a loving and beautiful thing. When I finished he came back at me: "If one wanted to read pornography one could read *Lady Chatterley's Lover* by D.H. Lawrence." I wondered if he had read it. I felt like thanking him for letting me know who the author of *Lady Chatterley's Lover* was. But I answered his question. Afterwards I asked the teacher what it was all about. He said, "He is actually 11 years old and in Year 10. He's been fast tracked because of his intellectual ability." And I said, "Well intellectually he might be 15, but in other ways, socially, physically and so on, he's not yet at that age."

Immaturity is a blanket term which usually doesn't mean much.

Among the lies that we tell young people is the lie that hard work brings rewards, when all around us there's evidence that it is not the case. Someone who's done nothing all his life can win \$ 6 million in a lottery and go on to live in opulence. Someone who has worked their butt off can have their house burnt down and lose their entire possessions in a couple of moments. A pensioner's life savings can be

stolen by a con man or a burglar who breaks into the house. If your surname happens to be one of those of the wealthier families in Western society then you don't have to work at all. So to tell young people that hard work brings rewards is a nice lie that we use to further our aims when it comes to socialising them. It has no bearing on reality.

We tell young people that education is important and education means staying at school when in fact Western schools are extremely poor models. Most young people learn a great deal more if they are given some alternative form of learning rather than being pushed into an Australian school. David Loader, the head of Wesley College Melbourne, is probably one of our most interesting educators at the moment. He has written *The Inner Principal* which I've just read. He says that most learning at school takes place in a situation where teachers are addressing large audiences of passive students. Very much like the situation here tonight! What are we setting them up for he asks? What are we preparing them for? Surely by establishing this as a dominant model of learning in Western society we are making it easy for a society where adults will be happy in large crowds listening passively while a single powerful figure at the front tells them what to do, what to think and how to behave.

I noticed that the head of Ascham, some years ago, commented that of all the brilliant young students who had passed through her school, only a couple registered for teaching as a career. If we seriously wanted to improve the lot of young people in Australia, we would encourage our brightest and best young people to go into teaching. If we wanted a long term improvement in the situation of adolescence in Australia that's where we would begin. But thinking in the long term is not a characteristic of Australian society at the moment.

Nevertheless, I don't want to be pessimistic or gloomy. There are many ways in which we can aid the maturing of young people. One is to restore a spiritual dimension to their lives. As the established churches have failed us, in many ways in recent years, Australia has become an increasingly secular society. Of course, the betrayal by some of the established churches is not the only factor in that. The growth of science and rationality is another factor. But nevertheless, it is possible to restore a spiritual dimension to the lives of young people.

At Xavier College, in Melbourne, I spent a week in residence. I noticed one space on the time-table for Friday where they had Mass scheduled. And I said, "Well, what's the story there? Does the whole school go to Mass?" The teacher said, "No, it's a voluntary mass." I was cynical, and I said, "So, the ones who don't want to go to physics or maths or French go to Mass and the rest have to go to their classes?" "No," she said, "if they don't go to Mass they have free time."

I became even more cynical and said "So how many turn up for Mass - four, five?" She said, "No, usually it's about 200-300." At that

point I nearly fell over. The enrolment at the school, on that campus, was only about 800. Maybe less.

So I decided I'd go to this Mass myself and see what was going on. And it was terrific. There was a wonderful atmosphere. The students took most of the service including preaching the homily. At my next work shop, a Year 9 class, I said to them, "How many of you went to Mass?" A lot of them put their hands up. And I said, "Why did you go to Mass?" They said, "Well we like it. It's nice. It's informal, it's relaxed. It's better than the Sunday masses where it's so formal and old fashioned." Again, the cynic in me awoke and I said, "Ah, so if you go on Friday you don't have to go on Sunday?" And they said, "No, no we still go. It doesn't make any difference. If the family wants to go on Sunday, we go on Sunday as well." And I said, "What did you think of the service?" They said, and at this point I felt I had really lost touch with reality, that the homily was too short. All I could think was, this can't be happening. In 1996. Fifteen year old boys. But I knew what they meant. The Year 12 boy who had delivered the homily was a bit flippant. He was nervous, self conscious, and it hadn't really worked. So they were making a serious and thoughtful comment about the service.

Among the lies we tell ourselves about adolescents are, that they are all drug crazed, pot smoking alcoholics, swearing, spitting, illiterate, involved in crime and graffiti writing. But the truth is very different. Most young people are growing up quite gracefully, with a good sense of balance and a good sense of humour. They are growing up in a very positive way. There are of course a minority who are into all kinds of destructive and self destructive activities. But by falling for the lie that young people are only interested in sex, drugs and rock 'n' roll and all the things that go with that, we are forgetting that they are vitally interested in the spiritual. We are forgetting that they desperately want intellectual challenges and intellectual stimuli. And by failing to give them those, we are cheating them dramatically and destructively.

Another solution we need to keep in mind, when we're dealing with young people, is that we have to grow up ourselves. We are an immature society and there are many immature adults in this society. Most Hollywood movies are examples of adults acting immaturity – and we're expected to find that attractive. All around us there are examples of adults showing immaturity in the most appalling circumstances. For example, when the pop group Hanson played a concert in a car park in Melbourne some parents brought their children from Perth to the concert. I wouldn't call that mature or responsible behaviour on the part of the parents.

We need to treat young people courteously. When I go to schools I constantly see teachers acting rudely towards students. Interrupting students' conversations, treating them without respect. I went to a

school in Melbourne the other day to talk to a Year 10 audience. When I walked into the library I found the students sitting on the floor. As I came through the door of the library, a Year 10 boy, who came in just behind me, saw this scene and said, "I'm not sitting on the fucking floor." I thought, I don't blame you. I went over to the librarian and said, "Why can't they sit on chairs?" They had ample chairs around. She said, "Oh, it will take too long to set it up." I said, "Why don't you ask them to each get a chair?" She said, "Ah, that's a good idea."

So in two minutes they were sitting on chairs. At the end of my speech the librarian stood up and she began a thankyou speech with these words. Facing the audience she said, "Gentlemen, if I can call you that. . ." A couple of minutes later she said to one of her colleagues, in front of the students, "We've finished five minutes early. Do you think we can trust them out there in the playground on their own?"

She was a nice lady. I'm sure she doesn't go home and strangle cats or sell drugs to Grade 2 children. But somehow working with students for so long has caused her to completely forget the normal standards of courtesy that apply. A group of adults would never be asked to sit on the floor to listen to a speech. Our culture shows our contempt for young people by treating them in these degrading and impolite ways. Of course, the people who do that are the ones who complain most bitterly when young people behave in aggressive or unpleasant ways.

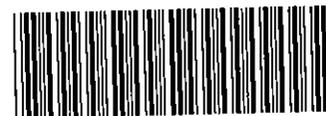
We need to challenge young people. We need to allow them to take legitimate risks and creative risks. By trying to protect our young people from physical harm we are in fact causing them deep spiritual harm. It's natural that we want them not to be hurt. We don't want our young people to be killed. And yet in protecting them from these physical injuries and physical deaths we're condemning them to some kind of lingering spiritual death - a malaise which is perhaps more pernicious and more harmful in the long run than those physical injuries. If we deny young people the chance to take risks, to have adventures, to challenge themselves, to test their courage, then they will find illegitimate ways to do those things. They will drive down the wrong side of the road at 150 kms an hour because they have to prove something to themselves. And by blocking the opportunity from them, we are causing them a great deal of grief.

We have to do something about the unemployment situation of young people. Instead of mouthing platitudes as successive governments at state and federal levels have done for more than a decade now, we have to find solutions as a society. As a community we claim to care about young people and we're very fond of telling ourselves that we do.

Someone said to me years ago that the oldest form of repression is protection. That's very much the case with women. Over thousands of years we constantly claimed to be protecting women. In fact it was a

euphemism for repressing them. We're still doing the same thing with young people. We're claiming to protect them. We are in fact repressing them and our motives are not nearly as worthy as we would like to believe. If there is one thing I would claim for my own books, it is that they tell the truth. That makes many people uncomfortable but to do anything else, to compromise and to continue to lie would be to add to the destructiveness and damage that has already been done.

My books are about understanding. They tell the truth, to help people understand. I hope that adults who read them will gain a greater understanding of young people in the 1990s. I hope that young people who read them will gain a greater understanding of their own lives, the lives of others and their society as a whole.



# **AUSTRALIA:**

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## ***A NATION IN TRANSITION***

### **Bill Scales**

Tonight I wish to talk about a subject which I believe is particularly important for the future of our nation, and that is – Australia, a nation in economic and social transition.

I envisage a nation of transition from a closed economy combined with paternal social policies, to a nation with an open economy embracing international competition supported by social policies emphasising choice and self-reliance, and an efficient and effective safety net for the most disadvantaged in our society.

In particular, I want to offer comment on two institutions which I believe are critical to the successful process of this transition. My proposition is that our major institutions are integral to the process of change. They may condition change, prepare us for it or block it. All the while, dangers of competing interests arise. The particular institutions I will comment on tonight are the Australian Industrial Relations Commission, and institutions helping us define Commonwealth/State relations.

From a nation lucky enough to be endowed with an abundance of natural resources – a curse of lazy abundance in the mind of some – I suggest to you that we will need to rapidly evolve into a nation which clearly understands that exploitation of our natural resources, while important, will not be enough to improve living standards of future generations. That ultimately creativity, hard work and leadership right across our community are required of Australians if we are to convert ourselves into a country which can truly be considered great. In essence, we should be a nation in transition from fortunate mediocrity to national excellence.

In 1788 Watkin Tench, a perceptive young member of the Marine Corp who came to Australia on the first fleet, gave us his account of the early settlement. His poignant comments touched on his view of possible future directions for our nation. He wrote:

Speculators who may feel inclined to try their fortunes here will do well to weigh what I have said. If golden dreams of commerce and wealth flatter their imaginations, disappointment will follow. The

remoteness of situation, productions of the country and want of connection with other parts of the world justify me in the assertion. But to men of small property, unambitious of trade, and wishing for retirement, I think the continent of New South Wales not without inducements.

Tench gave us a salutary warning of the possibility of comfortable mediocrity. Over 200 years later, Paul Kelly in his book *The End of Certainty* said:

The 1990s will answer the fundamental question raised by the 1980s – whether this decade laid the foundations for a new settlement or was merely a misguided aberration. It will resolve the battle between the reformers and the traditionalists; between those looking towards a new order and those merely tinkering with the old. It will determine whether Australia has the courage and insight to remake its political tradition or whether it buckles before the challenge and succumbs to an economic and social mediocrity.

Where are the particulars of this challenge to be found? In the course of the work of the Industry Commission during this decade, we have tried to assess a large number of the challenges facing Australia, and the potential for increased national improvement in economic and social performance. For example, with the assistance of those participating in public inquiries and research, we have examined Australia's mines, railroads, and electricity and gas industries. We have considered our forests, automotive, textiles, telecommunications, meat, dairy, sugar, computer and pharmaceutical industries, to name but a few. We have assessed occupational health and safety, private health insurance, public housing, and competitive tendering and contracting. We have even analysed, for the first time in Australia's history, our charities industry with all of its complexities. We have explored taxation, education, industrial relations and competition policy.

In each of these areas, and in others, we have provided information and advice to governments, and the community in general, about how to improve the performance of each of these areas of economic and social activity, and as a result the general performance of the Australian community as a whole. Without exception, in each of these areas, we have found Australia is not achieving anywhere near its full potential, not only in terms of current performance, but in terms of the systems and incentives affecting our future.

For example, the Industry Commission's review of private health insurance in 1997 found a \$4.5 billion industry with inherent instability. Community rating has created perverse effects, adding to a vicious circle in which rising premiums lead to lower risk members dropping out first. Reform has been piecemeal. The outcome is a system which has unresolved tensions, the most fundamental being the unstable interaction between private health insurance and the public system.

In the Commission's report on Research and Development, proposals were directed at enhancing the contribution to national

welfare by more clearly defining government's roles, improving funding processes and making research more responsive to users and community needs. In particular, we concentrated on the role of the main institutions and the processes that influence their performance.

And in the area of higher education, the Commission has argued in a submission to the West Review of Higher Education that funding, charging and regulatory arrangements limit student choice of institutions and courses; provide few signals to suppliers about student preferences and restrict their ability to respond to those preferences; and do little to encourage accountability for performance.

In a world seeking continuous improvement, an agenda for change is a permanent feature. So what is different about our current time? Two observations suggest at least a difference in degree, if not in kind.

The first is that in my involvement in public policy, since the mid-1980s, I cannot remember a time when there have been so many important public policy "balls" in the air with little certainty about the likely long-term direction. Taxation policy, aged care policy, education policy, health policy, industry policy, industrial relations policy, trade policy, the relationship between the States and Territories and the Commonwealth, our relationship with our indigenous population, and even the roles and responsibilities of the States' and Commonwealth's public services are being currently debated. The messages emanating from both sides of politics are so mixed and confusing as to make accurate predictions about their directions almost impossible.

This is not to suggest that Australia is an unstable society. It is not. But we do seem to be at Paul Kelly's crossroads. At best to re-evaluate national priorities so as to make our place in the international arena. At worst to retreat to the unachievable, that is trying to create a long-term guarantee to all our citizens of protection from the effects of rapid economic and social change.

It is tempting, of course, to blame current governments for much of this policy uncertainty. This would, in my view, be wrong. Both sides of politics seem to be currently re-evaluating their views about the way in which Australia should develop. I suspect that they are picking up a sense of concern and disillusionment in the Australian community, and their response as professional politicians is nothing more than a reflection of the general re-evaluation within our community. But of course, we expect politicians to do much more than reflect the community mood. They must identify the areas where information, education and leadership is required, to give the community the confidence to keep moving forward.

The second observation is that there seems to have emerged recently an increasing inclination to search for a magic bullet. But I

have not yet found some single magic bullet which will enable Australia to improve its living standards in the long term.

It is not tax reform on its own, nor is it a selective and discriminatory industry policy, nor competition policy reforms, nor industrial relations reform. We do, however, need a broad-based steady accretion in all these areas to improve our nation's productivity performance.

You may be interested to know that over the past few years, since the recession of the late 1980s and early 1990s, Australia's productivity performance over that period has risen from around 1.5 per cent per year to above 2 per cent. This puts Australia at the leading edge of productivity performance among the nations of the OECD.

Ross Garnaut has suggested that this significant improvement is a result of the combination of economic reforms of the 1980s. He said:

My own view is that this improvement has been driven by the payments and trade liberalisation and enhancement of competition that were implemented in steps from the mid-1980s, supported by a wide range of other productivity-raising reforms. (Ross Garnaut November 1997)

One small insight might help to illustrate the consequences of this improvement. If Australia can maintain its current productivity performance, which is around half a per cent a year above that which we have averaged over the last 25 years, then the living standards of our next generation will be about 13 per cent greater than would otherwise be achieved. As a proportion of our current GDP, this is equivalent to the total resources Australia currently devotes to health and education. The generation after that will have living standards around 30 per cent greater than we would otherwise achieve. And it is here that I want to focus my comments tonight, the transition which I suggest Australia is making, and the positive role which institutions can make to assist in the continuation of this very significant trend.

I want to argue that by continuing with the transition from a closed to an open economy, Australia can be a vibrant market-orientated nation which embraces the global economy with all its threats and challenges. We can be a nation where living standards are steadily improving, while maintaining an effective and efficient range of social policies. There is no dichotomy between these two propositions.

For this to happen will require maintaining our commitment to free and open trade with the world, and a significant change to some of Australia's existing institutions. In particular, I want to suggest the need for a fundamental rethink by us all of the role of the Australian Industrial Relations Commission (AIRC) in the context of the transition to a more appropriate set of labour market arrangements, and of the relationship between the States/Territories and the Commonwealth.

Whether Australia will continue the transition which began in earnest in the mid-1980s, from a nation insulated from the world by a high level of protection, to one fully embracing the world economy

through free and open trade, is currently open to serious question. Whether Australia should maintain its commitment to free and open trade has been brought into stark contrast by the recent debate about assistance arrangements for the most highly assisted of all Australian industries – the passenger motor vehicle industry, and the textiles, clothing and footwear industries. But the debate about assistance to these two industries was, in my view, simply a proxy for a much wider debate, a debate unresolved from the 1980s. The actual debate was, do Australians really want to be part of the global economy, with all its benefits and challenges? Most serious commentators thought this debate was over, but what we now know is, that this is far from the case.

These two industry assistance inquiries raised many community concerns about trade liberalisation, some recurring elements being as follows:

- that protection saves jobs;
- that Australia should not be a leader in trade liberalisation – rather our actions should depend on what others are prepared to do;
- that Australia should liberalise only when all other micro-economic reforms in Australia have been implemented;
- that the gains from trade are insufficient to justify the pain, especially if adjustment is concentrated in particular regions;
- and that, at a time of high unemployment, because manufacturing employees, especially the less skilled, were likely to be the main group in the community affected by further opening up our market, trade liberalisation should be stopped, at least for now.

Putting aside the now very predictable views of the four international car companies, and some in the textiles, clothing and footwear industries, against free and open trade, these views were put by many well meaning people, and therefore deserve a response. The Commission and others interested in this important issue are endeavouring to do so.

In summary, holding back on trade liberalisation does not save jobs. It, in fact, costs Australian jobs in the long term by pushing up the costs faced by other firms in the economy, thereby reducing their competitiveness and ability to employ people. For example, the Department of Foreign Affairs and Trade in its report, *Trade Liberalisation: Opportunities for Australia*, highlighted that tariffs on imports increased the costs for Australian exporters by an average of 3 per cent, with some exporters, of course, facing much higher burdens. These cost burdens are very significant in the context of work by the Centre of International Economics, which indicates that over 16,000 additional jobs would result from an increase as small as one per cent in the export of major agriculture, mining and manufacturing commodities over a period of two years.

Moreover, in the Industry Commission's 1996 Annual Report, it was estimated that the demand for labour would actually increase if all tariffs were removed. The World Bank, in its recent report into trade liberalisation in developing countries, found that while the rate of job growth in previously protected industries in those countries slowed, with trade liberalisation, job growth across their economy, as a whole, increased.

We also know from our own experience in Australia that protection does not in fact guarantee jobs even in those sectors most heavily protected. In the early 1970s, when tariffs were increased threefold in the textiles, clothing and footwear industries, employment continued to fall. In the longer term, job creation will depend on factors such as labour market flexibility, the tax and social security system, and the level of economic growth – not protection.

In addition, contrary to popular misconceptions, Australia is not a leader in trade reform worldwide. At best, we are in the middle of the pack, along with countries such as New Zealand, Canada and the United States. The leaders already have zero tariffs, including Singapore and Hong Kong. In fact, by the time all the Uruguay Round tariff cuts are implemented, Australia will actually have an average industrial tariff higher than the OECD overall. With regard to the passenger motor vehicle industry, even when we meet the current tariff phase-down targets in the year 2000, we will be amongst the developed world's highest assisters of the motor vehicle industry.

Nor should Australia wait for others to liberalise their economies before we liberalise ours, because we gain most from our own liberalisation. Nor do World Trade Organisation arrangements allow us to discriminate in our dealings with other nations on trade reform. Our negotiating coin is small, and in any case, around four-fifths of the gain to us from multilateral trade liberalisation comes from our own liberalisation, with around one-fifth coming to us from the liberalisation of others.

Nor should we hold back on trade reform until Australia implements all other micro-economic reforms. This would put Australian industry into a self-defeating cycle, where reform would be stalled, as one reform waited for the implementation of another.

Stopping trade liberalisation is not the best way to address Australia's domestic regional development challenges, which have always been with us as demographic, technological and commodity changes occur. This important issue is best addressed with broad-ranging micro-economic reform, providing a sustainable basis for development, including first-class economic and social infrastructure and incentives to minimise costs and maximise flexibility. Nor will stopping trade liberalisation stop the decline in employment, in particular industries or skill groups, resulting from normal structural change and changing world

markets. This is best addressed by training and retraining programs, and reform to our tax and social welfare system.

Australia must, if it wishes to continue to improve the living standards of its citizens, continue with broad-ranging trade liberalisation, liberalisation in our trade in goods and, importantly, in services. This message, and the benefits, must be given unequivocally by our political masters. It is a message so important it should transcend party politics, as it did for most of the 1980s. And remember the words of Ross Garnaut. It was the 1980s with its bipartisan acceptance of this critical issue which created the drive for today's historic productivity and living standards gains. If this message is not consistently given by both sides of politics, then those in Australia, and in other countries, wishing for their own self-interested reasons to stall, or stop, the process of international trade liberalisation will be comforted by our equivocation and inaction. Australia will give other nations the opportunity to argue that Australia preaches trade and services reform, but practises something different.

But most importantly, without further trade reform, Australians in the years ahead will be the poorer.

If Australia is to continue along the path of trade liberalisation, it must also continue along the path of improving the operations of, arguably, our most important market, our labour market.

My focus on this important issue is for two principal reasons. The first reason is because one of Australia's most pressing economic and social challenges is reducing the current high level of involuntary unemployment and underemployment. The second is that it is not possible to seriously discuss factors affecting national productivity now and for the future without considering the ways by which we can improve the functioning of our labor market.

Discussing the efficient functioning of the labour market goes way beyond discussing the issues of workplace regulation, and the judicial and legislative environment in which conditions of work are determined. It means discussing:

- the incentives for the acquisition of useful skills and the responsiveness of the vocational education and training system;
- the effectiveness of labour market assistance programs;
- the adverse effects of the tax and social welfare systems on work incentives;
- regulatory arrangements to minimise and respond to workplace injury and disease; and
- the incentives for Australian managers to lift their game.

We, in the Commission, raise these issues because we observe almost every day how improved standards of living for Australian workers come from improvements in productivity, which will be enhanced by improving the operation of the many facets of our labour market. I and my colleagues also believe this is the route to, not only

more jobs, but more rewarding jobs, and, importantly, better rewarded jobs. Of course, to dare to seriously discuss addressing Australia's deep-seated unemployment problem is to discuss some very sensitive issues. There are no easy or straightforward answers.

At a recent conference on unemployment held by the Melbourne Institute of Applied Economic and Social Research, a number of Australia's leading economists discussed, from many perspectives, this pressing problem. While there were differences of opinion about the degree to which any one policy action would reduce the level of long-term unemployment, a number of important contributions to the debate were made at this conference. For example,

- Ross Garnaut argued that realistically, Australia could achieve a much lower level of unemployment – he says about 4 to 5 per cent;
- Peter Dawkins and John Freebairn argued that more flexible relative wages, including some lower real wages, particularly at the entrance end of the labour market, was important, but not by itself sufficient, and needed to be combined with other policy prescriptions such as, improved and sustained economic growth, training and retraining programs, and changes to the social welfare system, in the short term involving an adequate safety net which does not inhibit wage flexibility or work incentives, and in the long term possibly considering options such as negative income taxes.

In addition, and very importantly, both at this conference and at other forums, the view currently being debated by professionals with a deep interest in this issue, and concern about the long-term effects of high unemployment, is whether Australia has a fundamentally flawed view about the appropriate role of wages and the social security system when it comes to addressing the issue of unemployment.

The point being made by Dawkins and Freebairn, and Garnaut, is that wages policy in the context of long-term unemployment should aim at ensuring that the long-term unemployed are able to accept jobs at a wage price near their marginal product of labour. Put more crudely, that an employer can still make a dollar from employing a relatively unskilled person. However, they argue that the tax and social security system should be designed to encourage people to accept work at the wage at which they are productive, without forfeiting an acceptable standard of living.

An approach, while not yet fully developed, which combines training and retraining programs with policies to enhance productivity and economic growth, is the approach favoured by an increasingly large group of people concerned about this issue. The general point is, let us not mix our policy objectives. Let us stop using wages policy for social welfare purposes.

But equally, let us make sure that our social, tax, training and retraining policies are consistent and capable of accommodating such an important change in the direction of national public policy, as part of Australia's transition to a highly productive, fully employed nation, where equity considerations are also important.

The second important reason why we must continue to debate how to improve the functioning of our labour market is because of the importance efficiency in this area has on the productivity performance of our organisations – private, public and not-for-profit. Best practice organisations know that they must find ways to motivate their workforce to ensure ongoing improvements in productivity and quality. To continually improve productivity and quality, organisations across Australia must go on finding the best ways to make better use of time, finances and resources. Let me provide an example of how important constant attention to productivity and quality across a firm can be.

One Australian firm, part of a large international manufacturing company, was ranked in terms of productivity between 65-70 on a scale from 1 to 10. This company ranked its operations in Japan at 100 per cent, and its operations in the US and UK at 85 per cent.

The Australian operation fell behind due to inefficiencies:

- from equipment downtime – minus 5 per cent
- from absenteeism and poor internal communications – minus 5 per cent
- from internal material shortages – minus 5 per cent
- from standard work inefficiencies – minus 5 per cent
- from poor process and supplier quality – minus 5 per cent to 10 per cent; and
- with the small scale of its operations contributing another minus 5 per cent

To be at best practice this Australian operation needed to make better use of its resources – and it knew this. This particular firm also knew that to close the gap it needed a significant change in the culture of the company, where people understand not only the challenges, but also their unique role in this solution.

Australia's highly regulated market is a serious ongoing impediment to the ability of Australian organisations to continuously lift productivity and quality. Most of us are aware of the British origins of the regulation of the Australian workforce, and the role of Australia's system of arbitration and conciliation. We are also generally aware of the link between Australian protection policy and the development of our workplace regulation:

The tariff policy was originally designed to insulate the Australian economy from cheap imported goods and provide employment for an expanding labour force. It also enabled wages to be determined by tribunals more on social and equity grounds than in accordance with productivity and market forces (Bamber and Lansbury)

Our current system of workplace regulation is described by many authors and commentators as having been an important part of the Australian industrial and social compact. It is now time to put behind historical artefacts, which today limit the productive possibilities of Australian organisations.

Most of the contemporary thinking and writing about industrial development of best practice organisations, indicates the importance of the positive relationship between management and the work force in creating high levels of productivity. Words like "trust", "reciprocal obligations", "commitment" and "learning organisations" are all used in the literature, and in high performing firms, to describe a constantly changing relationship at the level of the organisation where the performance of the enterprise is determined primarily by developing a sense of shared obligation between the two parties, and a preparedness to distribute the gains from this positive relationship between shareholders, consumers of the product or service produced, and, of course, the employees of the organisation.

Modern management knows that a cooperative and positive relationship between themselves and their people is, today, the key to success. These managers must be given the right, the opportunity and the responsibility to manage the resources entrusted to them, including our people.

However, even the progress made to date serves to highlight that we are still saddled with highly prescriptive, industry-wide agreements based around this highly regulated past which inhibit firms from managing our nation's resources effectively. These agreements, incorporated in over 2000 industry-based awards, which then become the basis upon which enterprise agreements are developed, can no longer be the basis for determining future organisational arrangements aimed at continually improving the productivity of our organisations. Even simplifying these 2000-plus awards to 20 allowable matters is not going far enough. While it is important to have an industrial safety net to give employees certainty in their relationship with their employers, it is hard to see why over 2000 safety nets are required, each likely to have its own brand of allowable matters.

Future industrial arrangements must almost exclusively be determined by the extent to which they improve productivity at the level of the individual enterprise, within the constraints, of course, of appropriate safety, competence of the workforce, and generally accepted elements of justice.

The question then is, is it fair or sensible to expect the AIRC to determine the level of the minimum wage which so affects our persistent problem of unemployment, and to determine how best to improve the productivity level of the firm so that firms are capable of responding to the needs of a rapidly changing market place.

Some would ultimately question the need for a minimum wage at all, depending on social welfare arrangements. However, in the current environment, an effective debate about the minimum wage is still, in my view, needed. I would suggest that today, the value of the AIRC, as the framework for debating and setting minimum wages, is at least arguable, given the need to take such an economy-wide approach when deciding this critical issue. Particularly if Dawkins, Freebairn, Garnaut and other like-minded experts are right, this debate could equally occur within our nine parliaments. (After all, purchasing power and unemployment varies by State.)

With regard to determining the workplace arrangements at individual enterprises, I would argue that, here, the role of the AIRC is even more problematic.

The AIRC can never have the detailed knowledge required to make such an important set of discriminatory decisions about productivity within an enterprise. The best enterprises are changing arrangements daily so as to ensure the best people are placed in the right spot within an organisation so as to maintain the best levels of productivity and quality. It seems unreasonable and unnecessary for firms and their people to have to seek the approval of the AIRC when these consenting adults have disputes, or even when in agreement, about how to make substantial changes in this regard.

In addition, the very existence of an organisation such as the AIRC, with the ability to intervene in these private arrangements gives a clear message to the parties that in the end, agreement between them is not really necessary, because if the situation gets serious enough, somebody else will solve their problem for them.

Drago et al (1992) argued that the role of a centralised body responsible for settling disputes, such as the AIRC, has led to:

- an overuse of strikes to gain the attention of tribunals;
- poor handling of disputes at the local level, and
- low commitment to awards due to lack of employee involvement in making awards, further increasing the use of strikes.

It is important, however, to recognise that there is a need for laws which enforce agreements, protect safety, cover unlawful dismissal and the right of association, and prevent capricious behaviour by employers. However, there are appropriate structures already in place to address these issues, such as the State and Federal courts. To what extent do we continue to need an AIRC to consider all or any of these issues?

Australia still has a hybrid system for regulating our workplaces, somewhere between centralised control and a full enterprise approach, which is argued as being the worst of all worlds. We need to make the next step in our transition to a more competitive society, and move to a full enterprise approach, in deciding the work arrangements across our

country, with only a minimum of external interference in the normal relationship between our workers and their employers.

Let me turn now to the importance of Commonwealth and State relationships. In some respects, the joint interests of Commonwealth and State governments in labour market reform lead to my general points in this area of institutional relationships. This relationship has changed considerably over the last decade, and is likely to change even more in the decades ahead.

I have used the theme of cooperative and competitive federalism to develop our analysis. The logic of constitutional boundaries, benefits of subsidiarity and opportunities of policy experimentation have all featured in our recent work. There are two important streams of public policy which need to come together in a coherent fashion. Macro-economic policy, which is primarily the responsibility of our Federal government, must, in my view, interact almost in a seamless way with elements of social policy, the majority of which is the responsibility of the States and Territories. At the same time, both levels of government have a role in micro-economic policy, especially regulations affecting competition and the performance of industry.

For example, the long-term economic health of our society – in which the Commonwealth has an overarching responsibility – depends on our being able to generate a highly skilled, highly educated workforce. This is a crucial responsibility of the States. If we are to encourage people to accept continuous reform in economic policy for the benefit of our whole society – the responsibility of the Commonwealth – then it is reasonable to assure the community that if they are sick, or as they get old, they would be cared for, where they have not been able to make provision for themselves. This is often the responsibility of the States, although, to complicate matters further, the Commonwealth has responsibilities for aged and veterans' pensions.

The general point I make here is that there needs to be a seamless relationship between the Commonwealth and the States because of the importance of the interaction between economic and social policy, and this interaction becomes more acute as Australia fully embraces the global economy. It is simply not productive today to think in terms of separate assignment of policy responsibilities, between the Commonwealth and the States, as if there are no shared responsibilities, and, as if there are no interconnections between policy goals.

In addition, and in relation to their shared responsibility for maintaining an efficient national economy, Watkin Tench was right when he observed some 200 years ago that Australia does have a small population, that is a small domestic market by implication. Fragmentation of that market will hurt us all, but particularly those businesses which need to take advantage of economies of scale and scope for their viability. In that regard, the fragmentation of this market in the six

States and two Territories through, for example, differences in regulation, or by undermining competition in goods and services across State borders, is not acceptable in the long term.

The Commonwealth and the States have done much to integrate these different players into one market, but the future here is not assured. Even those with a casual understanding of the development of our national electricity market will know that it is not clear how this will eventually develop. But what is clear is that it does require national leadership at the Federal and individual State level if developments like this are to occur in an appropriate and timely manner.

For these reasons, we need to consider very seriously the way the Commonwealth and the States interact and work together for the good of all our citizens. Here the institutional solutions are not particularly clear. However, some directions can be discussed and considered. For example, we do need structures like the current Council of Australian Governments, operating effectively, forums where leaders of our nation can meet to discuss the important strategic issues facing our nation and come to appropriate solutions. COAG offers a less publicised, but equally important, sub-structure of Ministerial Councils on specific policy areas.

The COAG process seems to have been less used by our leaders in recent years, even though there have been important national issues well suited for resolution by COAG. For example, it is clear that much industry assistance provided by States and Territories in its various forms at best shuffles jobs between States, and at worst reduces our nation's wealth. Consideration and resolution of this issue is eminently suited for the COAG process. The same could be said of health and education policy.

If the leaders of today do not like the COAG process, then let us redefine it. But let us commit ourselves to finding institutionalised means by which the Commonwealth and the States can work together on important national issues. It is also important to recognise, of course, that a proxy for making national decisions has begun to develop, but without major Commonwealth involvement. Here the leaders' forum where all State and Territory leaders meet on a regular basis to discuss important issues affecting them all has proved to be particularly successful. Again, the point of principle here is that we should at least discuss the importance of this issue, of how to redefine institutional relationships between the Commonwealth and the States and Territories.

In conclusion then, Australia as it approaches the next millennium has many important advantages and strengths. It has a strong democracy, strong economy, abundant natural resources, a potential for a highly educated workforce, sound institutions, and good economic and social infrastructure.

And yes, we do have some challenges. Australia has a small population with a large land mass. We have regions which are isolated from each other, making labour mobility difficult. We have an aging population like many other developed countries. We will have, in the foreseeable future, a need for continuous foreign investment because of our inability to save sufficiently to fund all of our necessary investments. We are clearly a long distance from major markets, particularly for our goods. These challenges are manageable through commitment and strong leadership at all levels of government, business, and within the broader community. Leadership which would take our nation into the 21st Century fully committed to be part of the global economy where we trade with the rest of the world as equals with few impediments; leadership which understands the importance of social policy to people and to the cause of trade and economic liberalisation; leadership which takes the whole of society into account rather than sectional interests when making important policy decisions.

This leadership needs to heed the advice that history offers on resistance to change and improvement. As the late British philosopher Isaiah Berlin stated, when reflecting on progresses made to human development and civilisation through reason and knowledge:

It seems to me a historical fact that whenever rationalism goes far enough there often tends to occur some kind of emotional resistance, a "backlash", which springs from that which is irrational in man.

The transition which I have described must continue. We really have no choice. Globalisation of our economy will force us to make the change whether we like it or not. We must and can prepare for this change and be capable of responding. Our institutional arrangements can help or hinder that process. I have nominated two institutions which need to be able to respond and change to meet the needs of our rapidly changing world. No doubt there are many other examples.

Let me say, finally, that I hope when Paul Kelly writes his next book, he is able to say with certainty that the battle to convert Australia into a highly productive, just and wealthy nation, did continue. That we accepted the challenge thrust upon us by globalisation. That we dismantled our remaining trade barriers against the world. That we continued to analyse and refine the appropriate role for governments in our search to become the productive nation. That we continued to refine the structure of our social systems, to obtain the right balance between personal self-reliance, and sensitive care and support.

In short, that we shrugged off the mediocrity destined for us by Watkin Tench, and became the great nation most of us know we are capable of becoming.



## **RUSSIA - WHICH WAY**

*PARADISE?*

**Monica Attard**

The great benefit of speaking publicly about one's own publication several months after its actual appearance on the bookshelves is that some, perhaps even most of those who'd be prepared to come to listen to you at 5 o'clock midweek have read the book, or have a fairly good idea of what's in it.

Those of you in either of those two categories – and please don't leave if you're not – might have questioned why I chose to put a question mark at the end of the book's title – and why I left the book's ending wide open . . . without conclusion, without the usual journalistic pontification about what we as yet don't know, in this case Russia's chances of success in this, its latest, utopian pursuit.

The basic answer to the question, is I don't know. I long ago abandoned making predictions about Russia's immediate or long term political, economic or social prospects, and opted instead to simply report the facts as they came to hand bearing in mind Russia's past, about which there are certain known facts.

As well as my lack of predicative powers, it is all too easy to focus on the bad news when it comes to any reportage or analysis of what's happening in that crazed and crazy country. Indeed, the media tends to and enjoys, even insists on looking at the bad news. And there's plenty of it. I'll get it out of the way first.

There's corruption heaped upon corruption undermining the country's political and economic stability, not to mention the people's confidence in their ability to contribute to the creation of new norms. Evidence? This is but one instance – the acceptance by deputy Prime Minister Anatoly Chubais of \$450,000 to write a book on the history of privatisation in Russia, a history he was in large part responsible for creating. He was the man who gave away Russia's State owned assets to old mates and others in the Soviet nomenklatura for a song when the USSR collapsed. The "book advance" came from a bank – Unieximbank, which is under Mr Chubais' control – and which was tendering for several lucrative government contracts. Although

President Yeltsin defended Anatoly Chubais, the Russian media labelled the advance a bribe and having been criticised for their willingness to steal State property when they were still Soviet citizens, the Russian people might be forgiven for thinking the payment for Chubais's alleged literary talents a little offensive. By the way, the book is not yet on the bookshelves.

Heaped on corruption is economic mayhem. There's a plummeting GDP – it dropped in the last financial year by nearly 40 per cent leaving Russia behind the first ten countries of the world.

There's hidden inflation which the Kremlin, immutable to the end, refuses to recognise. It still claims GDP has increased and inflation has fallen to barely perceptible levels – plunging 50 per cent on 1996 levels. Likewise the Kremlin claims retail sales are up which, of course, they are, but it's not the bulk of the population who are buying.

There's capitalists who started out with no capital of their own, who find it unprofitable and impossible to stop plundering the State's diminishing assets. Five per cent of the population drive cars Jamie Packer probably couldn't afford while 95 per cent of the population wallow in unprecedented poverty. The Kremlin, in the meantime, insists that real incomes have swelled and unemployment has taken a nose dive.

There's hospitals where children and elderly people die for lack of medicines. There's a legal system in which people are tried by kangaroo courts run by local ex-Communist Party hacks for crimes against these same people. The "guilty" then languish in lice ridden jails built in the 18th Century. More people die each year than are born. The average life expectancy for a Russian male has dropped to 54.

There are wages which haven't been paid for months. Those of you who have read my book might remember Natasha, a very real person, my closest friend. Natasha is a film critic, Russia's foremost expert on 20th Century Russian film. She hasn't been paid in close to a year. The president continually promises that trillions of roubles are to be made available to back pay workers, but when the fanfare subsides, Russia's doctors, teachers, film critics and others find themselves notching up debt just to put food on the table.

Sounds dire? It is. But in a country where nothing is as it seems and where none of the usual norms which prevail in Western economies apply, the news isn't all bad.

To begin with, there is an economy which, with a little nudge here and there from the West, is beginning to show signs of stabilisation. Having denied inflation levels were anywhere near their post Soviet hyper inflation levels, the Kremlin has, this year finally conceded the bleedingly obvious and undertaken money reform. This means they've knocked a few zeros off the rouble so people no longer have to carry

suitcases of the stuff to do their shopping. The rouble is now running at six to the US dollar which is a level I can't remember seeing since 1983! That puts it on par with the French franc. That sort of stability is good news not just for the country's working poor, but also for the filthy rich who might now begin to see some merit in keeping their millions, billions and trillions of dollars in Russia.

As well, having denied for four years that Russia lacks a legal system able to protect foreign investment should things go wrong, (and they do as a norm in Russia) the Kremlin has now ordered its bureaucrats to come up with (1) a viable taxation system and (2) a believable and trustworthy system to arbitrate business disputes.

As you've no doubt heard, until now the only way this has been done since 1991 has been through mob warfare. Presumably if all of this works out, then the absurd level of crime will begin to lessen, offering the citizens of Russia's major cities some reprieve. It has not been easy for people, used to the deadness of Breshnevism, to cope with gangland shootouts outside their apartment blocks!

There's also a ray of hope on the political front. Just five years ago the world witnessed the advent of Vladimir Zhirinovskiy who appealed to Russians because they felt hurt at the loss of the Soviet Union and its great power status. Zhirinovskiy spoke a language that every factory worker, every ordinary Russian understood. He said what they said to each other at the kitchen table. Hearing him speak after years of listening to rising democrats denigrate all things Soviet, I would often find myself in sympathy with his calls for renewed Russian pride. But he was also a menace. In the past few years, it would seem from the polling now available that Zhirinovskiy is now *passé*. He is an anachronism, a politician with still rather too much influence in the regions of Russia but close to none where it counts - in Moscow. This no doubt is what we in the West would call political maturity.

So too is it political maturity that Russia is no longer presided over by an unruly rabble in the Duma - the country's national parliament. The Duma's predecessor, the Supreme Soviet, made up of roughly the same people, came head to head with Boris Yeltsin in 1993 in a political showdown which Yeltsin won by turning his tanks on the parliament. A repeat of this spectacular - shown live by CNN around the world - is now remote. The Duma's politicians are now less concerned with the poverty of the people they represent, more concerned with lining their own pockets through laws which they themselves have been given the ability to make. Sure this might sound like a less than perfect situation, but it delivers a measure of stability which the Russians clearly welcome.

And the workers now have a new champion in whom they have shown a willingness to place their trust. Boris Nemstov - first deputy Prime Minister - was the governor of Nishny Novgorod, formerly

known as Gorky (where Andrei Sakharov and his wife Yelena Bonner were exiled). Nemstov is 38, a dedicated reformer and devoted anti communist. I remember spending time with Nemstov in Nijni Novgorod and being taken aback by the vehemence with which he disliked the communists and the energy he put into reversing the basic structures of the communist command economy.

Nemstov, like others of his generation, both in and out of politics, is determined to reverse not only the economic and political abnormalities created by seven decades of Soviet communism. There is now a determination to create new civic norms, to reverse the human decadence created by Leninism, to instil in people a desire to be honest, to recreate a trust. None of this is easy. But there is now what Mikhail Gorbachev called when he began the whole process of reform in 1985, a closing generation. The young are beginning to move into positions of power and authority and they not only want to leave behind the warped values of the Soviet era. They have some experience of new and more acceptable values. They no longer see the "name of the game" as beating the system, but as creating a fair one. They don't see the State as the enemy but as something to serve them and their children.

The task now is to get more and more of these people into the regions, into the Kremlin, into business, Chamber of Commerce and into industry.

In the next 20 years there's every chance the biggest hurdles will have been overcome and perhaps people like Sonia, whom you might remember if you managed to get to the end of my book, will triumph. Sonia was eight when she visited us in Sydney from her home in Moscow. She was playing with a set of political matrioshka dolls and she didn't recognise Chernenko, Andropov, Breshnev or Stalin. But she recognised Lenin, though she didn't have the slightest idea why he should be so memorable.

Given Lenin's legacy, that's probably not a bad result.

For Sonia, the book is closed on communism. She has no memory of it because it was not her experience. For those who came before her, amongst the worst sins committed by the old regime was as my former colleague in Moscow, David Remnick, so eloquently put it in *Lenin's Tomb*: "... its unending assault against memory. In making a secret of history, the Kremlin made its subjects a little more insane, a little more desperate."

Gorbachev said the reform process had to begin and end with the writing of a new and true history so that people wouldn't have to live with the horrors of their past. In knowing the truth they might somehow purge themselves of personal hurt and anger.

Even the thirty somethings carry real memories of the hurt their parents felt at losing their parents to Stalin - memories of the fear even

they felt that the regime would snatch and punish for the slightest hint or shadow of dissent. Even this generation, my generation, understood the hypocrisy of the regime and learned that to get by they had to lie and cheat. That this became a civic norm is, perhaps, the second greatest sin of Soviet communism.

It might just be that if history is truthfully written and passed down to children like Sonia, they'll let history judge the leader of the 1917 revolution and all those who came and went in his name. And perhaps, just perhaps, they'll reject his legacy.

That's what Russia's new crop of leaders hope for. But perhaps this is an optimistic scenario – the stuff of some utopian dream.

As I said at the outset, I have no idea.