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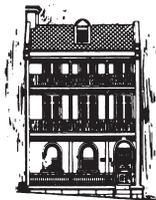
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Photo – David Karonidis

Margo Kingston

Author and *Sydney Morning Herald* journalist Margo Kingston is also a regular commentator on Phillip Adams' *Late Night Live* on Radio National. On Tuesday 19 October 1999, shortly after the publication of her book *Off The Rails – The Pauline Hanson Trip* (Allen & Unwin), Margo Kingston spoke for The Sydney Institute about the experience of writing a book on the election trail with the One Nation leader, Ms Hanson.

PAULINE HANSON

AND THE MEDIA

Margo Kingston

In launching my book this month, Jana Wendt noted that the general havoc the Hanson phenomenon caused in the community was nothing compared to the specific chaos she caused in the media:

How to deal with her? Should she be laughed off the stage or was she a serious political force? Should she be reported in the same way that John Howard and the rest are, or was she a subversive who had to be flushed out of the works for fear that she might undermine a civilised polity? Back in 1996, many media outlets opted at first to ignore her in the fervent hope that she would implode or more conveniently just fade away. The others, who found her simply irresistible, felt the need to justify their fascination with her by crash-tackling Hanson at every turn. Few dared to authentically engage with her. Fewer still were prepared to write anything other than what their left liberal journalistic peers expected of them.

However once we'd acted out our instincts on Hanson, we realised that our input only intensified her support; that the very fact that she was under attack by the media became an essential element in her appeal. That shocking realisation triggered a rare self-consciousness in the media. In some media, news judgement was replaced with political judgement – would running a story help or hinder Hanson? If the editor judged it would help her, it was run small or not run at all; if it would hurt, it was featured, sometimes without the usual checking. This attitude, not only anti-democratic but also self-defeating (the public really aren't that dumb and we'd better get used to it) led to an extraordinary judgement by Brisbane's daily, the *Courier Mail*, in the last week of the federal election campaign. An unprecedented attempt by One Nation to have police arrest the media was run in a single column on page 11. While most media outlets believed the incident would help One Nation, itself a startling acknowledgement of the odour in which the media is held, the TV news led with it and the *Herald* and the *Age* ran the story on page one. Laurie Oakes, in accord with conventional wisdom, said in his report that the media had played into One Nation's hands.

The *Courier-Mail*, after burying the story, then grotesquely ran a comment piece predicting that because of the media's behaviour One Nation would win six to eight Lower House seats. In other words, the paper openly admitted the importance of the story it buried, and chose to lecture the media on how it should have made a political judgement not to demand access to the costings document it was promised. As it happened the *Courier-Mail's* judgement was wrong, and Hanson's support remained stable. But then, the media so often gets it wrong in picking public reaction, don't we? We've become specialists at it.

I don't want to single out the *Courier-Mail* for criticism here – my paper was as guilty as any other of being caught out on Hanson. When Hanson made her maiden speech in September 1996, I was chief of staff at the *Herald's* Canberra bureau, and unsuccessfully argued that her speech should not be reported at all. I also had a personal policy of refusing to speak to Hanson's then adviser, John Pasquerelli, and not to write news stories about Hanson or her party. I even quietly cheered when watching violent protests at formation meetings of One Nation.

I was wrong. Most of us were wrong. The shock waves of the Hanson phenomenon have lessons not only for the political establishment but also the media. The media's roller-coaster ride with Pauline Hanson is a perfect starting point for our industry to engage in a most unusual exercise – self-reflection. It can, if we choose, be used to focus the vague, cloudy certainty of all of us that the media isn't quite doing its job, that our readers, listeners and viewers aren't happy with what they're getting from us, and that we are losing relevance as a result.

Dick Morris, former spin-doctor to President Clinton, says in his book "*The New Prince: Machiavelli for the 21st Century*" that "the media play the key role in bringing the private pains and needs of real people to public attention". This role, along with its corollary – to scrutinise the powerful to ensure they are telling the people the truth – is the reason we have a privileged role in a democracy. The Hanson phenomenon exposed it as unfulfilled.

Why did the media and the politicians get such a shock at the appeal of Hanson's populism? And even after the bombshell she threw at us, why was the media again caught embarrassingly short at the recent Victorian election, when the country moved so strongly to Labor?

The incident that first pricked my conscience on this point was a letter from a listener to *Late Night Live*, Ms Susan Leembruggen. She was responding to my passionate advocacy of an independent Fairfax on the ABC program *Late Night Live*.

My advocacy focused on the need for diversity of news and views, and for the freedom of some parts of the press from ownership by big businessmen with their own barrows to push. Ms Leembruggen attacked my argument on the basis that none in the press – indepen-

dent or otherwise – were doing their real job anyway. I quote from my book:

You have lamented the so-called Pauline Hanson phenomenon, saying that Queenslanders are mostly good, tolerant people – amongst other such patronising comments. Both you and Phillip expressed your contempt and dismay over the consequent rising tide of social discontent – inter alia racism and its perceived concomitant, unemployment. On Monday night you spoke with passion and conviction about media ownership and the importance of maintaining the Fairfax newspaper as the last chance for some kind of impartial freedom of speech.

Yet what was the point of a free press, she asked, when the media had not addressed the real issues of the day – anxiety about unemployment and the disenfranchisement of large sectors of society through diminution of standards of living?

This media neglect is a significant factor in the rise of Hansonism. Instead of academic arguments about Aussie “tolerance and fair play” (remember “tolerance” really means apathy, not acceptance) and the sense of abhorrence which goes with racism, you could more productively question the status quo in this country that gives rise to division and bigotry.

In short, Hansonism was partly the media’s fault for failing to act as the interface between the people and the powerful, and for turning our backs on the public to become just another part of a complacent establishment.

I was sufficiently disturbed to reply to Ms Leembruggen, and I wish I’d kept a copy so I could remember what rationalisation I used. But what finally pushed me into focussing on Hansonism was the Newspoll half way through the 1998 Queensland election campaign, which showed that Maryborough, my hometown, could fall to One Nation. Had I really lost touch with my roots to such an extent that I could not understand, let alone empathise with, the mood of Maryborough? Studied avoidance of Hansonism became an obsession to work it out.

After a unique experience covering Pauline Hanson’s campaign, my views on journalism and its future will never be the same. In the 1996 campaign, I was depressed at its studied stage management – it was an exclusive pantomime in which only the politicians and the media could play. On Hanson’s campaign in 1998, the media became chasers and had to fight for its right to be present, as all the rules of etiquette and self-interest were thrown out the window, and the people – God forbid – took centre stage.

I describe in the book the media pressures and split second judgements – some wrong in retrospect – which resulted. A major reason I wrote the book was to describe what happened when the rules that have imprisoned us were disregarded, and thus hopefully open up debate on a possible “third way” between all rules and no rules.

Coming out of the campaign, I was convinced that the health minister, Michael Wooldridge, was correct in his essay on the rise of Hansonism in the 1998 book *Two Nations* when he wrote:

Why this malaise in the relationship between power and people? This is an Australia of two cultures, which have little in common and find it hard to understand or appreciate each other's views and attitudes. The "policy culture" sees "the community culture" as uneducated, ignorant, backward and occasionally comic in its "primitive" beliefs. The community culture sees the policy culture as arrogant and divorced from reality. The policy culture often sees the community culture as a barrier to the better future it is trying to build, and views with suspicion and contempt political leaders who "pander" to the concerns of the backward mass. The community culture sees the policy culture as responsible for "the mess we're in", and sees political leaders as captives of the narrow elites, governing for the noisy few and ignoring "the real people".

To the community culture, the quality media seems part of the elite, and is treated accordingly. Some elements of the tabloid media simply exploit fears and distrust and feed off them. It seems to me that the media groups which wish to serve their "elite" readership should be striving to report and understand the community culture, because if the two cultures continue to drift apart, the elites will suffer in the end. That's the self-interested motive to examine our role and how we are fulfilling it. The idealistic motive is to help restore a coherence and common purpose among Australians, so the media deserves its place as an institution central to democracy.

Wooldridge's analysis seems to rely heavily on Canadian philosopher John Ralston Saul. His definition of "the elite" in *The Doubter's Companion* should, I believe, be required bedtime reading for all our elites, including the media, because in the end, it can only be the elites who are to blame for Hansonism. Ralston Saul wrote:

Every society has an elite. No society has ever been without one. The thing elites most easily forget is that they make no sense as a group unless they have a healthy and productive relationship with the rest of the citizenry. Questions of nationalism, ideology, and the filling of pockets aside, the principal function of an elite is to serve the interests of the whole. They may prosper far more than the average citizen in the process. They may have all sorts of advantages. These perks won't matter so long as the greater interests are also served. From their point of view, this is not a bad bargain. So it really is curious just how easily they forget and set about serving only themselves, even if it means that they or the society will self-destruct.

There is no reason to believe that large parts of any population wish to reject learning or those who are learned. People want the best for society and themselves. The extent to which a populace falls back on superstition or violence can be traced to the ignorance in which their elites have managed to keep them, the ill-treatment they have suffered and the despair into which a combination of ignorance and suffering have driven them.

As I said in my book:

Now easy going, “egalitarian” Australia had its own unique brand of far right populism feeding off disgust with our elites. In our version we had a female leader and an amateur at politics, which had made her both easier to pull apart and much harder, since Pauline’s People, despite everything, admired her refusal to abide by the rules and her dogged insistence on coming back for me. Surely it was the duty of the elites to solve the causes of Hansonism, because Hanson was only the symptom, not the disease. After all the anger and pain of Hansonism, that was the lesson I felt I’d learned from her campaign. Pauline’s People felt they no longer understood their society and what it was for, and many of them felt they were being told they no longer belonged to it. They couldn’t make head or tail of the political discourse, and no one could explain it to them or even wanted to, let alone help them join the brave new world their elites insisted was inevitable.

So what can the media do to assist in restoring a real national conversation, and to heal the misunderstandings and resentments in our society? We all expect our politicians to adjust, but what about us?

Let’s start with election campaigns. What on earth do we think we’re doing thinking we’ve covered a campaign if we follow around the leaders and try and find a gaffe in their manipulative image making? That process not only locks out voters, it is more and more irrelevant to them.

Nicholas Rothwell’s reports in *The Australian* during the last campaign show the way ahead. He travelled the country talking to all sorts of people, and tried to distill themes and moods from those grass roots contacts. His pieces were just fabulous. The standard gambit of going to an electorate for a day or two and reporting it is now drab and meaningless, and as formulaic, as most other election coverage. We really do have to connect with reality, and that takes time and effort.

I’d like to see the *Herald* send a reporter to two marginal seats – one in the city and one in the country – for the whole campaign. They would live there, get the daily direct mail, get to know the candidates and the electorate, and file daily reports. The reporters would thus be actually experiencing the campaign on the ground, and their position would also make them ideally placed to see what both parties actually saw as the main issues on the ground. Readers would get to know the main grassroots players quite intimately, as well as the lives of their voters. Reporters would also, like the voters, be on the outside looking in when the leaders’ road shows visited, and be able to judge far more accurately their impact where it counts – on the ground.

Between elections, I’d like to see specialist reporters in the press gallery spend at least three months a year observing how their specialities play out on the ground. Immigration specialists could visit immigration centres for example, education reporters, schools and universities, health reporters, public and private hospitals. Now, we

have a separation of abstract policy and the politics of it in Canberra, from the working realities covered by others, often without the big picture policy expertise. We need to connect policy and practice much more directly.

More radically, I think there's a place for reporters to live for extended periods away from their middle-class lives. After the election, my editor gave me permission to live in Bourke for three months. The idea was to observe and report black-white relations and the difficulties and challenges of life in the country first hand, I backed out of the plan when One Nation started a regular smear campaign against me on their website, for fear that I might be targeted for abuse, but I hope to try such an experiment sometime soon. One of the common complaints of political reporters, including myself, is that many grassroots groups can't give us a useable quote quickly, but seek time to discuss the matter between themselves. I am starting to think that instead of constantly demanding that real people meet our demands, it might be time for us to reach out and adjust to the way they operate.

There is also an urgent need for the media to make itself accountable. We spend so much time enforcing accountability on other establishment institutions; it is becoming increasingly untenable that our own house is in total disorder. Heaven forbid that the State regulate our behaviour, but really, surely we have an obligation to do so ourselves, if only to begin to restore our credibility with readers.

The *Herald* is now finalising a code of ethics, written by a committee of journalists, which will be published in the paper in January. The method of reader complaint is still being discussed, but I would like to see us appoint an ombudsman modelled on that position in the *Washington Post*, with regular columns from him or her responding to complaints and suggestions.

I also believe that the days when editors could refuse to report the media, its excesses, and the public's concerns with its behaviour – on the basis that all this is just “navel gazing” – are nearing an end. The public is well aware that the media is not an impartial observer, but a major player. They want to know how the game works, and to critique it. To me, there is no excuse for the *Herald* not to have its version of *Media Watch*, and I am amazed that the *Australian's* media magazine has not taken the plunge. I would like to see the *Herald* solicit readers' queries, and complaints about media behaviour, and reply to them in print. This step alone would help force us to examine ourselves, as well as help convince readers that we exist for them. If the public have faith in us, they will support us when our freedoms face erosion. If they don't, the State will find it much easier to constrain us.

At the press council, a complainant usually faces a newspaper executive with no knowledge of the story in dispute, who fudges and prevaricates in arrogant fashion. This only adds to the public percep-

tion that the media is a faceless octopus. I would like to see the reporter front instead, and engage with, the reader. Having done this myself late last year, I found that the public members of the council had little or no idea of the pressures or constraints faced by a journalist, or the politicians' codes which is the political reporter's job to deconstruct. Although the complainant lost his case, we shook hands at the end of it, and he was satisfied both that he had a fair hearing, and that the reporter was a human being who wanted to communicate with him.

In its review of my book, the *Courier-Mail* said it should not have been written. According to the paper, the book showed that I had lost "objectivity", whatever that is, and had become "too close" to my subject – as if political journalism as practised on the ground, was so frightening that it should be censored.

There is much in my behaviour in the campaign to be critiqued, and many journalists will profoundly disagree with my approach. But surely, if the book does create a debate on how journalism should be practised, that can only be a good thing. The time has come for journalists to abandon their raincoats of self-protection – the myth of "objectivity" for example – which serve only to stop debate in its tracks without engagement with the realities of journalism. Only if we are honest with ourselves and to our readers can we adjust to the demands of the new millennium.

I am not saying I have the answers. I am saying the questions now have to be asked, and that discussions needs to begin. Our survival depends on it.



Photo – David Karonidis

Tony Berg

Globalisation has profound implications for economic management and our ability to sustain jobs growth. The Business Council of Australia joined with The Sydney Institute on Monday 25 October 1999, to host the launch of the Business Council's discussion paper – *Avoiding Boom/Bust*. The paper was launched by Tony Berg AM, Chairman of the Business Council of Australia's New Directions Task force.

AVOIDING BOOM/BUST:

MACRO-ECONOMIC REFORM FOR A GLOBALISED ECONOMY

Tony Berg

About two years ago – when we started the New Directions project – there was an air of apprehension pervading the national psyche. Despite world beating economic growth, a large proportion of the community felt left out – the gains were not benefiting them. Despite clear evidence of the benefits of economic reform, the community was not at all convinced. It would seem that the same scenario has played a major role in the Kennett Government’s electoral loss in Victoria.

One of the big fears was, and is, the fear of unemployment. It had remained stubbornly around eight per cent and is now, in strong economic circumstances, still around seven per cent. At the Business Council, we determined that, if continued economic reform was to be supported by the community, it also needed to address unemployment directly.

Accordingly, we developed an overriding vision for Australia. A vision of a community of Australians united in our diversity, proud of our achievements, creating wealth and work for all. Given the failure of current approaches, we felt we needed to “think outside the envelope” – to be unafraid of new approaches. But we didn’t think people would want to hear our views if they seemed unfair or simply self-serving. So we set ourselves a benchmark. New Directions seeks to reduce unemployment in ways which are fair and seen to be fair.

In our view, we need to attack unemployment on several fronts.

1. We need to ensure that we convert strong economic growth into strong job growth;
2. We must avoid or ameliorate recessions;
3. We must keep our nerve on economic reform.
4. And we must continue to pay particular attention to long term unemployment.

We are releasing discussion papers in each of these areas. The first was released in March 1999. It dealt with the welfare/tax interface. That is a welfare and tax system whereby people on the dole do not have the right financial incentives to encourage them to move from

welfare to work. Today I release the second discussion paper. Rather than advocating fixed positions, each paper seeks dialogue about how we might make progress in reducing unemployment.

Recent progress on unemployment

Today's unemployment is a little over 700,000 or 7.4 per cent of the workforce. In 1989 unemployment briefly dipped below 6 per cent. Full employment was coming into view. But, two years later it was over 11 per cent! I mention these things, not because I am merchant of doom. I am not predicting an imminent recession. However I do take all those assurances "this time it's different" with a grain of salt.

This brings me to the substance of today's discussion paper. If we can ward off the next recession, full employment will not be too far behind. Consider Professor Bruce Chapman's simple "thought experiments". Looking back at Australian employment growth over the last 30 years Professor Chapman asks two questions. What if the two worst years of falling employment were replaced with zero employment growth – hardly a wildly ambitious agenda? Or, alternatively, what if the negative employment growth for those two years was replaced by the average employment growth for the period (of 1.8%)? The scenarios are based on unashamedly "back of the envelope" arithmetic. Yet they are powerfully suggestive. Making generous allowance for increases in workforce participation the first scenario has unemployment today at below 5 per cent; the second at below 4 per cent.

Macro-economic reform

Globalisation has placed important new disciplines on countries' macro-economic discretion. But just as free trade is a great discipline but also a great opportunity, so too are freer capital flows. As investment opportunities outstrip Australia's capacity to internally fund them, freer international capital flows can strengthen our economic growth, and actually help smooth the cycle. If Australia were unable to extend its call on global capital in the last two years to fund accelerating growth while others were contracting, we would have caught the Asian flu along with our neighbours..

Thomas Friedman sums up the pros and cons of the new world order in his new book *The Lexus and the Olive Tree*. He imagines US Treasury Secretary Robert Rubin sending a letter Dr Mahathir after the 1997 Asian crash. Rubin says to Mahathir:

The [electronic] herd [ie. the market] is not infallible. It makes mistakes, too. It overreacts and it overshoots. But if your fundamentals are basically sound, the herd will eventually recognise this and come back. The herd is never stupid for too long. In the end it always responds to good governance and good economic management... You just have to ... build in as many shock absorbers as possible.

While we must retain the confidence of the market, we can be the architect of the terms on which the market sees us. It's not just a country's policies that matter. The reputation of its institutions are critical templates on which the electronic herd will form its opinion. For instance, in 1997 several countries felt obliged to tighten policy to meet the expectations of the "electronic herd's" response to the Asian crisis. By contrast our Reserve Bank resisted pressure to tighten. This was not just the right thing to do. It actually improved the RBA's standing in the market.

The lesson is as profound as it is clear. The more we can secure sound and rational economic institutions capable of earning the respect and confidence of the market, the greater will be the flexibility those same markets will allow us to call our own shots and maintain growth oriented policy.

Today's discussion paper expands on the implications of this idea. The basic themes behind our agenda for macro-economic reform are a direct response to the kinds of issues explored by Thomas Friedman. They involve:

- extending automatic stabilisers or "shock absorbers";
- extending and improving discretionary "shock absorbers"; and
- deepening Australia's risk management capability.

Improving short-term labour market efficiency

Often when we are hit by hard times, the degree of sacrifice required to prevent unemployment from rising is actually quite small if adjustment is rapid. Extended gain sharing in our workforce would share the burden and also the benefits of changes in our economic fortunes more broadly throughout the economy.

This issue is actually more pressing now than it was. In the 1970s and 1980s, when bad times hit, we could adjust by freezing money wages and letting our inflation rate eat into the real value of wages. With low inflation, such adjustment will be much more prolonged. More widespread profit sharing also represents a powerful deepening of the economy's risk management capability. Business will be more likely to hire workers if their cost is not absolutely fixed in all circumstances. Moreover, if through profit sharing bonuses they can pay them more in good times, but less in bad times, the burden of lowering wage costs in recessions can be borne by most employees rather than the small number who must be otherwise retrenched. Although workers' risk of earnings volatility would rise, their risk of unemployment would fall. It is by no means clear that this would be an unattractive trade-off for Australia's employees.

I stress, profit sharing should not be foisted on anyone. It should be pursued on a voluntary basis with government playing a facilitative

and encouraging role. We could phase in bonuses over time, with base pay being protected.

Along with governments, business should play its part. When I arrived at Boral only a handful of employees received bonuses. Today over 3000 do. Nevertheless we need to take things further. Business and employees must explore the issues constructively. If either tries for too much, there will be little ground of mutual benefit. The recent explosion of share ownership demonstrates that Australians' attitudes to risk are maturing. I expect that like share ownership, the time is now ripe for a quite rapid change in the culture of Australian workplaces.

Re-engineering fiscal policy

Our outstanding macro-economic performance since 1997 has arisen from a series of good judgements by our officials coupled with the dividend of 15 years of reform. But behind those good judgements, the institutional framework we had evolved gave our officials the independence to back their judgement, and the credibility to face down the doomsayers in the market. Without that credibility we may not have been able to hold the line.

We can build on this institutional success. Our fiscal policy institutions are currently less developed and – as a direct result – less effective than our monetary policy institutions have shown themselves to be. The problems of fiscal policy as a macro-economic instrument can be summarised fairly succinctly. Politicians – and voters – prefer tax cuts to tax rises, and they prefer more spending to less spending. “Balanced budget amendments” can address this problem of fiscal drift – but at the cost of exacerbating economic volatility.

Fiscal policy changes usually take time either to engineer in the case of spending changes, or to legislate through parliament in the case of tax changes. Indeed, in all the fiscal stimulates applied in the United States since the war, every one commenced after the recession they were designed to address had ended! This was also true of the fiscal stimulus applied in Australia in 1992. In considering these problems, Alan Blinder – Alan Greenspan's former deputy and a leading economist – asked whether we should apply the model of monetary policy independence more widely. By doing so we arrive at a “thinking persons balanced budget amendment”. But where traditional balanced budget amendments protect credibility at the cost of flexibility, what we are proposing enhances both credibility and flexibility at the same time.

Parliament would delegate authority to make small across the board changes to tax rates. The authority would be circumscribed by parliament and so, in the early years, it might be appropriate for the “band” within which changes could be made, up or down, to be small – say one per cent. The band could be widened over time.

These small tax changes could then change the fiscal stance much as movements in overnight cash rates manage the stance of monetary policy. Further, an independent agency would be involved in the management of this fiscal policy regime. It could have a public advisory role to the executive like the Productivity Commission, or it could have the power to manage delegated changes in tax rates itself.

Such arrangements would give a flexibility and credibility to fiscal policy that it has never had. It would give us an additional instrument with which to fight the forces of recessions and of booms when and if they threaten. As Professor Laurence Ball has commented, this role is better suited to fiscal policy than monetary policy because fiscal policy effects are more rapid and accurately forecast. We could finally move away from our dangerous over-reliance on monetary policy.

Despite its apparent boldness, the proposal affects only a small aspect of fiscal policy. Politicians would continue to perform their democratic duty in deciding who pays what rate of tax, what concessions there are, how much money is spent and on what. It is only the *stance* of fiscal policy – the relationship of revenues to outlays – that would be vouchsafed by the new arrangements.

We could work towards this model over a period of time. We suggest a target by which a fiscal “buffer” of one per cent of GDP would become independently managed over a decade. This buffer could be introduced without raising anyone’s taxes by earmarking a proportion of future tax cuts to the buffer. Alternatively, at a time of fiscal easing one could provide temporary tax cuts and give an independent agency authority to withdraw them when appropriate. This kind of fiscal expansion would be much more effective than a fiscal expansion overseen by politicians. That is because markets treat easing as a readout of government’s long term fiscal responsibility. Accordingly, current institutional arrangements mean that fiscal policy is always dogged by a credibility gap. We cannot make proper use of it without building institutions capable of maintaining the confidence of the market at the same time as exercising the flexibility which good economic management requires. In a globalised world, there is no flexibility without credibility.

Broadening the scope of savings policy

The third macro-economic reform I am proposing today is short-term variations in compulsory superannuation. Singapore has occasionally used this approach with its compulsory savings vehicle – its Central Provident Fund. As is the case with other macro-economic instruments, short and medium term goals must not compromise longer-term goals. Thus, where short term and long term goals are different, short term moves must be genuinely temporary. But where

the long and the short term goals are the same, there arises the opportunity for real synergy.

Towards the end of the 1980s policy makers became concerned at the burgeoning current account deficit. Because fiscal policy was relatively tight, policy makers felt that monetary policy was the only instrument available. Even at the time, informed opinion leaders were arguing that monetary policy was the wrong *kind* of restraint. By increasing the exchange rate it actually undermines the investment needed to address the current account problem. A temporary acceleration of the compulsory superannuation program would have dealt with the problem much more directly.

It is easy to say that people wouldn't like such a policy. But often policy makers are beyond painless solutions. Would the electorate have preferred near 20 per cent housing interest rates to the accelerated introduction of a policy to which the government was committed in any event?

With the right policy the short-term pain would have been much more like precision surgery. The "pain" it inflicted would have been where it was needed – in consumption – while traded investment expanded to address our current account problem. The populace could indeed have greeted this kind of tightening with *less* hostility than interest rate increases not just because of its more palpable efficacy in the circumstances. I suspect that many in the community have a more positive attitude to parting with their hard earned money towards savings for their retirement, than they do for parting with it forever when they pay tax or interest.

All this having been said, I expect that we should think of the new instrument as one which should be used only occasionally, rather than routinely. This has certainly been the case in Singapore. Nevertheless there are similarities between our current situation and that of the late 1980s and the time may be coming when the proposals I have discussed could be particularly effective.

Estimating the benefits

One possible measure of the benefits of the suggested macro-economic reforms is to ask how much better our economy might have performed had these policies been in place over the last decade.

Using very conservative assumptions, Access Economics has modelled just such a scenario for us. Its work suggests that these policies could have more than halved the level of volatility of employment, delivering higher incomes, lower taxes, \$34 billion less foreign debt, and 170,000 extra jobs.

Conclusion

The ideas embodied in this paper are in every sense “New Directions”. They have not been widely canvassed before, and our research suggests they can substantially improve economic performance.

Of course their very novelty will attract claims that they are impractical, or politically too difficult. Precisely the same things were said about reforms of which we are now proud. The Business Council took a critical lead in previous “impossible” reforms – such as labour market bargaining at the enterprise level, competition policy, and tax reform. Our laconic nature tends to see us playing down the things we are best at – with the possible exception of sport. But we have plenty to be proud of in our recent economic history. We are the only population to vote for a political party promising thoroughgoing tax reform. That happened in 1998 and also in 1985.

Our record of reform over the last 15 years has been impressive by any practical standard. Australia has been a trend setting innovator in a wide range of policy areas. Economist Tony Makin recently suggested that Australian monetary policy was close to world’s best practice. Areas where our own arrangements are at or near world’s best practice include

- the architecture of our national competition,
- the structure of prudential regulation and monetary policy and its management,
- our Charter of Budget Honesty.

World Bank researchers consider that for all its immense and inevitable failings, our social security system may be the best compromise there is between generosity, comprehensiveness and affordability. An appreciation of these things should give us the courage and the optimism to venture further. This paper builds on the evolution we have already been through.

It is also offered in a spirit of open discussion. It is not a finished BCA position but rather an invitation to dialogue. We welcome discussion of the strengths and weaknesses of the paper. The changes would reduce unemployment and make our economy more supple, more efficient and fairer.

As our modelling indicates, if we could avoid or substantially moderate the next recession, the economic benefits would be immense. The social gains from realistically raising the spectre of full employment would be greater still.



Photo – David Karonidis

Jenny Ferguson

After studies at the Sydney Conservatorium of music and a brief stint as a music teacher, Jenny Ferguson went on to open her successful Sydney restaurant “You and Me” and was a regular contributor to *Epicurean* magazine. Later, as co-owner with her husband Rob Ferguson of “Torryburn”, the childhood home of Dorothea Mackellar in the Hunter Valley, she found herself managing a stud farm, creating a magnificent garden and restoring the old home. In her latest book, *A Garden, A Pig and Me* (Hardie Grant), Jenny Ferguson writes about turning 50, the garden and life as a corporate wife. Jenny Ferguson addressed The Sydney Institute on Wednesday 27 October 1999.

LIVING IN THE

SHADOW: THE CORPORATE WIFE, GERMAINE GREER, AND ME

Jenny Ferguson

My great grandmother Louisa was a dressmaker and had regular customers. One day her husband took a hammer and smashed her machine to pieces. Shortly after this they moved house and another daughter – the third – was born. But she only lived a few months. Will – my great grandfather, had no patience with his wife’s grief, telling her there would be plenty more babies. Then one evening after a violent quarrel Louisa walked out. She simply left the house with only the clothes she was wearing at the time and disappeared. She was pregnant.

She was an intelligent woman, lovable and generous. As a young woman she played the violin and sewed beautifully, but she was a dreamer. Eventually she had a nervous breakdown and is remembered as living alone to the end of her days, totally disorganised, her house like a rubbish tip as she rarely did any house work. My mother described the cheek she presented to her grandchildren for kisses as crumpled and soft as a new chamois and smelling of dust and gum leaves. She wore other people’s leftover clothes, a towel upon her head and she refused to wear teeth.

She was independent in spirit – if not in fact – and completely indifferent to authority. Shedding her husband was the first step – no more meals on time, no more house cleaning, washing and ironing. She had a wonderfully happy nature and went her placid way walking in the bush picking wildflowers, fussing hopelessly in her garden, completely oblivious to critics and totally ignoring society’s rules. Had she been wealthy, people would have perhaps have been more kind, commenting on her eccentricities with amusement.

However sad a picture Louisa may appear to us, I believe she found happiness, and whether it was because she had decided to stick up for herself, or simply fell into it by virtue of her breakdown, she was at last being herself.

Being yourself is very important, and that’s something I want to talk about today.

As a gardener, and – I hope too – a writer, I’m lucky to be doing the things that I really want to do. I am also lucky that my situation in life allows me to buy all the compost and manure and plants that I need for my garden.

They say that ladies of a certain age come to gardening perhaps as a way of recovering from the empty nest syndrome. It brings with it an ongoing sense of nurturing. It also brings an ongoing bad back and very stiff knees, and I happen to love it, not just because it creates a beautiful place in which to live, but because it’s solitary and allows plenty of time for thinking. Margaret Thatcher liked ironing for the same reason.

One of the things I think about a lot while gardening, is why I do what I do. I once heard that the unexamined life is not worth living, and I took to that to heart, and so I’m always at it, examining and questioning – and it has led to a lot of arguments over the years.

Before we were married in 1968, my husband-to-be asked me had I started to practise ironing shirts. I think I can pinpoint that occasion as the moment I started my questioning, and decided that whatever ideas *he* might have about women and their role in life, it was not for me.

And that’s what I want to think about today. It’s part of the very big question – why am I here and what am I to do. I believe the answer lies in being *true* to yourself and following whatever dreams are inside *you*. That means not doing or being what someone else might think is right for you, and sometimes this takes a lot of courage.

George Bernard Shaw had to have courage to continue writing about the things he wanted to in the face of constant rejection. In his third rejected novel in a row, *Cashel Byron’s Profession*, he wrote – “It was lonely to be myself, but not to be myself was death in life.” I’m not sure that Louisa would have been so eloquent, but I am sure that her crushed existence within marriage was such a death in life.

In order to be true to ourselves we need to stick up for ourselves, and we need to learn to say no. We may also need to learn to concentrate, and learning to concentrate and insisting on being allowed to concentrate, presents a whole host of what seem at times to be insurmountable difficulties.

Running away from the difficulties that life presents us with may be, for some people, the only answer. It certainly was for Louisa. But for most of us running away is not an option. Life is a complicated business and if our relationships are going to succeed or even prosper, then there’s a lot of compromising to be done.

I did eventually learn to iron shirts, even if in the beginning they were a bit crumpled. It was a compromise which I was prepared to make – for a while, at least – because it really wasn’t a big deal, it didn’t diminish me as a person and it did not compromise my values.

Taking a hard political line on anything – even about who should iron the shirts – does not seem to me to be the wisest way to go on any

matter, and in particular with so tender a thing as our relationships with the people we care about. Being captive to an unbending ideology of any kind is narrow and destructive. It lacks richness of vision and humour and is a sure path to bitterness.

Life is complicated, and in the reality of the everyday world we live in we have relationships with a whole range of other people. I am not just *me* – I am also his wife and her mum. The trouble is if too much attention is given to being wife and mum and not enough to *me*. Then it can become half a life and that does not seem to me to be a big enough answer to that really big question – Why am I here and what am I to do?

Joseph Campbell devoted his life to exploring how we arrive at the answers to the very big question. As a student of the primitive roots of mythology that underlie art, religion and literature, he tried to understand our innermost needs, and he wrote: “Follow your bliss – the heroic life is living the individual adventure.” He said that nothing is exciting if you know what the outcome is going to be. That we enter a forest at a very dark place where there is no path and if we do come across a path it is someone else’s and we should turn aside from that path and strike out in another direction – even though to do that is much more difficult. If we fail to find our own way then we will also fail to realise our potential.

The complication in striking out along our own paths and doing that thing that is the thing that we most wish to do, and being true to ourselves, is also attending to all those other people who rightly or wrongly want you to iron their shirts. We are interconnected – even as we struggle along hacking away through the forest on our own path.

While I had never for one minute considered myself to be a corporate wife – rarely ever went on business trips with *him* and if I did, paid my own way and didn’t expect the company *he* worked for to provide me with as much as a sandwich, I still had a connection. I just didn’t know it. What I also didn’t know, was that, no matter how much I might resist the idea of being a corporate wife, it was a facet of my life, one of the many roles that I moved in and out of, and that there was nothing wrong with that either as it was all part of the connection. That connection became apparent to me one weekend earlier this year.

We were driving up to the farm and Rob had spent a lot of time on the phone and there I was once more like Mrs Shadow in the background, listening to BT conversations and in particular the arrangements for the final BT party. This party was for BT staff only, as BT parties always were, but this time I started to feel that somehow something was not quite right – that something had been forgotten, and that something was me.

This was the first time in all of his 27 years at BT, that I had felt this way and the first time that I felt like making an objection. After all I

had been through – particularly in the last four years and most particularly in the last four months of those years, when the very big black cloud that had hung over our house and which had been getting bigger and blacker every day, reached an almighty crescendo around about the time Westpac withdrew from the sales process.

I was absolutely exhausted with living under the big black cloud and for so long being stressed out on his behalf. I'd been stressed out, and now I felt left out. Here we were in the last days of BT Australia as we knew it, and no-one – I guess I mean *him*, had thought about how I was feeling.

The fact was I was not only stressed out, but I was feeling pretty sad about what was happening to BT. I felt I had a connection and it was an emotional one. I'd shared a lot of ups and downs, gone through a lot of nail biting times and some triumphant ones as well, and I felt sad to see a place that I'd watched grow from small beginnings into something pretty amazing, come to an end, or be cut up and changed into something so different, it would never be the same again. It was impossible not to feel connected.

So many of the people he worked with I knew as well and they had become special to me too. I'd watched them marry and have children and the children grow up. Then there were all the dinners we cooked for each other. If there was not a connection, then why was it that when I went to the doctor feeling faint and the doctor asked me what was wrong, I'd say, "My husband has a very stressful job." I wondered how all the other unseen and unheard spouses – all the other Mr and Mrs Shadows were feeling right now.

I felt we too deserved a celebration, and so I suggested a farewell dinner as a way of thanking them and recognising their contribution – from the background. It was at this dinner that I finally got to have my say, and as Mrs Shadow I had plenty of trials and tribulations about which to reminisce.

To begin with, I could not remember the last time we had gone on holidays without an endless trail of faxes and phonecalls and packages following us all around the world. One fax in a tiny remote English country inn, was 30 pages long. The proprietor was amazed and we had cleaned him out of fax paper.

No desert was so vast or a jungle so impenetrable that we could not be found. Every call was yet another message of doom. My problems always paled into insignificance in comparison – in fact no matter how disastrous things in my world might appear to me – to him they provided comic relief.

I've also spent hours of my life – just listening in – and it's not because I have a fetish for eavesdropping – it's because I'm trapped – in the car, a hotel room, an airport lounge, a restaurant table. I've also spent a lot of time rushing about. We were the first to leave the prime

minister's Christmas party last year. We were just getting warmed up when we had to leave for a phone meeting. So we rushed home only to find it had been cancelled and no-one had bothered to let us know. There is no doubt that the working life does intrude upon the personal and couples share all sorts of slights and hurtfulness.

For years I've been told to *mind my own business*, that *I don't understand*, and a popular cry I have heard a lot of lately – *stop loading me up*. That's a good one – I wonder if I can use it.

As a spouse I have also been party to lots of confidential information, but trust and discretion is also part of giving support. So is understanding and tolerance. One treads a fine line between being told on the one hand that it is *none of your business*, or being called upon in some way, to cook a dinner, to be on your own for weeks at a time, patient and understanding even when sometimes you'd like a bit of a hand when it comes to moving house and such things.

Patience and understanding is also required when I send a charitable donation attached to a personally written letter, and *he* gets the note of thanks followed by an invitation addressed to Him and *partner*, and when at social gatherings, other professional women who deal with Mr Important in that inner sanctum – the office – render you invisible.

Having heard all this a million times before, my husband asked another chief executive how his wife coped. He replied, "She understands. She's a good corporate wife." Well that got me really irritated. That was, until I calmed down and realised that I was a corporate wife too – whether I liked the expression or not – perhaps not so good, and definitely more complaining, but never-the-less I had accepted the responsibility that is inherent in any partnership, and which is also reciprocal, that of giving support to the other. In other words allowing and helping as much as possible *him* to follow his bliss, his path through the forest.

The problem that Mrs Shadow had with accepting being a corporate wife was that it reminded me of another situation that I found myself in in Hong Kong where we lived for a short time almost 30 years ago. Back in those days a woman in Hong Kong spent her days decorating the apartment, shopping, having babies and planning dinner parties. It was at these dinner parties that I first became aware of my revolutionary tendencies.

There I would sit like Little Dorritt in between two men who conversed with each other while I sat in the middle as if watching a game of tennis. To make matters worse the conversation was very boring, because rather than discussing ideas or something remotely interesting, it was usually about their work.

The other women didn't appear to mind and what's more they seemed to know a lot about their husbands' jobs and to take a genuine

interest in them. Some of them I thought were more intelligent and imaginative and more capable than their husbands and yet they seemed content with their lives – while I was not. Being a corporate wife in those days was one's career, not just another part of oneself to move in and out of. The trouble in those days was that we could not follow our bliss – whatever that bliss might be – very easily. Setting up a home and raising a family is bliss for some, but it should not be assumed that it is bliss for everyone, and it was not for me.

Thirty years ago things were different. I was a music teacher. We sometimes forget that in the generation just before mine, female teachers were required to resign when they married. This rule persisted in the public service into the 1970s. The 1960s was the beginning of an incredible time of change for women. The pill was invented – we were in control of our destinies for the first time. Marriage was no longer *the career*. We were on the eve of revolution, we were about to be allowed to follow our bliss.

All those years ago, pregnant, and with my own career temporarily on hold, I was not prepared to make someone else's career the centre of my universe, particularly one as dull as banking or funds management. I also thought that doting on husbands was bad for them, and so was accepting their ideas and attitudes as if they were your own. There were also too many dangers in going down this path of the being *treated like a doormat* variety, and it did not seem a big enough answer to life's big question – Why am I here, and What am I to do?

But there was another reason why the label, corporate wife, had irritated me, and it was to do with a very different sort of person to the one I came across in Hong Kong all those days ago when there was not a lot of choice. This one has all the choice in the world, and is alive and kicking today as she has always been throughout history, and she is prepared to do a deal in order to satisfy her craving for power and money.

These women remind me of an episode of *Dr Who* called the *Planet of the Spiders* in which giant alien spiders come to earth, latch themselves onto human beings, taking over their brains. These women take over their wallets as well. For them, forging their own unique identity is too much like hard work. It is said that among the privileged elite in New York, a woman's status today is still based on who she is married to. This is a feminism free super wealthy class, the sort that some driven young women are desperate to marry into.

One such lady that I became acquainted with had been married to a school teacher. By all accounts he loved his job and was good at it. But teaching does not make a lot of money, so she turned him into a stockbroker, spent more than he earned, turned him into a bankrupt and then walked out. Though not exactly young, she spruced herself up and managed to latch herself onto a weak individual whom she spurred

on until he became – with a lot of good luck – a chief executive. The fool let himself be completely ruled by his imperious, greedy, parasitic wife and did whatever she told him, to the complete detriment of the company. She was also indiscreet and let it be known that she despised him.

She believed that his job was her job – even though she had never been interviewed for the position and certainly did not possess the right credentials. She had her own office and staff, the company jet for her personal use, and had long standing employees fired if they raised their eyebrows at her antics.

This is a very dangerous corporate wife indeed and it is an ironic and dark twist to the advances women have made over the past 30 years in the pursuit of being able to live their own lives. This is not a business partnership. Many couples share a dream and run a business together. But the corporate couple is a completely different phenomenon. It can create a very tricky situation for the other legitimate employees of the corporation and it is just another variation on the spider.

Spiderwoman is too lazy to make her own pathway through the forest. Like a barnacle looking for the free ride to wealth and power she has to be manipulative and calculating and use whatever charms she has to trap someone else into providing these. We cannot blame her for being attracted to wealth and power. These attributes have an allure that is deep seated in our consciousness – it's probably Darwinian. They are also greatly prized in our society. I once knew a young lady who was desperate to find a boyfriend but would not give a second glance to anyone not driving a BMW.

In *Pride and Prejudice*, when Lizzie turned the very wealthy and eligible Mr Darcy down at his first proposal, she knew that there was something more important than a good catch – and that was self respect. Even in her precarious situation living in the 19th Century, when a woman's status was most definitely determined by whom she was married to, she knew that she could not marry a man she did not esteem – whether or not he owned an estate as gorgeous as Pemberley, and had 9,000 pounds per year.

Like Lizzie, the heroines of literature have courage – in particular, moral courage. They are clear about what is the right thing to do, unlike spiderwoman for whom ethics just doesn't come into it. No matter how vulnerable our heroines might be they stick up for themselves and their beliefs, and will not be sidetracked from their own pathway through the forest. Sometimes following your bliss can be painful. But if you try, other people can benefit too. Mr Darcy was a much finer and happier person for having been refused the first time round.

But saying no is not easy and we have to practise.

Back in Hong Kong in 1970 I was lonely. I shut myself away reading books and felt angry with the status quo. I really wanted the men who sat next to me at dinner parties to talk to me and to find me interesting, but that was a long time coming, and we both had to undergo a lot of changes before that would happen. Then Germaine Greer entered my life, irreverent, full of exaggeration and a sense of the dramatic and wonderfully articulate. She helped to change my life forever. I'll never forget the televised debate with Norman Mailer. When she arrived on stage, six foot high, stunning in a black evening dress and unafraid, I wanted to cheer.

It was as if my team had won for the first time in thousands of years. She was outrageous, confrontational and courageous. She changed my life because she gave me the confidence to believe that I could do whatever I wanted to, without being dictated to by convention.

That confidence stood by me in 1978 when I wanted above all else to be a chef and the men whom I approached for a job, cooking in a restaurant, only laughed. I opened my own place and did it anyway. Years later young girls would come up and thank me for giving them the confidence to do the same. Now female chefs are taken for granted and I feel a bit of a glow knowing that I might have helped in a small way to change things.

Germaine Greer is criticised by almost everyone. I was reluctant to buy a copy of *The Whole Woman*. I just didn't want to read it. I thought I would find it, irritating. She might have helped to change my life with *The Female Eunuch*, but we parted company when I read *The Change*. The main message that I got out of that book was, that at menopause I was going to turn into an old bag and become invisible. That was too depressing for words. So I bought my copy of *The Whole Woman* very reluctantly, after reading several lukewarm reviews. But when I started to read it and *he* asked me how I was going, I had a very strange feeling and it was because I was starting to grind my teeth at men all over again.

It is Germaine's vision of the utopian life in particular that brings cries of dismay. That life, a celibate one, lived in the countryside, surrounded by like minded women, fresh faced children and animals is in fact close to the life she has made for herself at her Essex farm – a life of thinking, writing, teaching, gardening, cooking, tending animals who all have names, making lavender oil from her own flowers, most of which sounds pretty good to me. It's close to the life I lead anyway, but without the complication of being Mrs Shadow.

But complication and difficulty is part and parcel of life. As someone once said – it's not meant to be easy. And if the hard bits, like working out our relationships are to be avoided, then that's a bit like being a ship in a safe harbour and that's not what ships are built for.

Running away like my great grandmother Louisa or creating a man free retreat like Germaine is one answer – but it is not the best answer. You need a balance of both the male and female to unleash fantastic energy and creativity and to prosper whether in individual relationships, groups of all kinds, institutions and societies as well. Without both elements things are less than they might have been. But where both elements exist and there is a lack of balance between them, then there is inevitably domination.

Domination is out of date. It lacks justice, wisdom, and nobility. It denies one group the right to be themselves. A society such as Japan that takes 30 years to get the pill and only six months to get viagra is out of balance. Religious institutions run by men with rules that give all the power to men are out of balance. My mother used to say that only a man could have invented the Sabbath because the women had to work twice as hard the day before to get the food prepared so that it could appear on *the day of rest* as if by magic.

Germaine Greer forces us to rethink the things we take for granted. Whether its our current mania for being thin, or the mindless repetitiveness of housework, she makes us laugh at our fashion slave insecurity, and time wasting obsessiveness with the unimportant. She bullies and shames us out of being doormats and stereotypes in a man's world. She reminds us that while our lives are now better, they are also harder. She makes us more mindful.

When we are more mindful we stop accepting the way things are and the way things are done, just because everyone else does, and once we do that and we accept that life is complicated, that we are interconnected and that compromises will have to be made along the way, then the challenge is to still be true to yourself and to follow your own path.

To follow your own path, the first step is to stick up for yourself with those around you. In my new book, in a chapter where I talk about turning 50, I wrote, "One thing I've learned is that timidity never got anyone anywhere ... always stick up for yourself, I say. Never let the other side know you are frightened. I don't mean not to admit when you are wrong. But don't give in for the sake of peace. How many women do, and in the end it never gets them anywhere, only deeper inside an interminable prison. Better to struggle and shake the foundations. Stick up for yourself, be tough, even when you think love is at stake – for true love never is."

When we stick up for ourselves we learn to say no.

I have had to learn to say no to family and friends who think my time is freely available – to tradesmen who don't respect it – and to technology for constantly interrupting it. I have had to say no to anyone who would try and imprint their view of what I should be like upon me,

including a husband who tried very hard for many years to mould me into something more sophisticated.

I had to say no to convention at the time when I so badly wanted to be a chef.

I now write long letters of complaint about things I think are wrong and make phone calls full of instructive advice to those in need of it. One of the best things about being of a certain age is at last becoming formidable.

Harder than saying no, is learning to concentrate. The need to concentrate in order to produce art is overwhelming. When I was trying to write my last book, and feeling terribly frustrated, I wrote "At last I am alone for the day and able to sink into myself and think for a while. That is instead of incessantly feeding people, making things orderly and comfortable. The domestic life weighs upon the creative one almost grinding it into nothingness."

A book that's just come out called *Stravinsky's Lunch* by Druscilla Modjeska recounts the story of how when Stravinsky was in mid composition, he insisted that his family ate lunch in silence. The slightest word or murmur, could ruin his composition and destroy a whole work. The man who told the story did so to demonstrate the importance of rigour in artistic practice; such behaviour made Stravinsky the composer he was. The author, like a lot of other women, wonders why Stravinsky could not have had his lunch in another room, perhaps delivered on a tray – by a maid. The problem for women is that those who have to worry about what's for lunch, or who carry the tray, don't get to write symphonies. It's no wonder that so many opt for unmarried life, or at the least, life without children – even animals are a complication.

Margaret Olley is a wonderful Australian painter. She once told me, when she saw how frustrated I was getting because I never seemed to have any time to myself, that she had to teach herself to concentrate. She used to have cats as pets, but after the last one passed on, she went out and bought a stuffed one. They just look at each other and she doesn't have to feed it. Ethel Carrick Fox, who died in 1952 and whose pictures now bring the highest prices for any Australian female artist, was married but had no children. She viewed the prams that students left in the corridor outside the art class as the destroyer of all promise.

The domestic mudbath is the enemy of concentration. Some women live long enough to eventually clamber out of it and find their talent late in life. Others outlive their husbands and suddenly blossom.

In 1928 Virginia Woolf said that in order to write fiction a woman needed a room of her own and 500 pounds per year – a lot of money at that time – enough to be independent. She reflected on the fact that in the 19th Century women writers never had half an hour that they could call their own. She was always interrupted, working away in a room occupied by other people. Still it would be easier to write prose (which

they did) than to write poetry or a play (which they didn't). Jane Austen wrote like this to the end of her days.

Virginia Woolf imagined that Shakespeare might have had a sister, and that she might have been the great female poet that has as yet not lived. "She died young – alas, she never wrote a word. She lies buried where the omnibuses now stop, opposite the Elephant and Castle." Her belief was that this poet who never wrote a word and was buried at the crossroads still lives. "She lives in you and me, and in many other women who are not here tonight, for they are washing up the dishes and putting the children to bed. But she lives; for great poets never die; they are continuing presences; they need only the opportunity to walk among us in the flesh."

That opportunity for the great female poet to walk among us will probably never come until we take a leaf out of Stravinsky's book and all the Mrs Shadows who would love to write poetry become more selfish – less into being the one to worry about the shirts and more into being Mrs Mean.

I have two dreams for Mrs Shadow. My first dream is that she will continue to grow, become more confident, less worried about appearing like everyone else – more herself, whatever that may be. As another writer said, its so tiresome when everyone expects aging ladies to be virtuous. How wonderful to be able to be like that marvellous character, one of television's two fat ladies, eccentric cook Jennifer Paterson who died not so very long ago. She was true to herself to the day she died riddled with cancer. She asked visitors to bring caviar, not flowers. When those who should have known better asked her how she was she'd roar, "Still dying!" She smoked, drank vodka, red wine and whiskey at various times throughout the day, rode a motor bike and she didn't care what anyone else thought either of her or the food she cooked. She was an example to us all.

My second dream for Mrs Shadow is, that if she wanted to, it would be possible for her to be that great female poet, or the great composer of symphonies that has not as yet been born. Following her bliss, with a life of her own, a room of her own, and a marriage that is a real partnership.

I still doubt that she would be able to do as Stravinsky did, and put her art before everything else. She's too obliging and much more into compromise than that. Still, we never know what is possible when we married women learn to say no. When we learn to be true to what is deep inside us. When we learn to stick up for ourselves, and when we listen to the stories of our great grandmothers. Thank you Louisa.



Photo – David Karonidis

Anne Summers

Ducks on The Pond (Penguin 1999) is the first volume of the autobiography of feminist and journalist Anne Summers. It tells the story of a woman who challenged the world she was given. Anne Summers' story encompasses the conformity of the 1950s, the political radicalism of the 1960s and the political and sexual revolution of the Whitlam era in the 1970s. To speak about her life, Anne Summers addressed The Sydney Institute on Wednesday 3 November 1999.

THE PERILS AND

PLEASURES OF AUTOBIOGRAPHY

Anne Summers

Thank you for this opportunity to address you about my book *Ducks on the Pond* which was published two days ago. It is an autobiography and what I would like to talk about tonight are the perils and pleasures of autobiography, the hazards and rewards involved in excavating one's own life in order to write a book. It is quite definitely a unique experience, quite unlike writing any other kind of book.

Some of you may be familiar with the expression "ducks on the pond"; it is what Australian shearers used to call out when a woman approached the shearing sheds. It was a signal to stop work, or at least to stop swearing or engaging in other behaviour the woman might find offensive, until she had left.

It is an expression that is probably not used today when there are a few women shearers, and many shearers' cooks are women, but it was still in use in the late 1960s when I visited a shearing shed in South Australia and I was intrigued to hear someone say it.

It was still in use in 1976 when Justice Mary Gaudron of the Arbitration Commission had responsibility for the pastoral industry. She had to conduct an inquiry into an aspect of the shearing industry, one that would require her to visit the sheds. The employers objected, saying she would encounter resistance but, as she recounted to me in a personal correspondence, the AWU representative gave an undertaking that there would be no "ducks on the pond" when she did her rounds of the sheds.

And it was certainly used in 1975, in the film *Sunday Too Far Away*, which was about shearers, although the events depicted in the movie took place in the 1950s.

The expression provided me with the perfect metaphor for the experiences of so many of the women of my generation. We were very much ducks on that great pond of Australian life, sailing into waters where we had never been before and where we were mostly unwelcome.

I wanted to tell that story. Incredibly, 30 years since the first meetings of the Women's Liberation Movement in Australia, that story has still not been told. Oh, it is there in the contemporary papers, in the journals and pamphlets, the anthologies and often self-published memoirs but much of it is either polemic and agitprop or else sparse accounts of discrete actions or events.

No one has brought the strands together, told the stories, ensured our place in history. I have always thought it odd that the very women who learned the hard way that history belongs to those who write it neglected to put down their own account.

I well remember that first year when I was researching *Damned Whores and God's Police* and I uncovered book after neglected or forgotten book and was able to unravel the story of Australia's suffrage fighters. The material was mostly *there* but it was lost in the libraries. It had not been absorbed into the bigger story of this country, of who we are and how we became so.

I remember the determination of the early women's liberationists that we would not let that happen to us. But we did. Or so far we have. There is a large history under way, under the supervision of Ann Curthoys, Susan Magery and Marilyn Lake and due to be published in 2000, I believe, and I hope, that will do much to fill this glaring gap.

What I have tried to do with *Ducks on the Pond* is to tell those parts of the story where I was actively involved, to at least get some of it down, and to bring a perspective – a lively one, I hope – to a story that is still exciting and worthwhile. But I wanted to do more than tell the story of the women's movement. I wanted also to tell a very personal story, the story of how I became who I am, and that entailed also telling a family story, one that is still very painful.

These personal elements are a key part of the book and make it very different from many of the current crop of memoirs, often by politicians or sporting figures, which deal only with the public sphere and neglect that other essential area of all our lives. There is one such book, doing well at the moment, which I have not read but I am told the author, a former politician, does not once mention his wife! It is as if he were two separate people: a public man and a private man and the two never met.

I expect that some readers and reviewers will be critical of my level of disclosure. Australians – men and women – still often shun the personal revelations, and argue for privacy and concealment. That is not my view. I believe there are parts of our past – our personal past and our history – that need to be confronted. Perhaps by quoting a passage from the book, I might explain why I believe this to be the case:

Mine is a very Australian story. I am astounded by how many women of my generation have similar stories of alcoholic fathers, some of them very violent, almost all of them incapable of developing decent relationships with their daughters and, often, their sons

too. Was it the War that warped these men and made them so unfit for family life? Are the sons of these men even now repeating the pattern, or have they broken free? And what about the daughters? – how damaged are they to this day? These are not easy questions to answer, though they need to be asked. Many women still maintain grim silences about their fathers. Family secrets are still the hardest to talk about because they so often involve other people who, mistaking loyalty for love, want to close protectively around the past.

Our family concealed the worst of things from all but a few close friends because we were embarrassed and ashamed. This was before the days of confessional television, before disclosure of family secrets became a form of mass entertainment. Most families with secrets – that is most families – kept theirs concealed, the way Rochester hid his mad wife. There was, then, no other way. That does not mean these secrets should not be revisited, later, calmly, in an effort to understand how we became who we are. Because although I disagree with those people who use an unhappy childhood as an alibi for adult inadequacies, I do not deny that our childhoods shape us.¹

I do not believe the burden of accuracy is any less with an autobiography than with, say, a work of history. If anything, it is greater because of the tricks of memory. For instance, I have a very clear memory of hearing on radio a report of the final moments of Ronald Ryan, the last man to be hanged in Australia. I was standing in the kitchen, with my husband, and I recall that we were both trembling with anger that this official execution was proceeding despite the protests and the appeals for clemency.

I planned to include an account of this but when I checked the date of Ryan's execution, I discovered it was 1967 and I was not yet married; nor was I yet living in the house that my memory so insisted was where I listened to the report.

There were many similar discrepancies.

I soon realised that researching one's own life is like any other research project. You need to check everything.

I had written two previous books, each requiring different types of research. *Damned Whores and God's Police* was a study of literature and documents, many of them archival, in which I reinterpreted much of the received wisdom of Australian history and society through my newly feminist eyes. *Gamble for Power* – my account of the 1983 federal election where Bob Hawke beat Malcolm Fraser – was almost entirely based on interviews with the various players in that political drama. *Ducks on the Pond* required both interviews and document research but I soon found that they were of a quite different character from any research I had previously undertaken.

I am not unaccustomed to trying to elicit information from reluctant sources via the process of interview. After all I spent several years in the Canberra Press Gallery. But the kind of personal interviews I

needed to conduct for this book were quite different from anything I had ever done before. For instance, I had to ask my mother for many private and even intimate details of her life and mine and in the process alarmed her about the kind of book I was writing. “You’re not going to put *that* in!” she would say. “I have to,” I’d reply. “It’s part of the story”.

At the heart of doing a book such as this one is the issue of what to include, how deep to delve and how far into others’ lives to trespass. Is it the autobiographer’s responsibility, as Nabokov put it, “to avoid hurting the living or distressing the dead”?² Or is our greater responsibility to the truth? And what is the truth, anyway?

In my case, I was convinced that a story needed to be told and this conviction outweighed everything else. But I was driven by much more than the need for confession. I do not regard my book as therapy. It is more a documentary – of a life, of a generation, of women especially who decided to repudiate the given and invent another way, and of an era, one that saw dramatic changes in Australian society.

I wanted to be able to create a narrative that brought together the life, the generation and the era, not as discrete strands but as the mixed-up mess people of my age experienced. The late 1960s and the 1970s were times of great excitement; the book had to reflect that.

So my research needed to extend beyond the library and the interview if I was to capture the era. It required me to listen to a lot of music, to watch films from the time, to re-read many of the books I read then. I was amazed at how evocative the music was. I hunted down a CD of *Sketches of Spain*, a Miles Davis record I used to listen to in 1964 and was instantly transported back to a time when music, along with books, was the only avenue of escape for an unhappy 19 year old who had no idea what to do with her life.

I also trekked through my political past.

I located, in Brisbane, Bob and Julie Ellis, two of my best friends from university days. They had been best man and matron of honour at my wedding and, two years, later Julie and I had been two of the five women who called the first meeting in Adelaide of the Women’s Liberation Movement.

I had not seen them in about a decade but they responded warmly to my out-of-the-blue telephone call and a week or so later I was up there for the weekend.

Now, Bob and Julie should be elevated to the Australian History Hall of Fame – if there isn’t one, we should start it – because they have kept every single document, leaflet, underground newspaper, minute book, receipt book and all the other paraphernalia of the New Left and the anti-Vietnam War movement in Adelaide from 30 years ago.

I spent an extraordinary weekend going through boxes of this stuff which Bob had retrieved from under their house. This was primary

research. I was able to recreate some of the important political disputes of the time from their material. But it also had an element of nostalgia that was a powerful reminder of the mood of the time (not to mention the clothes!) that is also essential to recapture. That weekend I relived my involvement in Students for Democratic Action (SDA), the Moratorium movement, and my brief time as an out-and-out radical in an organisation we called the Adelaide Revolutionary Marxists.

Bob and Julie even had a complete set of a zine publication called *Napier Underground* which was a radical education leaflet which another student and I wrote, ran off and distributed to students in the Napier Building at the University of Adelaide which was where the Arts Faculty was located. Amazingly, we kept it going for two years.

I had a similar epiphany with an extraordinary collection of archival material from the Sydney Women's Liberation Movement. In 1978 when I first went to America I left with Sue Wills, a sister activist in Sydney, my four drawer filing cabinet which was crammed full of every document from the early days of Women's Liberation in Adelaide and Sydney.

Over the years Sue has added considerably to this material and recently, with Joyce Stevens, has catalogued it all and donated it to the Mitchell Library where it can now be located under the title *The First Ten Years. Documents from the Sydney Women's Liberation Movement*. It is a magnificent collection, and absolutely indispensable to anyone who wants to research the early years of the second wave women's movement.

Going through it in the days and days I spent at Sue's home in Leichhardt, Sydney before the material was transported to the Mitchell, I experienced the same resurgence of nostalgia that I had felt in Brisbane at the Ellis's place, and was especially excited to once again have in my hand leaflets that I had written and run off 30 years earlier.

Bob and Julie Ellis, and Sue Wills were not the only people to receive unexpected phone calls from me. I rang others, some of them former school friends I had not seen for up to 40 years. (And I was rather taken aback when one of them said, instantly, before I could introduce myself: "Hello Anne"). These experiences – reconnecting with old friends, poring over old documents and re-acquainting myself with the culture of the past – were the pleasures.

But some of it was not fun.

Some of my research had to be conducted in the National Library in Canberra because when I went to the United States to live in 1986 I deposited all my personal papers, including all my correspondence, in the National Library.

I have worked often enough in the past in the Manuscript Reading Room but never before have I sat in that scholarly and, it must be said, somewhat sterile environment while I trawled through my own

life. I found it quite disconcerting. Especially as some of the material I was reading were letters from my mother describing the progress of the cancer that eventually caused the death of my youngest brother. I had to try to suppress my sniffles as I relived those terrible months through the agency of those letters.

Other material I looked at was quaint, or even amusing. Like the telegrams and cards I received on my wedding day. Then I had to restrain my giggles, conscious as I was of the sober scholarship being undertaken all round me.

The formal research is over, the writing is finished but there is still another step with autobiography and that is the question of whether you show the people you have named what you have written about them.

In my case, I decided to in instances where I thought there could be legal problems or where I thought the person was entitled to advance warning of what I was saying about them.

Clearly, my family came into this category and so did my ex-husband. Many friends urged me not to show the book to anyone at all in advance but I opted for courtesy as well as for the precaution of knowing prior to publication whether there would be significant objections to my account. I decided to offer my mother and each of my four brothers the opportunity to read the book at first galley stage and waited with some trepidation for their reactions. Their reactions were, for the most part, positive and all were able to offer some important corrections or amplifications.

My brothers, for instance, told me the family car in the 1950s was an FJ – not an EH as I had it! And my mother was quite indignant that I had neglected to mention that my father had flown over Hiroshima just a few days after the bombs had been dropped.

“I didn’t know that,” I told her. “If I’d known, of course I would have mentioned it.”

Fortunately, it was not too late to put it in.

Another example concerned someone I shared a house with in the mid-1970s when he used heroin. I told a story that involved him and where he was clearly identifiable. Best to check, I thought. It took some effort to track him down – I had had no contact in more than 20 years – but I located him one Saturday afternoon in the suburbs where he now lives respectably and drug-free with his wife. I explained what I had written, making it clear I identified him as a junkie and offering to send him the pages. No, it was okay, he said. Although he no longer used drugs, he did not repudiate his past. In fact he still wrote poems about it and some were to be published soon. No, he did not especially want to see the pages. I insisted, and later that weekend emailed them to him.

The reply a few days later was astonishing and angry. He accused me of misrepresenting him, of self-servingly altering the facts to suit the story and of getting it all very, very wrong. He insisted his name be removed from the book. I took it out and I altered the story slightly in view of his comments. It was perhaps fortunate that the incident I recalled was one where his name was in fact immaterial.

However, for reasons I will not go into today, I am unconvinced that he was so right and I was so wrong. However, none of it is checkable – let alone provable. It is simply his word against mine. More likely, it is a *Rashomon* like situation where every participant observes the same scene somewhat differently, and everyone's account varies. The episode raised an interesting issue of principle, however. Once you show people what you have written about them, are you at the same time offering them the right to edit your book? What entitlements do they have?

I should say at this point that I made no effort to read up on the theory of autobiography, nor to acquaint myself with whatever debates are raging around the rules of the genre. I had a story to tell and I did not want to be distracted by abstract principles or arcane concerns. My only research into the genre was by way of reading other autobiographies. Even then my efforts were far from systematic and in many ways were quite idiosyncratic.

There were certain books that on the face of it should have been very helpful to me. Literary role-models, if you like. The stories of women like Doris Lessing, Mary McCarthy, Simone de Beauvoir, Vera Brittain and Dora Russell should have been exemplary. They too told stories that interwove the personal and the political, all of it against the backdrop of the larger national and even international picture.

But although I picked up all of these books, I found I did not want to read them. I had read many of them before. Mary McCarthy's *Memories of a Catholic Girlhood*³ had greatly influenced me when I first read it in the 1970s. Simone de Beauvoir's many autobiographical works, fiction and non-fiction, were important milestones in the reading that turned me into a feminist. But once I began to write my own story, I found I did not want to immerse myself in others'. I did not want other voices, and other lives, intruding on mine. One exception was Ruth Park's two volumes of autobiography⁴ which I think I enjoyed precisely because her life was so different from mine. And, of course, they are such beautifully written books. I found them inspiring.

So I had no theories, let alone rules, to guide me as I negotiated with the people I had shown the book to. Instead, I developed my own rules. They were probably rather haphazard but they seemed to make sense. I felt it was reasonable to make changes when a person objected to words directly attributed to them. Although I had tried to convey the

spirit of conversations I remembered, I could not pretend that the words in quotations were exact transcriptions of what was said.

I found it interesting and, I must say, disappointing, that some people wanted swear words removed. Quite a few “F” words were deleted with the result that exchanges that once were vital and real-sounding became flat and rather dull. Similarly, someone else objected to my having her use vernacular. So I took out “kids” and “crook”, and replaced them with “children” and “angry”.

When it came to disputes over larger content, I was less accommodating. I was not prepared to change, let alone delete, incidents or stories unless it could be clearly demonstrated that I was wrong. Most people, it seems, want to edit their past but the job I had taken on was to tell the story as it was, not to romanticise or reinvent what happened.

I discovered different people have different levels of courage.

Just as one person insisted I remove all swear words from his quotes, another agreed I could put her name to a story that many readers will find shocking, even repugnant. Had she not been so brave, I would have told the story anyway but it would have lacked the verisimilitude of being linked to a person readers had already got to know.

Someone said to me, in the course of writing this book, that an autobiography is really the story of the author and the 30 or so people closest to her. I found that to be a conservative estimate! Telling a story of a life, especially a life that has had a large public dimension, requires names. It would have been simply impossible to check with every single person whose name appears in the book. Nor am I convinced it is necessary. I have long got over any surprise, let alone shock, at seeing my name in other people’s books, and only ever take issue with them if the material is seriously inaccurate. Even then, I often do nothing. I believe in free speech and that means people should be able to write their stories fettered only by the need to be truthful and accurate.

Of course if we could all agree on what constitutes truth and accuracy, we would largely put the legal profession out of business! There is the larger question of ownership of one’s story and one’s life, and that is one where there will always be disagreement and dispute. As Ruth Park wrote in a recent edition of the *Australian Author*:

The writer of a genuine autobiography must be willing to take risks. Risks of hurting others, losing love or respect, permitting others to know you’re nothing but a human being managing as best you can under constant painful and humbling revision by life.⁵

These are the unavoidable risks of autobiography, but if we believe that autobiography can illuminate core truths about our society in special and unique ways – in ways, for instance, that history or biography does not – these risks are worth taking. There is pain involved, to be sure, but that is true of most creative work.

One's own life as the subject of one's research holds particular hazards as I have tried to elaborate, but the pleasures are incomparable. I am glad to have written this book. I hope I have done a good job, and now that it is published it will be for others to judge whether the pain was worth it.

Endnotes

- 1 Anne Summers *Ducks on the Pond* (Viking 1999) pp 58-9
- 2 Cited in Luke Slattery "A Long Way from Limerick" *Review (Weekend Australian)* September 11-12, 1999 p.6
- 3 Mary McCarthy *Memories of a Catholic Girlhood* (Penguin 1967)
- 4 Ruth Park *A Fence Around the Cuckoo* (Viking, 1992) and *Fishing in the Styx* (Viking 1993)
- 5 Ruth Park "This way to the spangly gloom" *Australian Author* Vol 31 No 1 April 1999 p.9



Photo – David Karonidis

Fred Hilmer

Fred Hilmer AO is CEO of John Fairfax Holdings Limited which has a commercial interest in the regulatory decisions on digital television. According to Hilmer, “datacasting”, which combines content from print, the internet, video and interactive commerce, would be a revolution for bush and city. But there are political pressures that threaten to see this digital revolution priced beyond the reach of average Australians. Fred Hilmer addressed this issue in a speech to The Sydney Institute on Tuesday 9 November, 1999.

THE POLITICS OF

MEDIA REGULATION

Fred Hilmer

I'm delighted to come again to The Sydney Institute. I value these talks not so much because it's a chance for me to expound – I get plenty of opportunities to talk – but more because after I get through my remarks, I get a chance for some dialogue and I enjoy the exchange of views.

To provide some context, what I want to do is first, talk about where we're going with Fairfax: how we see the industry evolving and how we would like to place ourselves strategically in that industry. Then I'd like to turn to the politics of media regulation. And those politics are quite interesting at the moment.

So first let me talk about Fairfax. Fairfax is a company with great mastheads. It has some very strong media properties – the *Sydney Morning Herald*, the *Financial Review* (two of which I'm sure you all buy and read in Sydney), *The Age*, magazine inserts like *Good Weekend*, a large number of magazines like *BRW* and regional papers. But we were once a more integrated media company. We had television interests, we had radio interests. And we want to be a full media company again because we think that's the way the industry is heading and that's where we have to head. We have made some moves in that direction, and some quite important moves on the internet. We want to be a media company that plays off our reputation and off our skills in content: a particular kind of content – the news, current affairs, and information that I think underpin all our businesses.

That's where we'd like to go. Let me tell you how we are travelling as managers and then I'll come into the regulatory framework that we have to live within and how I'd like to see it change.

First of all as managers, we are doing two things to become a more complete media company. The first is really the meat and potatoes part. It's to strengthen what is fundamentally a good business but a business that hasn't really generated the returns that it ought to return, returns which other companies, similarly placed in industries like ours, have returned. And the returns that it needs to generate if Fairfax is going to have the capital and the financial strength to move

forward with its aspiration – to be a stronger and more complete media company. So that’s the first part of our strategy – strengthening our core business. We have great properties, we did not have in recent years a great business.

The second part of the strategy is to build platforms for future growth. We need to build some of those new media assets that will enable us to be a more complete media company so that the content that we generate, and skills that we have, can be deployed to wider audiences, all within a cost base that will also deliver the quality that we believe distinguishes us.

So let me talk about each of these points.

First – strengthening the organisation – the meat and potatoes part. While I can say that very glibly, it’s actually a lot of work and it has required hard things for the organisation. The first thing we had to do was cut our costs. We had to do so because we were saddled with a bad equation. Our costs were growing faster than our revenues. Moreover, much of our revenue growth had been driven by exploiting strong market positions; we grew our revenue through price rather than actually providing additional value.

So we had to get our costs under control. And we’ve done that in three phases. The first phase was fairly dramatic: a program we called “Hercules”. That involved looking very hard at costs that had grown. It said, “What are the things we don’t need? Can we roster people differently? Do we need fewer drivers? Can we do our business without some of the services that we buy? Can we do without?” We implemented Hercules last year and savings were in the order of \$40 million, which is significant. But Hercules wasn’t a fundamental change. It was trimming the organisation.

We therefore had to go to the next phase, which involved, firstly, changing the way we worked. Secondly, and much more importantly, there was the task of getting everybody in the organisation to be responsible for costs and to be coming up with ideas to make cost controls a part of everybody’s job. In order to do that requires us to do some very significant training, because it is a fundamentally new way of doing business at Fairfax.

By June 2000, some 400 people will have gone through training in how to analyse costs and do business improvement work. Sixty people who have been leading that work will have gone through the equivalent of almost a week’s training.

Fundamentally we are an organisation of talented people and the things that stick are the things that the people within the organisation will do of their own accord because it’s part of their job. That’s been a very important part of generating the value that is going to be required just to make our investments and to reach our second aspirations in terms of being a more complete media company.

There are other parts of strengthening the core business that are also important. I'll just touch on them briefly. Certainly revenues are very important. We have very good platforms with our major mast-heads. And what we sought to do was to improve them. You would have noticed, for example with the *Sydney Morning Herald*, the number of the inserts like *Money* have grown from the broadsheet format into tabloid format like *Money*. They've grown in size. In time they've become more colourful and they are providing us with a better advertising base so we can get real growth in advertising revenue.

We have done similar things in *The Age* and we're looking at ways to extend the franchise of publications like the *Financial Review*. We're looking very hard at growing our revenues. It is the drive to secure long-term revenues by improving our print products that caused us to commit \$220 million to a new printing plant in Melbourne. The new plant will enable us to move our publications in Victoria from conventional black-and-white products to dynamic colour products with a number of inserts that in time will be tailored to particular market segments.

We are making significant advances in infrastructures. Our systems are archaic and we're doing a lot of work to bring those into the 21st Century. This is important and it's probably a couple of years' work, so we're not in any sense done.

The second aspiration though is to build platforms for future growth. It is here where we run into the issues of media policy. We sit in a particular, protected status in the media world, what I like to call a "walled garden".

In order to build these platforms for growth we want to move out of that space. Some of the platforms that we have in print will allow us to grow, as I've discussed. Introducing new advertisers to print is going to be important. Building classifieds, taking web sites like *Domain* – our real estate insert – and strengthening it mid week and going tabloid on a Saturday is all important. But it's a pathway where there are clear limits. And if you want to move up the pathway then you've got to go into other areas.

I want to make one observation about the future of newspapers. When I say one of our growth platforms is our existing products, people say, "What about newspapers? Will we continue to read newspapers? Is the internet going to spell the end of newspapers? Is the internet going to spell the end of classifieds?"

The answer is: I don't know but I don't see the end coming sometime soon. I don't see us falling off the cliff. We have the ability to manage our way through this. The strategy we are following with the Net is the strategy of complementarity. If we have a *Domain* in the paper we have a *Domain* on the net; if we have a *Drive* in the paper,

we'll have a *Drive* on the Net. And we are also taking the Net forward in its own way.

We are not standing still. The story that often comes to mind is the story of booksellers who are being attacked by Amazon. As we look at what's happening in the book industry we see there are a number of booksellers who, though they are being attacked by Amazon, continue to grow their conventional business. The reason they grow their conventional business is that they are prepared to change the way they do that business, to give people seating, coffee, browsing, to change the range. We have to do the same sort of thing with our newspapers. I hope you see those things and I hope you appreciate them as readers.

While the Net is clearly something we see as a challenge for us, it is an opportunity, too. If you read the *Financial Review* today, you would have seen that the job ads in the conventional press are on a 10-year high. If our advertising base is vulnerable to migrating to the Net, it hasn't happened yet. I still believe that the basic business has the potential to be a growth business – to be what we call a sunrise business and not a sunset business.

The second thing we have to do is find new areas for growth. The first area we went into was the Net. Why did we go into the Net? Because we could. No one regulates the Net. It is a great unregulated realm of commerce and technology and innovation. We had a free crack at the Net. We didn't have to get permission. We didn't have to go to Canberra and get legislation. We didn't have to do deals with anybody. We simply went into the Net and developed a leading position.

But I have to acknowledge to you that we started with a defensive mind set. We said, "What can happen with the Net? The Net's going to attack our business so we had better get on to the Net to protect our business."

What we learnt very quickly is that actually the Net gives us offensive opportunity. Look at the revenues we earn off the Net. There are excellent revenues from a business that we started called *CitySearch*. What we do there is we sell web sites to small and medium-sized enterprises – restaurants, repair shops, small retailers. We charge people about \$150 a month and we give them a website.

We can get them, at the same time, a listing in *Big Colour Pages*, which is an online and print Internet directory. What we are finding is all of that is new business. It's not taking anything away from our existing business; it's new business. Similarly, we have a strong position on the Net with our auction business, *SOLD.com.au*. We currently have over 80,000 items – all new business because they are ads that have moved out of the papers. There are very few "trading" ads in our papers and we have very few ads for cars under \$10,000. There are

very few ads for anything that isn't expensive. Most of the advertising has moved either to the *Trading Post* or to garage sales.

We have found that there's actually a business in moving used goods by providing people an online trading platform. That's what we've done with SOLD.com.au. And it's again new revenue.

We believe that in other areas, such as the real estate and home site, Domain.com.au, or the Drive.com.au automobile site, we will be able to get the share of the finance streams that transaction triggers. Similarly on the Net we are able to do things in the finance space that we couldn't do in the papers. We're actually able, by providing access to certain financial services, to get sales commissions and trailing commissions, all new revenue for a newspaper group.

That's what new media is about. It's not only about looking at where we are and how can we do it better. It is saying, "What's going on in the transactions in which we are involved and how can we get a larger share?"

Therefore, for Fairfax, the first re-positioning that we had to do was to re-position print. The second re-positioning was the internet – from defensive to offensive. The third thing, if we want to move further into some of these high tech areas – broadband, datacasting – is to try to change the regulatory environment from restraining to enabling.

We are in a changing world. Some weeks ago, Tom Friedman, a *New York Times* journalist gave a wonderful talk here at The Sydney Institute. He said that what's going on today is that everybody is in everybody else's business. That's what fractionating markets are about. And it's not just people wanting to get into classifieds. We want to get into directories. We want to get into lending margins and other people want to get into our advertising businesses. It's going on everywhere. TV and radio in a war for attention and TV in a war with Pay TV. They are both in a war with the internet. Telephone companies, not just here but in every country, are competing with each other. Banks are competing with non-banks and insurance companies and mortgage originators are competing with banks. Even the old restaurant is not immune. The white tablecloth restaurants are facing competition from the gourmet takeaway or the Woolies fresh food bar.

Everybody is in everybody's business. It's happening in media except that we put walls around it to regulate it, to "protect" it. The government thinks it can stop the competition.

Regulators can't stop things. And companies, I believe, that rely on regulation as a form of protection don't do very well. If you ever want vivid evidence of that, take a look at BHP which sat behind the steel plan. What has happened to those steel works today? Companies that live behind regulatory barriers ultimately pay a big price. We see it in the steel plan, we see it in car plans and I don't want it to happen in the media.

The regulatory debate in media as we meet here tonight has two dimensions. The first dimension is about what is called datacasting. What's datacasting? For those who aren't familiar with datacasting, it is what allows us to broadcast into your television set a version of the web. It's on automatic and it can be viewed across the lounge room. It would have text, it would have video content, it would have graphics and you would choose.

The best illustration is the news. You come home and you watch the 7 pm news. If you don't get home at 7 pm, you miss the news. But you can get the 9.30 pm news on SBS. Still, that mightn't suit you, but, don't worry, you can get the 10.30 pm news. If that doesn't suit you, bad luck, you go to the internet. That's okay. You can read the news. But you won't see the video.

With datacasting, the news service would be available whenever you come home. You'll click on television and you will first see the headlines. Click on the headlines and you can see a combination of text, pictures and video, some of which we may create, some of which we may buy. (We just created a video for a broadband experiment we are doing with Telstra. We had a recorder and a camera and we interviewed each of the members of the world cup rugby team. It was on the site literally by the next morning.)

With datacasting, you will come home and instead of saying, "Gosh when is the news? I'd like to watch the news", you'll go to the Fairfax channel and create the news that suits you. And when you want to go into a story in detail you'll click for detail. And just as you would with your newspaper, you'll skip over what you don't want to look at in depth. The depth you want and the length that you want for the story will be something you'll choose. That's what datacasting is. We will be able to broadcast data which will be stored on a chip in a little box on the top of your set. You'll be able to access it. You'll be able to shop from there, place orders, trigger enquiries and there will be a line back, probably by the telephone line, to a server.

We are in a big debate at the moment which is very simply about whether you are going to access this technology with a world-standard set top box for about \$300, or whether you're going to get into this only for between \$1000-8000, with the best standard yet developed with a technology which very few people will be able to afford. But our view is very simple – mainly that consumers should make the choice. Government should not mandate one or the other. It should allow both – what we call the high definition picture (which might be great if you can afford an \$8000 big screen TV), and it should allow the standard definition broadcasting format that allows you and anybody else to get a \$300 box and play with this in a lounge room. And frankly, on a normal set, you won't see any difference between a \$300 box and the \$1000 box. This is an issue the government is dealing with.

The free-to-air television networks don't actually want us to have a strong datacasting service. I understand why. If I were a free-to-air station I wouldn't want to see a new competitor like Fairfax in that space either. Because we're going to have products that will get into some of their space. We will take some viewing time. But that's the way of the world. That's the nature of economic development. That's the nature of growth. That is the story of the 20th Century and that will be the story of the 21st Century. You can't stop these things. You can't deny consumers access. And so that's our first regulatory issue.

The second regulatory issue, which is a medium term issue, is cross media ownership, foreign ownership, access to scarce resources such as broadband platforms, and industry concentration and diversity. All of which the Productivity Commission is studying.

Fairfax has put a case that said we should free up these markets. We should do it in a careful and phased way but, make no mistake, we should free up these markets.

We are not frightened of markets being freed up. Indeed, deregulation is critical to our growth. We want to go out and compete in those markets. Deregulation will allow us the ability to go forward.

Now the last issue I want to talk about is how is the government going to make these decisions. What's the process of media policy formulation in this country, and what's wrong with it? I might have only spent a year so far in the media, with my position at Fairfax, but I've spent many, many years in policy formulation. To me there are three things you want to see if you want good policy.

The first thing you need is a very clear view of the public interest. You need to know why you have policy in a particular area – what is it you're trying to achieve with this policy.

The second thing is that regulation has to be done by people who have no interest in the outcome other than an interest in seeing that the public interest is put into effect.

Those who regulate should have no interest in the field being regulated. We made the point in the Competition Policy Report that we wouldn't want Telstra to administer – as it once did only a little more than a decade ago – or regulate telecommunications competition. How could it do that? It's a competitor.

The third principle is transparency. Decision making that has to withstand public scrutiny in terms of achieving clear policy goals is preferable to arrangements made behind closed doors.

All three of these principles are now accepted as the proper framework for sound public policy formulation. They underpin the National Competition Policy report whose preparation I chaired.

We have concerns in all three of these dimensions with respect to media policy.

First, the public interest. The public interest in media policy is confused. The Productivity Commission put a long list of public interest considerations in its report, from ownership, content, censorship, diversity, to the promotion and promulgation of local industry. If you count them, it was trying to do more than a dozen things. They said the public interest required attention to all of them. But we learned that the best policy framework is: one instrument, one goal.

When you have one instrument of policy and one goal to achieve then you actually can make public policy work. The main public interest in the media is the freedom of expression and ideas that are critical to any democracy. We need quality of information and access to information. Media policy ought to deliver that.

An important part of media policy is that we ought to have industries that are enabled in terms of their ability to grow and to build new businesses in the space that we call media. There are a lot of other concerns, but if you try to do everything in policy, you do nothing. We haven't tackled policy priorities. What the Productivity Commission did in its draft report was shift the problem of how to promote growth in the media industry. It said we should put a public interest test into the trade practices or the competition laws, and turn the whole matter over to the ACCC. And to me that's just shifting the problem not solving it.

We haven't got a clear enunciation of the public interest. You must have a clarity about what you're trying to achieve. You have to make choices about what is important to us now and what is important to Australia now, today with the technology.

The second thing you need for good public policy is regulators who are disinterested. This is very tricky. It is one of the most powerful arguments for why we need to de-regulate the media. It's very difficult to find a disinterested regulator in terms of media.

At the end of the day the ultimate regulator is the politician. But the politician's main interest is in re-election. In almost every conversation I have about media policy I get the sense that there's this elephant in the room, but we don't acknowledge it's there. The elephant is the politicians' self-interest in how the media are dealing with them. Shakespeare put it better than I could:

Who steals my purse, steals trash: t'is something, nothing
 T'was mine, t'is his and has been slave to thousands
 But he that filches from me my good name
 Robs me of that which not enriches him
 And makes me poor indeed.

– *Othello*, Act 3, Verse 3

The elephant is always there. To the credit of many politicians, they do try to raise it, and be sensitive to the beast's presence. But the self-interest factor is always there. And this is something that prevents them from doing the sort of job that needs to be done in terms of

clarifying public interest and formulating policy in the public interest. Good policy doesn't come from self-interested regulators.

The third element of good public policy is transparency. And again, any of you who have read any of the history of the media know how much is done that is not transparent. That's why, at the end of the day, freeing up the market makes a lot of sense. When you free up the market you give the politician less reason to be involved because he has less interest and there are fewer levers they can pull to make a difference.

My message to politicians and our political leaders is that you can break this cycle of dependency on media power by promoting the fullest degree of competition in the industry.

If people don't like what our reporters are writing in Canberra, or Melbourne, or Sydney, then the best way to deal with that is to provide opportunities for other voices to get into the game.

If people are tired of paying tribute to people who dominate the commercial airwaves, the best way to deal with that is not do anybody any favours – the best way to deal with that is to create more channels. The more channels there are the less scope there is for skewing media policy to obtain outcomes that influence politics. And if people are worrying about regulating datacasting, they shouldn't be. They should allow the market to work and the consumers to choose.

So what I'm saying is that media policy will be much improved through a free market. My belief is that the goals that we have, goals both in terms of freedom of information and goals in terms of economics – jobs growth, job creation, innovation – can be best achieved by diminishing the power of the regulator by taking out the factor of self interest, of political interest, that skews the formulation of good public policy. This will lead to something that is much more transparent.

I have spent the last couple of days with share analysts. When you run a public company what you do is very transparent. When you deal with markets it's very transparent. And transparency to me is the best guarantee of good outcomes, outcomes we deserve as citizens and which will underpin our growth as an economy.

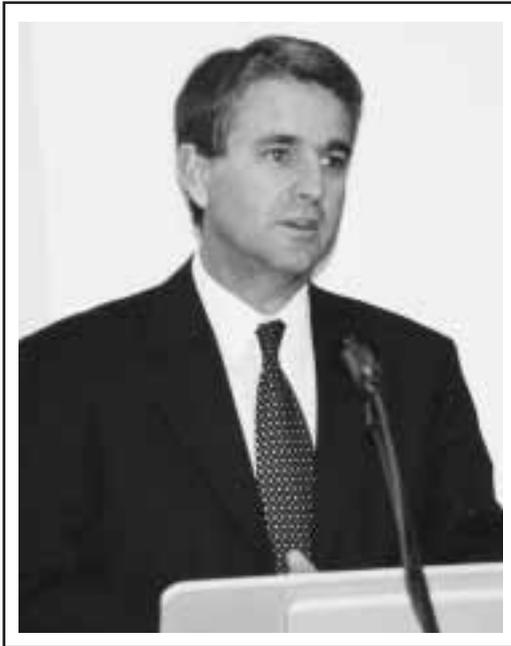


Photo – David Karonidis

John Anderson

On Wednesday 17 November 1999, just four months after assuming the job of leader of the National Party and Deputy Prime Minister, John Anderson addressed The Sydney Institute. Already comfortable in his new role, along with his portfolio responsibilities as Minister for Transport and Regional Services, John Anderson tackled the troubled areas of transport, infrastructure development and the growing feeling of neglect in the bush and resentment at growing city “elites”.

RE-EMBRACING

THE BUSH

John Anderson

Thank you for the invitation to address you this evening. Gerard Henderson tells me that Tim Fischer spoke to you last year, so I hope, as always, that I can match the substance of my predecessor, if not, of course, his inimitable style.

Ten months ago today I addressed the National Press Club on the theme of “one nation or two”, launching a campaign to re-embrace regional Australia, not merely economically, but also in broader social and cultural terms.

My starting point, today, is that social cohesion is very important. We want to be one Australia, and for good reasons: at the very least, failure will make it difficult to maintain political stability and therefore sound economic management.

Needless to say, I therefore believe that the party I have the great privilege of leading, has a vital role to play not just in terms of representing regional, rural and remote Australians, but also in taking forward our collective interests as a nation at peace with itself, able to prosper and maximise opportunities for future generations.

An important milestone in my campaign was reached three weeks ago when we held the Regional Australia Summit in Canberra. It is important to say that my primary motivation for that speech in February was not a fear that regional Australia did not have a future. My real fear was that regional Australia would not have the future it deserves – the future that the enormous potential of its people and its natural resources should guarantee it.

One of the important developments this year – one that I hope I’ve contributed to – has been that the community, both in the bush and in cities, has come to better understand how the plight of regional Australia is intimately bound up with the accelerating economic changes that we’ve witnessed over the last decade.

These changes – in information and communications technology, agricultural techniques, the nature of financial markets, and in our integration into world markets – have been going on since World

War II, but only in the 1990s have we witnessed the sort of dizzying pace of change that makes this era unlike any other in history. And while this rapid change has been the primary cause of the problems of regional Australia – as it has in regions throughout the developed world – I have every confidence that it will also be the primary source of solutions to those problems, and indeed to new opportunities.

But that requires governments to play the right sort of role.

The changes of the 1990s have certainly thrown down the gauntlet to governments as the dominant political entity in human affairs. Faced by globalisation, an information revolution, powerful financial markets and the end of the certainties of the Cold War era, the rulers of nations probably have less power to control their states' affairs now than at any point in the last 400 years.

This is particularly the case in relation to economic policies. Tom Friedman has coined the term “golden straitjacket” to describe the narrow set of economic policies that nations must follow to attract and retain investment. Another writer has described how politics is no longer Bismarck's “the art of the possible” but merely “the practice of sound economic management.”

But I reject the notion that governments are hamstrung in how they can respond to the problems facing regional communities (indeed, one only has to look at the United States' shameless agricultural protectionism to realise that the so-called “golden straitjacket” has some loose buckles). And I certainly reject the notion that the only role of government is to shrink up so that it casts as small as possible a shadow over the economy. For those countries – like Australia – that have already done much of the hard work of economic reform, the challenge now is to make governments smarter, faster and more innovative. And in this way, they can best help communities, like those in regional Australia, not merely cope with rapid change, but seize the opportunities that change presents.

I think the tax cut debate in the US this year has provided some interesting lessons about the role of government. Republicans have been urging that part of the US budget surplus be channelled into an across-the-board tax cut. But the proposal just hasn't had the political traction that it would have had 30, ten, even five years ago. President Clinton readily rejected the proposal, and even George W. Bush has spoken against it.

Without oversimplifying the issue, I think at least part of the reason for this – and it's the part that applies to Australia as well – is that people who have seen years of economic reform are aware of how little scope there is to further reduce the size of government. People want an efficient public sector – but not one that is so small it can no longer provide the basic services that communities need and our economies demand.

In areas such as privatisation, competition policy, regulatory reform and now tax reform, we have reduced the size of government as well as making it function more efficiently. But for me, that just leads to a bigger challenge – how can government then function as strategically, as innovatively as possible to give our regions the ability to seize the opportunities that are out there?

Now, this does not mean we are setting out to “develop” our regions. The last thing I want to do is paint the people of the bush as passive recipients of outside help. You only have to look at many of the innovative developments proceeding in regional Australia at the moment to see that the so-called “whingeing cockies” have given way to the “opportunist cockies” in many towns. Lockheed Martin is relocating its satellite tracking project from Guam to Uralla, near Armidale, because of Uralla’s excellent views to the north, for tracking satellites, and the proximity of the University of New England.

And Bendigo, as you know, has developed into a major call centre facility. That town has made the most of being strategically placed in the nation’s telecommunications network – attracting other telcos rather than just relying on Telstra, developing their community’s IT and telecommunication skills, and targeting other IT, telecommunication and even internet content tasks as a “smart community”. High-tech investment has a multiplier effect not just in terms of dollars, but also in terms of skills, infrastructure and a community’s belief in itself.

More traditional industries are still developing in our regions, but relying on a competitive edge to succeed in international markets. Doral and Portman Mining’s proposed silicon smelter at Lithgow will source silica from Cowra and State Forest timber to produce high-quality silicone for export. Visy’s pulp mill in Tumut, which will benefit from assistance from the Commonwealth, will be so clean it has been cited as the “new way forward” in forestry management by conservationists. Victoria’s Goulburn Valley and the South Australian Riverland are leading the way in agri-business. Aquaculture is poised to become one of our significant export industries, generating enormous returns for regional communities in Tasmania and elsewhere.

It is important to alert people, both in the city and in the bush, to these success stories. But they shouldn’t mask the fact that, for many communities, economic success is a much more borderline affair. While deteriorating terms of trade, and, counter intuitively, because people peddle harder in tough going, rapidly-improving agricultural productivity, have been the biggest single negative force, acting upon all our regional communities in the last 30 years, other forms of what economists politely term “structural change” have also hit communities. The closure of rail branch lines. The removal of heavy industry or manufacturing plants. Forestry agreements. The tendering out of State and

local government services. All arguably necessary reforms, but all with a human cost in the bush.

I believe that's the message the Productivity Commission's recent National Competition Policy report has confirmed – that competition policy (and to a lesser extent other, private sector restructuring, which gets confused with competition policy) has delivered real benefits to the whole of Australia, and our regional communities. However, our more economically marginal communities have borne the brunt of the negative impacts of these reforms.

This is no reason to abandon competition policy – after all, cheaper transport, power, gas, phone charges, even money, all benefit rural industries – but it does add to the task of providing affected regions with the tools to find their own best way forward. In some cases where the effects of reform have been particularly concentrated, there is a case for direct government assistance. We've done that for those areas of Tasmania and South Australia affected by our rail reforms; for the city of Newcastle after BHP's steelworks closure; and we're doing that now for the Eden region, which has been hit hard by the closure of one of that region's major factories – in each case, providing adjustment packages that help generate new, permanent jobs.

However, our broader goal must be to provide all regional communities with the tools they need to find and develop their best opportunities. They know what their strong points are – whether it's a growing profile as a tourism destination, a foothold in high-value horticultural or perishable food markets, good IT skills or a particularly ethnically-diverse community. They know best how to develop those strong points.

And develop them they will. Probably the central feature of what is now almost a completely integrated global economy is that, unless you're a Microsoft, a Telstra or some other market giant, the only characteristic that will guarantee your business success is an ability to innovate. Australians' – particularly country Australians – ability to innovate has been proved time and again in the last 150 years. I believe many more regional communities will really thrive once we equip them with the tools they need.

There are several ways we have to do this: restoring and improving services in regional communities; furnishing the basic infrastructure that communities need to explore new business opportunities; and developing public-private partnerships to achieve goals that governments cannot achieve by themselves. Let me run through these quickly.

The restoration of services – especially many of the face-to-face services that communities have lost in the last ten years – is not merely a quality-of-life issue for people of the bush – how would you like to have your nearest bank 300 kilometres away, and a two-month wait for a visit to your GP? No, communities must have a chance of attracting

the skilled people that they'll need for new industries. Knowledge workers today can move practically anywhere on the globe, and lifestyle, as well as remuneration, is important to them. A town without services simply isn't going to compete.

Again, many bush communities have taken matters into their own hands. Some communities have pooled their resources to produce an attractive package for doctors or skilled tradesmen. Other communities have become involved with schemes such as Bendigo Bank's community banking to restore the face-to-face financial services that are vital for local businesses. But again, these success stories shouldn't distract us from the challenge of helping those who want to help themselves but cannot because their tools and skills have been taken from them. Two examples will suffice.

One is the Rural Transaction Centres program. This \$70 million, five year program is funded out of the social bonus derived from the Telstra 2 sale proceeds, and aims to give to small communities something like the range of services that you take for granted – banking, post, telephone and Medicare Easyclaim.

The other is health services. Addressing the shortage of health professionals in the bush will be tough, but we're working hard on that issue. The Minister for Health and Aged Care, Michael Wooldridge, has overseen a number of initiatives designed not just to increase the number of doctors, but to improve the overall quality of health services throughout regional Australia: the Rural Doctor Retention Scheme, the creation of a network of regional health service centres, the John Flynn Scholarship Scheme, the development of a Clinical School of Health at Wagga Wagga and the establishment of the James Cook University Medical School at Townsville. We have also led the national push to enable overseas-trained doctors to obtain special registration as GPs as long as they work in rural areas for a minimum of five years – an example of different levels of government working together to help our regional communities.

But most important of all has been our initiative to provide scholarships for medical students from rural areas to meet their accommodation and other support costs while studying. We recognise that they are the ones most likely to go on and practice medicine in the bush.

Our next goal has been to significantly improve the level of infrastructure available to country communities. Naturally this goal encompasses the traditional infrastructure of roads. A good-quality road – and in that assessment I include flood-resistant – is important not just to our regionally-based exporters but for the normal social, working and lifestyle activities that are straightforward in urban areas but more difficult over the greater distances of the bush – doing the shopping, visiting friends, getting to work. Our National Highway and Roads of National Importance programs are particularly targeted at regional infrastructure.

We must also start using our natural infrastructure much more efficiently and sustainably. A secure supply of good quality water is critical to primary and secondary industry, and given how dry our continent is, extracting the maximum value from this scarce resource is absolutely imperative. In this context, salinity is a major problem now and a potential catastrophe in the future. We've made a start in addressing salinity through programs such as the Natural Heritage Trust, but it is only a start and we should not kid ourselves otherwise.

Basic infrastructure now also includes communications services. In short, the future is wired, and the sooner we're wired up, and the better our hardware, the better-placed we are to succeed in that future. That's what has driven our commitment to radically improving the communications infrastructure of the bush. We're now working to provide untimed local calls; eliminate TV blackspots; aggregate regional demand for telecommunications services to attract competition; provide continuous mobile phone coverage on the nation's busiest highways and facilitate universal internet access at local call rates and at decent speeds.

Again, not merely will these services improve the lifestyle of regional Australians (and our farmers already make extensive use of the Internet), they also provide the basic tools for communities to start taking opportunities in the new IT and communications industries.

One of the fascinating aspects of globalisation is that it has generated a new kind of decentralisation – industries that used to be physically located in the same town, state or nation are now distributed across the world. An Asia-Pacific airline has its accounts done in Europe and its IT problems handled in India. A Hollywood studio might film in Sydney, have its special effects done in Auckland and promote movies using a website designed in London. A European bank might have its regional headquarters in Singapore but have a call centre in Tasmania. Non-physical, or non-jurisdiction-specific services, can now be outsourced to wherever in the world provides the best price and service. Providing regional Australia with the basic infrastructure to participate in and capture the benefits of these sorts of opportunities is absolutely essential.

But the provision of infrastructure of all types is becoming more and more difficult. Despite the Budget surplus that the government has achieved, obtaining significantly more funding to meet our infrastructure needs will be difficult, with so many other calls on revenue, including what may well be an enhanced defence posture in coming years. And of course, we're hampered by the great imbalance between our geographical size and our population, which demands a lot of infrastructure without a large population to fund or use it.

This is where governments – Commonwealth, State and local – have to become smarter, more innovative, and start involving the private sector more in the provision of infrastructure and services. It requires a new kind of strategic, facilitative thinking that seeks to

achieve the best returns in terms of services and jobs from relatively small investments by government. Our Rural Transaction Centres are a version of this applied to services. The government's Infrastructure Borrowings Tax Offset Scheme has also taken us in this direction. I mentioned the assistance we provided for the Visy pulp mill. Our \$250 million rail investment program is aimed at leveraging additional investment from the private sector and the States. And the Australian Rural and Regional Renewal Foundation unveiled at the Regional Australia Summit (with more than \$10 million in start-up capital from the Commonwealth, as well as tax deductibility status) will provide the basis for a welcome philanthropic partnership for investment in our rural and regional communities.

Now we are looking to develop a more formal means of collaborating with the private sector in meeting Australia's infrastructure needs, potentially applying some models that have been tried overseas. One option is what has been called a Public Private Partnership, an adaptation of the UK's Private Finance Initiative.

Under PPPs, the private sector would finance, build, own, operate and maintain a road for a defined term – basically the BOOT arrangement already used for a number of projects. A key factor in this approach is that the primary road network for which we are responsible – the National Highway – has very few sections where the traffic volumes could sustain the traditional form of private sector participation, a user toll (there's that size/population imbalance again). The government might instead provide the revenue stream to the private operator through a shadow toll, based perhaps on a charge per vehicle. Recent developments in the UK include such payments being made on the basis of serviceability and safety of the road over time.

PPP projects could deliver savings through the private sector being able to use innovation in the design, operation and maintenance of the road project. Combine this with the lowering of overall costs because of the significant transfer of risk to the private sector proponents, and you have the capacity to get a much better outcome with the federal roads budget.

A project in the Sydney region that could be suitable for PPP type funding is the Western Sydney Orbital. Successful application of PPP there could open the door to a new era of infrastructure provision on the National Highway and Roads of National Importance.

Now, I've spoken at length so far about the economics of the regional Australia of the future. And yes, the economic pain our regions are going through is a fundamental cause of the sense of alienation and disillusionment felt by many communities. But it's much more than that. I think a lot of regional Australians feel as though they've been left behind by the cities. Not just economically, but socially, culturally. And

most of all, they feel that politicians have let them down, that we've ignored them.

This is every bit as serious a problem as the economic problems besetting many parts of rural Australia. It is simply unacceptable for any government – irrespective of its economic credentials – to fail to provide sense of ownership of its nation to everyone. When we've gone out and talked to people in the bush about their views of government, one of the most alarming things we've found is how many people – just over half – believe that the government simply isn't interested in their views.

The results of such disillusionment are well-known – from Hanson in 1996 to the Victorian election in 1999. So while the Regional Summit generated a lot of very good ideas, which a working group is shortly to report back on, a key element was simply to say to country people “what you think is important to us, and we want to hear it”. That's got to be the first step in re-embracing the bush.

But policies and consultation can only get you so far. It is also imperative that we find ways to make the people of our regions feel that they are valued and respected by metropolitan communities and businesses. Let me give you an example. One of the most frustrating aspects of the republic referendum was the venom that disappointed “Yes” campaigners directed towards regional Australia, suggesting that ignorant bushies had somehow let the side down. Sadly, this was not atypical of what is a general lack of respect and understanding expressed in the metropolitan media toward the bush.

Of course, you can't merely ask for respect, you have to earn it – but I think the people of the bush have earned our respect many times over. Through the strength and vigour they have given to the national character. Through the enormous role they have historically played in Australia's development. Through the vital contribution of Aboriginal Australians – one of our most important regional communities – to our sense of self and our need for justice. Through the massive contribution food, fibre, minerals and energy make today both to our standard of living and to our place in the world economy. But, also, regional Australia will continue to earn our respect as they seize opportunities in new industries, compete with the best and brightest from around the world, and carve out niches for themselves in the global economy.

Enabling them to do that will take some time, although the last ten months have been a good start. The bush is not about to let up in telling us to focus more on its problems, although, there's a growing recognition that we're fair dinkum about addressing their needs. But the task of healing the cultural and social division between city and country is one that we can really take great strides in, particularly if urban Australians start thinking about what regional Australia has achieved, and how much more it can achieve with the right tools. When that happens, we really will be sharing one future.



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- 1. Andrew Preston, Cliff Johnson
- 2. Brian Clark
- 3. L. Vellis, Laura Casteel-Ander
- 4. Malcolm Turnbull
- 5. Justin Tauber, Vera Ranki
- 6. Tony Berg, Stephen Oxley,
John Anderson, John Simpson,
Frank Conway
- 7. Barry Willoughby, Elizabeth Harrover,
Brian Galway

- 8. Justin Tauber
- 9. Joe Sullivan, Norman Mills
- 10. Anne Henderson, Geoff Bowmaker
- 11. Carl Pemberton, Andrea Brady,
Meredith Brady
- 12. Patsy Sullivan, Marie Sullivan

Photographer: David Karonidis



Photo – David Karonidis

McKenzie Wark

McKenzie Wark – author, academic and writer who has produced the book *celebrities, culture and cyberspace: The light on the hill in a postmodern world* (Pluto Press 1999) believes that the fate of the Labour movement's ethic requires that it make peace with the aspirations of the people as they are expressed in the popular media. McKenzie Wark spoke for The Sydney Institute on Monday 22 November, 1999.

SOCIAL DEMOCRACY

IN CYBERSPACE

McKenzie Wark

“Respected by all, feared by none”, is how one journalist sums up the career of Barry Jones.¹ If anyone had a vision of where Australia was headed, and how Labor culture was failing to anticipate the effect of the cascading changes of the 1980s and 1990s, it was Jones.

It is fitting that Australia’s first postmodern politician became a celebrity through his television appearances. In the 1960s, he appeared 208 times on Bob Dyer’s quiz show, *Pick A Box*. If Jones is the only Labor politician of his generation who could safely be described as lovable, it is in part because his celebrity originated in these televised displays of his broad erudition.

Jones was the acceptable face of that suburban oddity, the man who knew too much. He was the perfect go-between for urbane knowledge to the suburban public, and vice versa. With his rumpled suits scrunched over his shoulders, his salted beard, and a gaze that seemed to search out something on a high diagonal in the sky, Jones embodied an idea of what it’s like to be a politician with a brain.

“Am I interested in ideas? Yes. More than power? Yes.” It’s a fatal admission, and a sign of what kept Jones away from real authority within the Labor Party. Jones was the political celebrity of the lost idea. His main legacy may well be his perception of the problem building up for social democratic culture as it confronts an ever more complex cyberspace, and tries to turn its cultural values into power through public debate and the political process.

If the survival of democracy is predicated on the informed citizen, then the information revolution is a political revolution too. Jones understood more clearly than most that government is as much about information as it is about power, and that information technology transforms relations of power. This is one of the most remarkable themes he took up in his provocative book, *Sleepers Wake!*

In the century since Federation, the number of members sitting in the House of Representatives went from 75 to 147, and the number of people they represented went from 3.7 million to 17.8 million. The

number of people in the public service they had to oversee went from 11,000 to 350,000, but the number of hours members deliberated went down from 866 to 603.² The amount of public expenditure per person may have increased spectacularly, but the amount of it actually brought before the House for review in the annual budget papers declined. In short, more people and more public service, producing more information that is subject to less and less scrutiny by elected representatives of the people.

Says Jones: “The democratic system may become increasingly irrelevant as a means of determining and implementing social goals, or allocating funds on the basis of community needs, if elected persons do not understand how to evaluate and relate segments of information in which each expert works.”

Power has shifted from representative government to what Jones calls “strategically placed minority groups occupying the commanding heights in particular areas of society – technocrats, public servants, corporations, unions.” As cyberspace accelerates, more vectors carry more information, and more information leads to an increased division of labour, as people specialise more and more to capture a specific part of the information flow and bring it under their authority.

One unexpected consequence of this shift in the balance of power is that it fed into the rise of populism. Former Hanson minder John Pasquarelli insists that Hanson simply refused to absorb his briefings. He writes: “In response to my criticism of her slackness, Pauline, in a fit of pique, swept some of the briefing notes on the floor saying, ‘I can’t retain, I can’t retain.’”³

If this is true, it worked in her favour out in the country and on the fringes of suburbia. Having witnessed popular politicians such as Bob Hawke succumb to the specialist apparatus of the public service and elite academic policy specialists, part of the appeal of Pauline was the notion of the idea-proof politician.

There is a lot of talk these days about Australia becoming “two nations”, divided between insiders and outsiders. Two things need to be said about this. Firstly, inside and outside of what? Often, this is conceived of spatially. Inside means inside the urban triangle of Sydney, Melbourne and Canberra. Outside means the outer suburbs and regions. It’s a useful spatial diagram, but I think it is less an explanation than a map of what is to be explained. I think the explanation for the divide between inside and outside hinges on properties of information and information as a kind of property.

But back to Barry Jones. Jones identified early on that, as he says: “Australia is an information society in which more people are employed in collecting, storing, retrieving, amending, and disseminating data than are producing food, fibres and minerals, and manufacturing

products.” This is the primary sense in which Australia can be called a “postindustrial” nation.

Changes to what the economy produces also changes its class structure. Jones identified the potential for the formation of an “intellectual proletariat” composed of people locked out of the benefits of the information economy. Education is the main ticket into the inner suburban and urban knowledge class who have the specialised skills to process information. The educated protect their knowledge assets closely, and try hard to make themselves a hereditary caste, passing on the culture of knowledge to their children.

Exiled from this cluster of comfortable urban and inner suburban information burghers is Jones’ information proletariat. A “checkout chick” passing groceries over the scanner is doing the manual labour of cyberspace, producing the raw information on which, eventually, the supermarket’s managers will base their business decisions. A couch potato lying on the sofa with a bag of chips zapping the remote is part of the information proletariat. The ratings figures, on which advertising rates for the commercials being zapped are based, is a statistical projection of the number of couch potatoes.

The information proletariat gets little benefit from this information. They are locked out of the education that might give them some leverage in this economy. They are assumed to be passive objects from which specialists of all kinds, in health, education, economics, welfare, marketing, extract information, and onto which they project plans and impose decisions. These info-proles increasingly resent the way information is used as a power over and against them. They resist it. These “outsiders” refuse to be spoken to or for.

The radical proletariat that 19th Century social democracy imagined was denied the material benefits of capitalism. This industrial proletariat sought knowledge in order to overthrow such an unjust order. What arose in the late 20th Century was a radical proletariat that had some minimal level of material benefits guaranteed by a Labor-sponsored welfare settlement, but was denied the virtual benefits of cyberspace. So the info-proles resist knowledge and the unjust social order that goes with it.

Unless the fruits of the production of information are partially shared, cyberspace capitalism will be resisted, just as industrial capitalism was resisted, until social democracy won a share of the material benefits for its people. The agenda for Labor beyond 2000 is clear: it has to spread the cultural and economic benefits of cyberspace.

This is the Labor party’s problem: to make itself the power that might broker the interests of the information proletariat. Labor has to find benefits for those chunks of outer suburbia that have been shut off, or wanted to shut themselves off, from absorbing and applying new information. At the same time, it has to persuade the urban beneficia-

ries of cyberspace that it is also in their interests to defuse such resistance.

“The community is the collective victim of profoundly unequal access to information,” Barry Jones wrote in 1995. By 1996, I think it fair to say that whatever outer suburbia did not know, it knew that it was the victim of this new kind of inequality. Resistance flourished as a deliberate flouting of the consensus values of cyberspace insiders.

Hard as it may be for the inner rings of suburbia to grasp, the outer rings who make up this populist revolt did not need their patronising attempts at enlightenment so much as a good reason to actually join the emerging public consensus on how to speak and act. The info-proles, banished to the outer suburbs by declining demand for blue collar labour, saw no reason to attach their class interests to those of inner suburbia, where education provided some kind of bridge into the emerging global information economy.

Irrational resistance was a rational choice, and it worked. From the emergence of Hanson through to the 1998 Federal election and the 1999 republic referendum, all the political parties, the urban media’s talking heads, the burbling high moralists, everyone directed their attention to figuring out how to prevent the spread of populist resistance, but few good reasons were given for giving up resistance and joining the public consensus.

At the end of the 1990s, it seems unlikely that survivors from the Hawke and Keating years can win back voters who associate Labor with the high velocity economic reform that increased uncertainty and anxiety, even though many Australians benefited from the growth of a competitive and outward looking economy. Perceptions can often be slow to catch up with events. At the end of the 1990s, there is still what John Button calls “a hankering for the good old days when employers and union members shared the spoils of protection from imports in higher profits and wages, and consumers paid the price.”⁴

As Lindsay Tanner wrote in 1991, a bad year for the Labor government, a division emerged in the Labor Party during the Hawke and Keating years. This was not the old division between left and right wing factions, but one that “straddles factional boundaries. The division is between those who may be described as “rationalists” and others who may be seen as “traditionalists” (or in each other’s opinions, sellouts and troglodytes).”⁵

Tanner identified the slogan of the troglodyte traditionalists, as “returning to our traditional base” and that of the sell-outs, or rationalists, as “adapting in a changing world.” In the 1998 Federal election campaign, it was clear that Labor’s traditionalists were exerting a strong influence. The party did well with its “traditional base”, piling up useless swings in outer suburban seats it already held. Mirroring outer

suburban resistance to new information did not win the party an electoral majority.

If Labor is to survive in cyberspace it has to ask itself what its relation to information is, what kinds of knowledge it can claim to draw from the information it taps, and what kinds of skills it needs to communicate its knowledge. Anne Summers noted right at the start of the Hawke era that one kind of knowledge Labor was gathering with increasing effectiveness was survey polling data and focus group studies. Despite the populist rhetoric in the 1990s to the effect that leaders were “not listening” to suburbia, Summers marvelled at “the extent to which voters themselves are writing the speeches which the political leaders deliver. The notion that policies should be based on research rather than on ideology and long-held principles used to be anathema to Labor politicians.”⁶

This makes more sense than the old authoritarian practice of rationalising from belief, given that what counts as the catechism of true belief in the Labor Party is usually a matter of ideological control by functionaries rather than democratic information gathering. But what Mark Latham rightly objected to in the party’s attempt to formulate a soft-Hansonite election policy platform in 1998 was that what the public wanted was not filtered through any serious attempt to conceptualise the sources of popular opinion, or how opinion could be moved to sound policy. A successful party cannot inform its policies either by dogma or polls alone.

Labor made the transition from an agrarian to an industrial labour movement party. The as yet unacknowledged challenge is to make it also the party of those who work with information, without forgetting those left behind in cyberspace, the information proletariat.

If there is a reason why social democracy appears to be struggling to keep up with the pace of change, it may be that the forces traditionally identified as “left” no longer represent the frontline in the class conflict that, in Marxist thinking, determines the forward movement of history. Much of the agenda of the left seems either to be about resisting change completely or accommodating to it in ways that preserve the interests of certain constituencies, particularly those skilled workers in manufacturing and in the white collar public sector that belong to left wing unions.

Barry Jones identified an information proletariat that was excluded from this new class dynamic, but he did not claim to have thought through the postindustrial society in terms of class conflict. His prophecy was that “the question of control of, and access to, information should become one of the major political issues of the 1990s”, but he did not pose this question in class terms.

The expression “intellectual property” should alert us to the fact that like any other kind of property, information can be the basis of a

class relation — of haves and have nots, insiders and outsiders. But information may work as differently in the market economy as capital does to rent, and might therefore generate quite different kinds of class interest.

“Rent is that portion of the produce of the earth that is paid to the landlord for the use of the original and indestructible powers of the soil. It is often, however, confounded with the interest and profit of capital...”⁷ So wrote David Ricardo, one of the original “economic rationalists”, in what was one of the first, although certainly not the last attempt to define the difference between rent and profit, the returns respectively on land and capital.

Land is of fixed quantity and location. Any economic activity based on land behaves in much the same peculiar way. When demand rises, prices rise, but if there is no more land to meet the demand for what land produces, then the high price does not encourage new competitors – by definition there can be no new competitors, as the quantity of land is fixed. So as demand rises, prices shoot up, and owners of land collect a rent derived from possession of this fixed quantity asset. In principle, a mine, an office block and a prime piece of farm land behave in much the same way in the marketplace.

Most things are not of fixed quantity, and don’t offer an opportunity to extract rent. If a factory makes widgets, or a company offers a service, and demand for those widgets or that service rises, competitors can come into the market attracted by the high prices. Unlike rents, profits are not protected by the fixed quantity of the inputs. Of course, many capitalists would like their business to accrue rents rather than profits, and governments are often dragged in to the creation of artificial rent-producing monopolies in anything from steel to television.

There is one significant difference between working for someone who owns land and someone who owns capital. When demand for land or what land produces is high, it’s possible for the wage earner to make demands for much higher wages without sending the owner of land broke. The owner of land is much more likely to just pass the increased cost on to the purchaser. After all, new competitors can’t come in to bankrupt the rentier, and hence the job of the worker is more secure.

This is why mining and building workers were, until recently, more able to extract wage increases out of owners of land than other workers were out of owners of capital. Demanding higher wages was unlikely to send the company broke. Actually, under a high tariff system, the whole economy can work more like a rent economy than a capital economy. Protectionism creates quasi-rent conditions for lots of businesses, and lots of workers can demand wage rises that just get passed on to the purchaser.

There are already two kinds of economy in this classical conceptualisation of how it all works. But what if we add a third kind of

economy – the information economy? Actually, before Adam Smith or David Ricardo got around to theorising rent and capital, the new information economy was already becoming a reality. When English law recognised the rights of authors and engravers to own the “intellectual property” of their works, the concept of property was in principle extended to information.

Before then, any printer could copy any book – ownership resided in the thing, the book itself, not the ordering of the information within it. With copyright a reality, a new kind of property owner arises – the owner of copyright. Samuel Johnson was one of the first writers to openly make his living from his trade, and became famous for it. Johnson claimed that “there seems to be in authors a stronger right of property than that by occupancy; a metaphysical right, a right, as it were, of creation...”⁸.

Johnson realised that this property right had to be balanced against the common interest in that the knowledge contained in a book be “universally diffused among mankind.” Hence Johnson argued for an exclusive right that would be limited in duration.

As Mark Rose of the University of California argues, “at one level, the literary-property question was a legal struggle about the nature of property and how the law might adapt itself to the changed circumstances of an economy based on trade. At another, it was a contest about how far the ideology of possessive individualism should be extended into the realm of cultural production.”⁹

Information can be an object of a law of property, just like capital or land, but does not necessarily behave the same way. What is distinctive about information is firstly that my possession of it need not deprive you of it. I cannot possess land that you at the same time possess, but I can know something that you at the same time know. The possession of information does not require the dispossession of another.

Secondly, copying information is distinct from creating it. If I grow wheat or make a shoe, the copying of either of these things takes as much effort as making them, and is in fact an identical act to making them.

Thirdly, information has a much greater degree of independence from space than either capital or land. In short: “information wants to be free.” Free from exclusive possession, free to be copied, free to move across space. It is much harder to capture in the net of exclusive and bounded ownership than other forms of property.

The principles of the information economy have existed for hundreds of years, and were worked out alongside the legal fictions for other kinds of property according to which a commodity economy would be regulated. It is only late in the 20th century that the information economy has become conspicuous in size and influence, in part

because the evolution of the technical means of storing and distributing information have advanced very rapidly.

Most information workers, like most agricultural and industrial workers, have to sell their capacity to work, and do not, in the end, own what they make. Workers might have the capacity in their heads or hands to produce something, but lack the means to realise it. Where other workers confront owners of land or capital, information workers confront owners of what I call vectors.

A vector is the physical and technical means of moving information across space, or preserving it across time. As with agriculture or industry, the technical development of information reaches a point where economies of scale dictate the formation of large enterprises which own and control vast arrays of vectors for the distribution of information, just as other businesses control vast tracts of land or physical plant and equipment.

What is often conceived as globalisation may just be the growth of the information economy due to the technical advance of the vector, and the subordination of the economies of capital and land to it. The reason for this is not hard to fathom. The functioning of markets presupposes the transmission from one place to another of information about demand, supply and the prices that mediate between them. The information economy grows, in part, on its capacity to expand the opportunities for owners of land and capital.

What is often perceived as a shift in the balance of power from labour to capital in the 1990s may rather be a shift in the centre of gravity of economic activity, from the economies of capital and land, to that of information. The most conspicuous beneficiaries of such a shift are the owners of vectors, the Murdochs and Packers.

Less noticed are those beneficiaries who are not owners but merely workers in this expanding economy, which includes both information-specific businesses, and also the information component of the business of capital and land, of making things and growing things. The information proletariat has identified the information workers as belonging to an opposed block of class interests.

What appears as an information proletariat is that pool of unemployed or marginally employed people who have not made the transition from an economy dominated by making things to an economy dominated by making information. Just as the transition from agriculture to manufacturing produced an under-employed population, this second transition also produces such a proletariat, and once again, in its desperation, it is tempted to embrace populist solutions, involving a strong state that will restore an economy to its liking.

Social democracy has always been an unstable and uneasy alliance, and has always included the representatives of industrial labour, the most organised part of the economy of capital and the

making of things. It has also included information workers. The difficulty for social democracy is that the interests of these different kinds of worker are further apart than ever. Manual workers are tempted to struggle for the retarding of the shift in the centre of gravity toward the information economy. Mental workers have no interest in such a retrogressive step, and have their own agenda of conflicts over the conditions under which they sell the information they produce to the owners of media vectors.

The information economy is at the same time an information culture. As Mark Rose argues, the extension of “possessive individualism” into culture via the legal fiction that information can be private property is an old principle. It just became more obvious, late in the 20th Century, what this commodification of information has all along implied: culture and economy are inseparable. There was always a market for information upon which the culture of everyday life depended. What changed is the development of new vectors, such as radio, television and the internet, which could be accumulated and co-ordinated, as elements of a powerful kind of market economy.

Politics, no less than the economy, has become saturated by vectors. Communication becomes the space of political action no less than of economic gain. The creation of political majorities becomes a matter of articulating popular desires via media images. This process has been advancing for some time, overcoming the social and communal basis of political affiliation. Politics in the information age is about the formation of majorities that are synchronised around particular images.

Majorities may be articulated on the basis of a shared desire for something, or against it. Both the left and the right have a history of the articulation of desire against things. Conservatives were against communists. Socialists were against the bosses. Fascists were against the Jews. I don’t want to suggest these things are equivalent, but from the 1930s through to the 1990s, this majoritarian politics thrived in the environment of broadcast media. Political majority is achieved by casting somebody else an outsider that has to be resisted, and the unity of the majority comes to cohere around the broadcast of this image of a minority denied access to centralised media vectors.

Both the left and the right of mainstream politics must share some culpability for the current rise of a populism that employs the same method but turns it inside out. Populism encourages its adherents to identify with the outside rather than the inside, by simply reversing the poles of identification. Kerry Jones exploited this most effectively in the republican referendum. A majority formed which identified itself as the outside, against the insiders.

If there is a more positive majoritarian politics to be created, it might not be the politics of consensus, which presupposes community of interest, not just between capital and labour, but also between the

economies of cultivating land, manufacturing things and processing information. It might be a politics of connection rather than consensus, of articulating connections rather than a corporatism rooted in the old manufacturing economy.

The politics of consensus assume a mass media that works rather like mass manufacturing. It composes its majority on the basis of blocks of shared interest that can be articulated in a few broad strokes in a mass media vector. The politics of connection, on the other hand, might be more appropriate for a world in which diverse vectors proliferate, and the interests that have to be composed to form a majority are not based firmly in a mass manufacturing economy, but span three different kinds of economy, that of the cultivation of land, the manufacture of things and the production of information.

Endnotes

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- 6 Anne Summers, *Gamble for Power: How Bob Hawke Beat Malcolm Fraser, the 1983 Federal Election*, Thomas Nelson, Melbourne, 1983, pp. 106-107
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- 8 James Boswell, *Life of Johnson*, Oxford University Press, 1964, vol. 2, p. 259
- 9 Mark Rose, *Authors and Owners: The Invention of Copyright*, Harvard University Press, Cambridge Mass., 1993, p. 9



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1. Anthony Joshua, Monica Levy
2. Georgina Gold
3. Claire Hilmer, Frank Lowy
4. John Sexton, Richard Shuttleworth
5. Rebecca Grindlay, James Cockayne
6. Alexey Bystrov
7. Emma Dwyer, Bryan Holliday

8. Cynthia Edmonds,
Bett Cappie-Wood
 9. Georgina Gold
 10. Matthew Deane & guest
 11. Elizabeth Quinlivan, Michael Young
 12. Amanda Lye, Malcolm Lye
- Photographer: David Karonidis

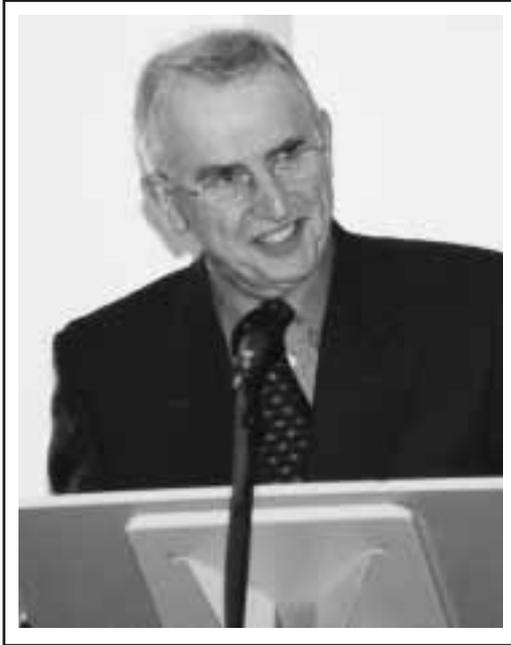


Photo – David Karonidis

Hugh Mackay

On Monday 29 November 1999, to end another successful year of talks, The Sydney Institute invited Hugh Mackay, author and commentator, to speak on his new book *Turning Point* (Macmillan). Hugh Mackay addressed the issue surrounding the Australian psyche at the end of the century. Why is politics so volatile? How can reformers get their message across and not be blamed for huge upheaval? And much more.

AUSTRALIA AT A

TURNING POINT

Hugh Mackay

It is the greatest of all clichés to say that Australian society is changing. Unfortunately, it's a bit hard to talk about contemporary Australia without mentioning the changes, but it is possible to resist the widespread temptation to assume that change inevitably means degeneration.

When you look at some of the demographic statistics, there are certainly signs of radical change, and some of them (like the high and rising rate of youth suicide, or the record level of tranquillisers and antidepressants) are a bit hard to interpret in anything other than a negative way.

But every statistic tells a story and some of our most dramatic statistics tell quite complex stories. We are experiencing our highest-ever level of divorce and our lowest-ever marriage rate. Clearly, that means that the institution of marriage is undergoing a significant change. Indeed, the Australian Bureau of Statistics is estimating that about 43 per cent of the rising generation will never marry (compared with a 20th-century average of about 25 per cent of Australians who never married). Why the change?

The women's movement has played a part (encouraging women to be more financially and emotionally independent), and so has the change in our divorce laws. Obviously, as young people experience a high rate of divorce among their parents, they become more wary of marriage – and, more particularly, they become especially wary of divorce. But there's a cultural shift involved here, as well: as a society, we are moving from a view of marriage as an *institution* to marriage as a *relationship*: older Australians entered the institution with a commitment to its stability; younger Australians evaluate their marriage on the basis of the quality of their relationship, which means that the entire concept of marriage becomes more subject to regular assessment and, in the process, more transient.

Associated with these changes is our lowest-ever birthrate and the highest-ever proportion of babies being born to unmarried parents (now approaching 30 per cent).

These factors – plus others associated with an ageing population – are driving the rise of single-person households: KPMG estimates that by 2006 the single-person household will be the most common household type in Australia.

Meanwhile, we have set a new record for the level of personal debt (largely driven by the influence of Baby Boomers who have not yet shaken the habits of the Sixties and who are still inclined to think that debt is the only realistic pathway to instant gratification).

Reviewing such trends, it's perhaps not so surprising that the level of consumption of antidepressants continues to rise: some social analysts are suggesting that if you're not on antidepressants, that's because you're not fully aware of what's happening to you.

Underlying these statistics are a series of *contradictions* which characterise contemporary Australia. We are experiencing record levels of personal wealth at the top of the economic heap (fuelled by a boom in economic prosperity unprecedented since the 1950s) and yet we are experiencing a steady increase in the problems of poverty and homelessness. ACOSS estimates that about 2 million Australians could now be classified as "poor", and 30 per cent of households have a combined annual household income of less than \$20,000.

There are contradictions, too, in the way we are distributing work. While members of the full-time workforce are now working such long hours that their overtime alone absorbs about 500,000 extra full-time jobs, there are still roughly two million Australians who are either unemployed or seriously under-employed.

Most of us are walking contradictions: we experience great optimism about Australia's future combined with persistent pessimism about the state of contemporary society. We are experiencing a surge of confidence, yet we continue to feel deeply insecure.

Four revolutions at once

There is no mystery about the insecurity: it is a long-term problem in Australia, arising from the fact that we have been living through four socio-cultural revolutions at once.

The gender revolution has radically redefined the role and status of women (and, gradually, caused men to reassess their own roles and responsibilities). In turn, that has reshaped the institutions of marriage and the family, the life of the neighbourhood, the nature of shopping, the landscape of politics and the dynamics of the workplace.

Simultaneously, the *information revolution* has been changing the way we live and work and, in the process, blurring the distinction between human communication and mere data transfer. As human

encounters are rapidly being replaced by electronic transactions, our sense of connection with each other is being eroded. (There is some encouragement to be had, therefore, from recent American research suggesting that when people imagine they have fallen in love on the Internet, a face-to-face meeting usually dispels any such thought!)

Meanwhile, we are still in the throes of a *cultural-identity revolution*, in which we are coming to terms with new meanings of “Australian”, a new sense of our place in the region, a new, more confident acceptance of multiculturalism ... and, less happily, a challenge to our traditional embrace of egalitarianism implied by some of the other social, cultural and economic upheavals.

While all that has been happening, we have also been living through the economic revolution sometimes dubbed “*economic rationalism*”. Terms like “downsizing” and “human resources” capture the essence of how that revolution has been conveyed to the Australian community. Increasingly, people are inclined to believe that when a corporation experiences tension between the social conscience and the bottom line, the bottom line will win. The folklore of the workforce now includes the proposition that “if you’ve still got a job, that’s because they haven’t worked out how to get rid of you”.

A trough of disappointment

Following a prolonged period of uncertainty and insecurity, Australians seemed to fall into a mini-slough of despond during 1997-98. There was an air of disappointment in the community, as though we were approaching the end of the 20th Century without having kept some of our most important promises to ourselves. Four factors drove this sense of disappointment:

Although unemployment figures were looking more rosy (partly because of the way in which the figures themselves are collected), the widespread sense of *job insecurity* was sapping the morale of the workforce and, in particular, disappointing the entire generation of Baby Boomers whose experience in the Fifties and Sixties had led them to believe that full employment was a realistic goal.

The second factor was the growing sense of *divisions between rich and poor* which seemed to be becoming so stark as to challenge the egalitarian view of Australia as a broadly comfortable middle-class society. Everything from the booming market in luxury cars to news of fabulous executive salary packages, combined with dreary statistics about increasing poverty and homelessness, were causing a growing number of Australians to wonder whether we were destined to become just another boring three-tiered society in which socio-economic classes would become institutionalised.

The third factor was *disappointment in leadership* – particularly political leadership, but leadership in general. This has been

associated with a steady decline of trust in our institutions: the church, the judiciary, the business community (especially financial institutions) and politics. Increasingly, we yearn for leaders who can tell us a “guiding story”; who can explain us to ourselves; who can offer us a vision of where Australia might be heading, and why the journey is worthwhile. On all sides of politics, such leadership is thought to be in distressingly short supply.

The fourth factor contributing to a national mood of disappointment is something I would call “*the values gap*”: that is, the gap between the values we claim to espouse and the way we actually lead our lives. I want to simplify my life, people will commonly say, but it seems to be becoming more complicated. I want to slow down, but everything keeps speeding up. I believe I should spend more time with the people I love, but I seem to spend less. I want my children to have a free and innocent childhood, but childhood seems to be increasingly subject to stress, schedules and structures.

I want to return to “*the values gap*” in a moment, because I believe it will be the catalyst for a quiet revolution that is likely to reshape Australian in the next 10-15 years.

A surge of optimism

By the middle of 1999, it was clear that Australians were emerging from their trough of disappointment. Not that their disappointments had vanished, or that the underlying sense of insecurity had gone away. But every published opinion poll was suggesting that there was a new sense of confidence about the future.

My own research was finding the same thing, but I felt that it needed careful interpretation: this is a rather fragile optimism, created by three unusual factors.

The first is a simple case of “*millennium madness*”. Finally realising that the turn of a century – nay, the dawn of a millennium – was approaching, Australians began to enter into the spirit of the times and to prepare themselves for national celebrations. (Though there was serious debate about whether the new century began on 1 January 2000 or 1 January 2001, Australians characteristically decided that this debate did not really need to be settled: we would simply have two parties.)

The second factor is a widespread *sense of disengagement* from the national agenda. This has been emerging for some time: it helped to explain why there was such an extraordinarily low level of interest in the 1998 Federal election campaign, and why the republic referendum created so little aroused public passion.

In essence, the problem is that Australians are feeling overloaded by a dark, serious national agenda containing items which seem utterly beyond their control: globalisation, foreign investment, population policy, immigration, youth unemployment, the republic, the GST,

Aboriginal reconciliation ... all of this seems too hard, considering that it is coming on the heels of the four revolutions which have already so destabilised us.

It is as though Australians are entering a period of retreat; they are saying that the distant horizon is too forbidding, so they will deal with a more local, immediate, personal agenda. The mood has swung from a concern with national issues to a concern with tending our own patch. We have become more self-centred, less compassionate and more concerned about things we can control: what video will we rent tonight? Will we put another room in the roof? Where will we go for the holidays? Which school will we send the kids to next year?

The implication of this period of disengagement is that, as people focus more on their own personal agendas, they do, indeed, begin to feel more cheerful and more optimistic. (It's no wonder that the media audience is drifting away from news and current affairs programs, in favour of comedy, romance, violence and all the other traditional escapist fare that takes our minds off "the real world".)

The third factor creating a rather fragile mood of optimism has been the *process of adaptation* which has gradually led us to accept that "this is the way things are". As time passes, Australians become more resigned to the idea that aspects of society which they don't necessarily like are here to stay ... and we'd better get used to it.

The first time you ring an organisation and a recorded message says "your call is important to us and has been placed in a queue", you are irritated. But after it's happened ten times, you simply accept that this is the way it is (and a human voice would actually be a shock). As transactions with bank tellers are replaced by ATMs or telephone banking, we adapt to the new ways of doing things and, in many cases, we actually come to enjoy them. Conductors are removed from Melbourne trams and replaced by automatic ticketing machines and there is an outcry which lasts for about two weeks ... and then Melburnians shrug and learn to master the machines.

Even when it comes to facts about our society, we begin to incorporate unpalatable material into our view of ourselves. We acknowledge that this is a society with a higher divorce rate than we might like, but that's the way it is. No one could be proud of our youth suicide rate, yet we have been forced to accept it as a distressing fact of Australian life. Job insecurity is the new reality. There is an illicit drug trade, and we know we will have to learn to live with that, too.

In other words, we are becoming more realistic about the nature of our society: adaptation isn't the same thing as acceptance, but it's hard to tell the difference. As we adapt, so we become less irritated or worried by what is happening, and there is correspondingly more scope for optimism.

Are we at a turning point?

My reading of the mood of Australia suggests that we are in a period of “retreat”, in which a good deal of re-thinking is going on. The sort of optimism I have described will not carry us far: we will need something more substantial than that if our confidence in ourselves is to be maintained.

I see signs of three more enduring responses to the events of the past few years, and I believe that these responses will help to reshape Australian society during the early years of the 21st century.

First, a significant and growing number of Australians will, indeed, look for ways to close “the values gap”. There is increasing talk about the need to “restore balance”; to “get my life under control”; to live “the way I want to live”. When Tim Fischer walked away from the Deputy Prime Ministership, you could hear the cheer all over Australia: people were saying, “Good on you, Tim,” because they saw his decision as a symbol of how to get your priorities straight.

This quiet revolution will be led by women (who are increasingly reaching levels of authority and influence in business and the professions and, looking around them, are concluding that “this is no way to live”). But men are getting the message, too, and, gradually, the balance between work and personal life will be restored by enough Australians to affect the way our society functions.

The second discernible trend is less attractive: it is heard in the growing voice of those who are not saying “I want to get *my* life under control” but, instead, “I want to get *your* life under control”. This is the voice of regulation. These are the religious, social and cultural fundamentalists – the people who want to see tougher sentencing, more censorship, more laws to control everything that moves. Their answer to the instability and uncertainty of contemporary life is to say that if only we had more rules and regulations, we could get things back under control.

There is a double hazard in all this, of course. On the one hand, we might give away too many of our freedoms; on the other, we might stifle the very consciences such people would hope to quicken (since the more we regulate, the less we leave to the moral choices of individuals).

The third change is coming from people who are looking for a *new framework* for making sense of life in an uncertain world. Young Australians are driving this trend, but older people are quickly catching on.

For some, the new framework is spiritual. For others, it is based on the desire to reconnect with “the herd”, so that individuals obtain a stronger sense of identity and of emotional security from re-creating communal connections that simulate the “village life” to which so many Australians aspire.

For others, though, it is simply a case of incorporating uncertainty into their view of the world so they are ready for anything! The growing number of Australians who are prepared to say “I’m not sure” (about everything from controlling the drug trade to mandatory sentencing) represents something of a breakthrough: black-and-white certainties are giving way to a more thoughtful, more reflective and more sensitive openness to the inherent uncertainty of life. Those who grew up in the 1950s and 1960s glimpsed an illusion of certainty: older and younger Australians know that that’s not the way the world is.

There’s a necessary coda to all this. We need to remind ourselves that however gloomy the national conversation may become, and however much Australians might grumble, they will always want to say that this is the best country in the world, and you wouldn’t want to live anywhere else.



Photo – David Karonidis

Lucy Turnbull

Lucy Turnbull, author of *Sydney: Biography of a City* (Random 1999) and deputy Lord Mayor of Sydney, addressed The Sydney Institute on Monday 24 January 2000 at the Museum of Sydney Theatre. No longer so young, Sydney has built up layer by layer from the harbour. Turnbull sees Sydney as a very different place from the city she grew up in. And it will always be a work in progress.

SYDNEY'S STORY

Lucy Turnbull

Sydney is a city of the here and now. We do not care too much about where you are from, or what your parents did. Sydney questions are all cast in the present or the future tense. "What are you doing now?" "Where do you live?" "What are your plans for this year?"

The contrast with some other cities is great. Nobody in Sydney has ever asked me on first meeting where I went to school after I ceased obviously to be of school age. Not so in the Southern Capital where a careful and swiftly implemented system of pigeon holing is applied. I remember sitting with a friend who had grown up in Melbourne in an overcrowded cafeteria in school holidays on the ski slopes. We shared a table with another woman with her. It turned out she came from Melbourne, too. Out popped the question from my friend's lips immediately, "Where did you go to school?" I was astonished and, gently, chided her. "Oh" she said "Don't think I'm a snob or anything like that, I just wanted to find out whether she was a Catholic or not."

Now the interesting contrast is, by and large, unless you know somebody in Sydney very well you are unlikely to know (or care about) their religion, their educational background or even where they grew up. Of course, Sydney's critics would say this is just what to expect of a city of harbour-side hedonists, whose whole environment is so beautiful, so sensual that reflection on the past is never as interesting as the beautiful present.

How many of us have left a performance at the Opera House only to be entranced by the glittering reflections on Sydney Cove as the Bridge salutes the Opera House and the Jetcats scud in and out of Circular Quay. That walk along the promenade makes the whole evening worthwhile, irrespective of how good the performance was. How could we be wistful and nostalgic with those sorts of experiences to enjoy?

Yet I believe that in spite of our reputation for hedonism, usually promoted by others, we are developing a deeper sense of wanting to understand our historical context. For me, this particular curiosity took

a very long-term course. I decided in late 1994 to try to come to terms with Sydney's various phases of our growth and evolution. At school, I had learned all about Captain Cook, Arthur Phillip, John Macarthur, the Rum Corps and the wool industry. The prior occupation by Aborigines was quickly glanced over. In those days our study of early Sydney was sharply and permanently interrupted after the departure from Sydney of Lachlan Macquarie. Suddenly we veered to the west, the south and the north, following the tracks of our noble and heroic explorers in different coloured texta colours through the remote interior.

I always knew that in Australia, there was some sort of disconnection or disjointedness between one's experience of place and even nationhood, depending on whether you had an essentially urban, or a rural or regional outlook. I suppose that is the same for any large country, but in Australia it is exaggerated because there does not seem to be any experience of closely settled countryside as is the case in most other English speaking, European and most New World countries.

Though I learned history for many years at school, I did not have much understanding of how Sydney came to be the place it was – and since this is the place I have spent my entire life, I thought this was a gap in my knowledge that needed fixing. At the time, I had no idea quite how much fixing it needed – and that was another revelation.

Sydney has always been an open gateway city, and a cosmopolitan one, with the bustle and buzz of any maritime port. Today we are the most diverse city in the world in the sense that more of our inhabitants were born outside this country than any other city. Indeed, Australia has a larger proportion of immigrants than any country in the world except for Israel and these immigrants are concentrated in the larger cities, particularly Sydney. There are over 100 languages spoken here.

In my lifetime, Sydney has completely transformed itself from being a maritime port, whose economic wellbeing was almost seamlessly welded on to the wellbeing of the rest of Australia. Way back in the 1960s, Sydney was still seemingly dominated by a population with Anglo-Celtic background. Its economy, like that of the rest of Australia was driven by the short, and often sharp lurches in the commodity cycle.

In the course of learning about Sydney's development, I learned to correlate the various surges in building activity with booms in the property cycle. The preoccupation with the value of property is not a recent phenomenon – property investment and speculation has been a popular form of wealth creation since the 1830s. The first surge was in the early wool boom years of the 1830s, then there was the gold rush of the 1850s and the long boom of the late 19th Century, when the proud public buildings in Bridge Street appeared, along with the inner Victorian suburbs. Then there were the bigger and most dramatic

booms (in terms of their consequences for built Sydney) that have occurred in my living memory. The down turns were often sharp and painful, most notably during the 1890s, the Depression years and in the 1970s and early 1990s.

The early orgy of high rise development that went with the post Second World War building boom coincided with the abolition in 1957 of the 46 metre building height. Quality took a back seat to short term pleasure, or profit. The idea of promoting quality in design was relegated to the back – if not to trailer bouncing along far behind. From the mid-1980s we seem to have experienced a building boom that has brought about the greatest changes to this city's skyline. This boom was driven less by traditional economic forces than by the transformation of Sydney's economy into a city where service industries became the basis for our economic success – financial, professional, tourism, information technology, telecommunications and everything related to these. We developed an outward looking attitude. Sydney appeared to be the biggest and brightest beneficiary of all the economic change that was going on. Other parts of Australia felt, and were, left behind.

For me, an important signal that Sydney was becoming a much more sophisticated city with a better built environment was what happened to the site where this building stands today. Many years ago I used to work in the CAGA building, which stood on the site of Governor Macquarie Tower. The CAGA building was not pretty. It was bleak, frugally built and designed with little regard to the aesthetic considerations. It had replaced the stylish old Metropole Hotel, and the demise of this work of late 19th Century architecture was a great loss.

Then in the early 1990s, this handsome and stylish pair of buildings were completed. And this Museum was part of the development – a sign that our politicians were taking note of the heritage significance of this site, and the significance of history to our sense of place. It was fantastic to see that a new generation of architecture could so visibly surpass its predecessor – this was a reversal of what I had witnessed in the 1960s and 1970s.

The transformation of Sydney's economy has been a great boon for everyone who lives and works close to the centre, but it has also brought with it a greater sense of disconnectedness from the rest of Australia. It seems that our success has partially unglued the sticky stuff that bound us to our fellow Australians, as many of them, in economic terms, were going backwards we were leaping ahead.

Some people speak of the Manhattanisation of Sydney. This is a term used to describe the way that in economic and even psychological terms, the centre seems to be sealed off from its more suburban outlying hinterland – and to an even greater extent, from rural and regional Australia. The more wounding corollary of this argument is that we are accused of being indifferent to the plight and the struggles of those who

are doing it tough. Central Sydney, it is argued, is developing an indifferent and tough shell which hermetically seals it from the rest of the nation. We are becoming, in their eyes, remote and inaccessible.

The facts are clear. Sydney has the lowest unemployment rate in the nation. The closer you are to the city the lower that rate becomes, and the higher people's average income is. It has the most expensive property. Living close to the city is becoming unaffordable for more than a tiny percentage of the population. As times get tougher in regional Australia there is a feeling that all the good things are concentrating and concentrated in the city. This sense of estrangement, even resentment can have profound political consequences. We only have to look at what happened to Jeff Kennett.

A big city like Sydney does have resources and energy regional towns will never have. Nevertheless, it seems very cruel and unfair that we can be doing so well and the economic situation of those living in the Hunter region just a couple of hours drive away can be so starkly different. In Sydney, employers are desperately seeking labour, and in regional New South Wales, things are exactly the other way around. We may of course, be finding ourselves in a never to be repeated pre Olympic situation, but the disparity between Sydney and elsewhere will probably persist for some time.

So how can we celebrate and enjoy our success and our good fortune without being perceived as losing a sense of connection and sympathy, becoming hard hearted and heedless towards the plight of others and, at the same time, try to compete in a global environment? This is like a high wire balancing act.

Competing against other Pacific Rim cities for business involves a lot of boastful gloating, and fulsome and constant reference to the very things that makes the rest of Australians a little scratchy – harbour, landscape, culture, jobs, highly educated workforce, economic growth, prosperity.

Gloating and boastfulness do not go very well with the Australian ethos – that ethos of modest understatement and trying to shy away from being too individualistic – the idea being *not* to stand out from the crowd, for fear you will be brought back down to size with a cruel slash of the poppy pruning secateurs. But gloat and boast we must if we are going to compete against cities like Hong Kong and Singapore as the destination for tourism and business investment, and maintain our present economic trajectory.

I don't think the answer to the phenomenon of central Sydney's "Manhattanisation" is necessarily always and only decentralisation forced by government action or subsidy. The greater goal must be to re-balance the anomalies between Sydney and other regions by making Sydney more accessible as a place to work and visit, and easier to move around in. An enormous improvement will be made to Sydney when

the Orbital Road and East-West Cross City tunnel is completed in about 2004. That combined with the Eastern and Western Distributors will mean that (apart from the genuinely lost) there should be no traffic in the city that is not headed for a city destination.

Our public transport system is another big key to this. All sorts of affordable public transport. An obvious truth is that the only thorough going way of reducing the use of motor cars is to have better public transport. Very fast trains are one great possibility. I am not an expert here, but the fact that there are such huge anomalies in the unemployment rates between Sydney and our two most nearby cities, Newcastle and Wollongong, suggests that there might not be enough mobility in the labour force. That must be, partially at least, a function of available public transport options. Very fast train services would at least partially offset these imbalances because access to work has always been a function of time taken and cost involved, not absolute distance travelled.

Perhaps we should all take greater cognisance of the fact that Sydney's success has created great opportunities for people living and working far afield. One recent happy example of this is the Council's recent experience in implementing its graffiti removal strategy on public spaces and buildings. The contractor responsible for removing the city's graffiti is Techni Clean, based in Dubbo. They were selected for their expertise, their environmental management and their community based approach. Techni Clean employs eight teams of two people who use a specially equipped distinctive four wheel drive vehicle alliteratively referred to as the "Graffiti Gator".

Within the first month of operations, Techni Clean has removed 3000 items of graffiti within 24 hours. There is nothing quite as depressing and demotivating for graffiti artists than rapid removal of his or her creations, so time is of the essence in this exercise. Techni Clean should be congratulated for their know how, their innovation and their willingness to set goals that may have seemed ambitious and far-fetched for some. It should also be recognised that Techni Clean saw what they thought was an unsatisfied need – effective and fast graffiti removal – that was not being met by anyone else. They identified a niche and targeted it well.

The council's role

The City of Sydney has the task, not only of thinking globally and acting locally, but thinking locally as well. Although our political constituents all either live or work locally, the City of Sydney has to be considered not just as our home town, but as Australia's gateway city and a regional economic centre. I do not agree that the needs of localism and globalism are necessarily conflicting and divergent – everyone wants a clean and safe city which is pleasant to live in, work in and visit. But when it comes to planning and building densities, we

must have regard to local needs and expectations – like sunlight, general amenity and a sense of community.

The “Living City” program which was created under the leadership of Frank Sartor and his previous council colleagues, has been responsible for reversing the trend that had persisted for nearly 100 years, where residents (and small businesses) were leaving the city centre for the suburbs. The idea of creating a Living City was to prevent Sydney from becoming doughnut shaped, with an empty centre, especially outside business hours. In the past nine years, Sydney has become more alive in terms of visitors, residents and night life than it has ever been. The Council has been – and still is – determined to make the city more attractive and accessible to people (as opposed to just people driving cars). There are new and elegant public spaces. Customs House Square and the promenade in front of East Circular Quay have brought a new life to what was a dreary precinct, when Sydney Cove’s stunning natural attributes were taken into account. Right through the city, footpaths have been widened. There was plenty of criticism at the time; but many of the retailers whose trade was disrupted by the jackhammers are now seeing the benefits of having wider footpaths and more visitors well before the staging of the Olympic Games.

The Council’s governance has in recent years been characterised by long term planning, not short term fixes, and this is a welcome change indeed. I will do my best to ensure that this continues. The city’s main task in the past few years has been, and will continually be to “lift the bar” in the quality of our built and public spaces. That is an incremental thing, with a few big pre-Olympic leaps, and it is and always will be ongoing.

Public engagement is important here – but we should take note that sometimes this can become a little over-heated, hostile and antagonistic – as we have seen in some of the exaggerated claims about how disastrous the development at East Circular Quay would be for Sydney. The City has, I believe, gone some way to ensuring that everyone is better informed about large development and infrastructure projects. Significant developments throughout metropolitan Sydney are displayed at the City Exhibition Space on the Fourth Floor of Customs House, and those who are interested in changes to Sydney’s built environment should be encouraged to visit regularly.

The city is also a proxy, or at least a key stakeholder for the values and interests of Sydney at large. To this end, we can usefully consider and advocate things that are for the benefit of Sydney – public transport, the importance of preserving our heritage, the quality of the built environment.

We must lead by example in the planning sphere, making sure that new buildings are as good as they can be, in terms of quality, scale

and environmental best practice. An idea that Council has promoted for the past year has been the idea of design competitions, to promote better quality outcomes for Sydney's new significant developments. One example of this in action is World Square. In December, Meriton Apartments acquired one of the undeveloped sites on this long undeveloped block in near the George Street cinema district. One of the conditions imposed on Meriton when they sought to get permission to build a residential apartment block (the tallest in Sydney) on the site earmarked for commercial development was that three firms of architects provide architectural drawings for the Council to comment upon. This is a very real innovation, which, in certain circumstances, will ensure that Sydney is spared from as much architectural mediocrity as the Council can manage to prevent, without attracting the wrath of the Land and Environment Court – but that is another story.

Cities that do not grow become atrophied – this has never been the case in Sydney and I do not believe it will be the case after the Olympics. As well as the attributes that are plain for all to see, we have political stability, an educated, multi lingual workforce, a sophisticated capital market, and, shortly, a newly reformed corporate tax system which will demolish many of the tax disadvantages that often tipped the balance in favour of not investing or working in Australia.

Sydney, in the short term will gain more from these advantages than many other parts of Australia because we are the biggest city packed with the services and the businesses that are thriving. The challenge is to exploit these great opportunities we have, and show clearly how they can and should be shared much more widely beyond the geographically narrow confines of the inner city.

I am highly optimistic about Sydney's future, and the future of improved rapport between Sydney and the rest of Australia, as long as we really do remain open and accessible, and compassionate and caring about those who have not done as well as we have, the more conspicuous of those in the city itself being the homeless. Sydney's quirker qualities will stand us in good stead. A sense of larrikinism and libertarianism suits the new world order, or disorder, where uncertainty and an irreverence towards authority, and the traditional ways of doing things, prevails.

Sydney must never lose her droll larrikin charm and essential friendliness. This will always be one of our greatest attractions. And, in the end, this is one characteristic we share with the rest of Australia.



Photo – David Karonidis

Carmel Niland

Since taking up her role as Director-General of the NSW Department of Community Services (DoCS) in 1998, Carmel Niland had been very vocal about two key commitments: to care for the carers and to increase the collaborative approach between DoCS, other government departments and its community partners. Announcing some fresh directions for DoCS, against this background, Carmel Niland addressed The Sydney Institute on Tuesday 1 February 2000.

CAPACITY, CAPACITY,

CAPACITY: COMMUNITIES AND COMMUNITY SERVICES

Carmel Niland

Capacity as a concept is being bounced around in the current discussion about welfare reform and agenda setting in community services. It's seldom defined and always invoked.

Robert Fitzgerald, our Community Services Commissioner, said in a recent paper to the Australian Institute of Health and Welfare that "the agenda for the future of Australia's social and welfare policies must be around the development of "capacity" in communities, organisations and people generally. The social and economic divides that now exist in our community, cannot be addressed simply by welfare reform."

Thank you, Sydney Institute, for giving me the opportunity to explore the building of capacity in the community generally and in the Department of Community Services in particular. But what exactly is "capacity"? In my view, it's a store of capability which is currently unexpended but available if circumstances change. A bit like a turbo-charger.

In a community, capacity means the community has the potential to cope with change. It's capacity is another way of saying its strength. It is resilient because it has a store of social capital it can draw on. But capacity has an additional important meaning. For the last 30 years we have measured communities in terms of their needs and their level of disadvantage not in terms of their strengths or their capacity. Capacity allows us to focus on their positives and not their negatives.

In an organisation, capacity implies a stock of well trained people, supported by strong business systems and technology and professional supervision, who can make sound, evidence-based decisions and who can respond to shifting and increasing demands without organisational melt down. I've been leading DoCS for about 18 months and struggling with the challenges of building capacity.

When I was first appointed I found a number of things:

- an organisation which was destabilised by public criticism and anxious and wary of change;

- a workforce who, while very committed to its clients, was cynical and fragmented with a distrust of all but its immediate supervisors;
- training was under resourced and clinical supervision spans were up to 1:20;
- talent was bleeding away. There was a 40 per cent turnover in the braintrust in Central Office. In the rest of the organisation it was 13.4 per cent. 115 people were on stress leave. There was a stockpile of a 100 discipline cases. Technology was antiquated or non-existent. The main client information system was an 1980s model which was pre-Word and naturally pre-Windows;
- On top of this there were hundreds upon hundreds of recommendations from public watchdogs about how DoCS could improve everything from our accounting procedures to our clinical supervision, from preventing baby deaths to ensuring human rights for our clients living in institutions.

Community leaders were at the best unsure and at the least severely critical of DoCS' capacity to cope in a more complex and difficult environment with an increased and shifting demand for child protection and for supported accommodation for people with intellectual disabilities. This meant that meaningful partnerships with them were limited and strained. Further, trust had been eroded by DoCS' ham fisted attempts in the past to develop competitive tendering for a range of "out of home" care programs for foster children. The leaders of these services, the major charities, were bruised by this process and maintained their services were under-funded as a result.

I came prepared with ideas for change but, after reading the Corporate Plan, instead of implementing them, I asked hundreds of questions. Here are a few relevant ones:

- What was our core business?
- What is a "community service"? Is it just a grant service delivered to the community or is it purposeful interaction targeted to build and sustain a strong community? If it was the latter, what evidence had we that any of our programs were delivering the outcomes.
- What had happened to the 1970s notion of "community development"? Did we still do it? And if not why not?
- What community programs did we fund?
- Why did we fund them?
- What did we get for them?
- Did we need to spend more money or less?
- How did we know if they we're successful or not?
- Finally, what were we contributing to the exciting debate of social capital?

Let me put these questions in a context. By way of background:

- We run 83 Community Service Centres which provide a range of child protection services to the public;
- We employ 9,000 people;
- We provide care for more than 7,000 children and young people who must live outside their immediate families in out of home care services;
- We run 256 group homes and 15 large accommodation centres which support a total of 2660 clients;
- We provide respite and emergency care through 69 respite care service outlets;
- In the past 12 months we assisted more than 4,000 refugees;
- Our disaster welfare service helped almost 8,000 families in crisis;
- We fund over 1,800 organisations \$231 million per annum, which provide more than 3,400 community services.

At DoCS, we fund three programs that are significant employers in the community services industry, these are the Community Services Grants Program, the Supported Accommodation Assistance Program and the Children's Services program. It is estimated that these three programs worth \$231 million employ approximately 6,000-7,000 workers.

As a Department, Community Services is at the end of the public sector food chain. Let me give you an example. The Department of Education & Training decides, in order to maintain discipline in the classroom, that unruly children with challenging behaviours are to be expelled from school. As a result the classroom environment is stabilised, but Community Services end up seeing many of those children in our offices as clients or these children end up in the services we fund. The strongest indicator that a young person will become homeless is school truancy. The most important thing one of our funded agencies can do with a homeless child is get them back to school.

So, what is called "praiseworthy management" by one department is more plainly called "cost shifting to DoCS" by ours. We take the clients no one else wants. We cannot control the demand for our services. There has been a perception in the bureaucracy that we are the department for leftovers, the department for the marginalised. This means that DoCS is marginalised and comes to believe that it, like its clients, is powerless and fails to assert itself with other agencies. One of my key challenges is to change those perceptions.

The social capital debate appears to have passed the DoCS by. Since the publication in 1993 of Robert Putman's work *An Italian Provincial Democracy*, there has been a surge of interest in social capital: what is it, how is it formed and how might it offer solutions to intractable public policy problems?

The concept of social capital was first used by Pierre Bourdian and James Coleman in the 1970s to describe the benefits and opportunities which accrued to people through membership of certain communities. Putman focused on three key ingredients in social capital: trust, civic engagement or reciprocity, and networks of voluntary associations or connectivity. Putman showed that where these elements were measurably higher so too was superior political and economic performance. These communities were resilient, and had the capacity to embrace social change.

I'd like to digress here and give you an insight into how I, as a policy maker, might process the meaning of social capital.

When I think of social capital, I remember my childhood. Growing up in the 1950s in Helena Street, Randwick, our large family had a nodding acquaintance with everyone who lived in the 40 houses, semis and flats in the street. If it rained, and Mum was out, Mrs Barker would bring in her washing. When Mr O'Neill was on strike from Bunnerong Power House, Mrs Landsdown delivered three fresh brown eggs from her chook run for each of his kids. After a woman's screams were heard down the street late one night, her kids turned up at our place for tea until, what my mum called her "common law husband" had moved on.

Our neighbourhood was rich in interaction and mutual support. Bicycles were left on the street, doors weren't locked and, if a house was empty when a child came home from school, they doorknocked until they found someone to stay with. Kids with nits and impetigo were bathed, combed and treated by someone in a long, warm chain of neighbourliness. I don't remember the Welfare visiting in the street but I do remember St Vincent de Paul making deliveries.

What occurred in Helena Street was productive, purposeful, beneficial, voluntary and almost instinctive, done without thinking and it was almost totally female. It was a web of trust and respect and human connection around which a community is formed.

Don't think for a moment I'm identifying with John Howard, I am not nostalgic for the picket fence of suburbia. However, a convergence of economic, cultural and technological transformations have radically changed that 1950s neighbourhood. The challenge for me as a policy maker is how to help regeneration of the instincts of neighbourliness, the sense of cohesion, trust, and reciprocity in the face of the fragmentation, stress and social dislocation we have now.

Most DoCS' clients in our Child and Family Services come from communities with low resistance, few strengths and little capacity. Our clients have mental, physical, emotional and financial problems and often have severe drug and alcohol addictions. As an organisation we have until this year worked reactively and forensically, but not preven-

tatively, with our clients. And we fund the community associations designed to assist the community generate its social capital.

I said earlier that the social capital debate appeared to have passed DoCS by. Perhaps this is only half true. Three years ago it would be more accurate to say that our grants program was so deeply embroiled in the unpopular competitive and contestability push that it didn't raise its voice. But not so child and family services.

DoCS was seriously influenced by the work of American Professor James Garbarino who researched the human ecology of child maltreatment. Garbarino describes the child maltreatment emergency in the US where he says public agencies are pushed beyond their capacity to respond. He found that child abuse is a symptom of not just individual or family trouble but of neighbourhood and community trouble as well. It is a social as well as a psychological problem. Working in the 1980s he compared the child maltreatment rates across Chicago neighbourhoods. Those with the highest rates "demonstrated little evidence of a network or support system, either formal or informal... did not have a strong sense of belonging and criminal activity was easily spotted on the streets".

He would later call them "toxic environments" with no trust, no helping hands, no networking, high vandalism and crime rates with everyone looking after themselves in a bitter struggle to survive. The convergence of research in social capital with that from child maltreatment has produced some interesting public program responses such as Families First.

Families First is an evidence based intervention by Health and DoCS in families with new born children. It relies on professionals and volunteers working side by side to help the family build a strong relationship with their child. Research evidence clearly shows that if an empathetic and stimulating relationship exists in the first three years it reduces risk of subsequent learning difficulties in the child, increases school retention rates and lessens risks of anti social behaviour in the child and of child abuse from the parents – factors which also increase future chances of unemployment and criminality. In fact, the American experience shows a dollar spent on early intervention saves over \$7 later on.

Here's an example of the way the program works: Therese, is 18. She is referred by her GP to the antenatal clinic. However, she doesn't attend regularly. Therese has a volatile relationship with her child's father and no family living nearby. A health visitor working under Families First sees her and the father at home and encourages her to attend the clinic more regularly. The child's father is encouraged to help in the preparation for the child. After the baby is born, the health visitor continues to visit each week and suggests that they agree to have a volunteer visitor from the community to call in as well. The visitor,

another mum, introduces Therese to the local playgroup and mother's group and continues to visit for two years, providing ongoing support.

If you think Families First appears to have a 1950s feel when the Baby Health Nurse visited every home – after Mum returned home from the hospital and then encouraged her to attend local Baby Health Centres – you're right. It does. US research clearly shows that in those communities where the Health Department retained those programs there was reduced child abuse and all those social ills which flow from it. Families First also relies on volunteers to ease the new mother into networks using the capacity building frameworks of social capital.

What is our plan to create capacity in our communities? The first step for DoCS was to repair our relationships with the non-government sector. We did this by a lengthy but successful mediation which addressed their grievances. We incorporated the principles of collaboration and partnership into all our funding agreements with them.

I meet with seven peak bodies quarterly, we hold our Executive meetings with their boards and we reformed our processes of consultation. We also created a Director of Community Partners to liaise with non-Government organisations and work specifically on reforming our grants program to be outcome based.

CSGP the way ahead

We are totally reforming the way we fund communities. Our objectives are to:

- have stronger and more apparent links between funded projects and DoCS direct child protection and family support services
- have stronger and more apparent links to our role in community development
- improve all data collection and planning mechanisms
- increase efficiency and effectiveness of service provision, and
- improve equity in the distribution of resources.

Over the next three years we will:

- move to output based funding;
- develop performance measures based on service specifications and unit costing;
- reclassify the grants under three sub programs – the first will provide services to support our “continuum of care”;
- the second will assist in building social capital by maintaining community trust, connectivity and reciprocity and the third will support organisations who can help us to build and maintain capacity in the organisations we fund. We are also reforming how we plan our decisions about resource allocation.

How we plan our decisions about resource allocation

Working collaboratively with other Human Services CEO's across the NSW government, during 1999 DoCS led a process to develop a joint approach to planning. We involved Professor Tony Vinson in our work. His research has demonstrated that effective community services systems are not necessarily those which have the most government funding. Rather, he has identified 16 features of effective community service. These features include systems which

- use not measures of disadvantage but measures of advantage, or strengths or CAPACITY and community empowerment framework;
- integrate community services so that they are not run independently of one another;
- have a collaborative relationship between government and communities;
- have neighbourhood based and family friendly services;
- identify community needs and use them in planning;
- have a single strong core agency to control the allocation of services to clients and the funding of services.

Pouring more and more money into disadvantaged communities is not necessarily a remedy. Rather, how those communities interact to build on their existing capacity in conjunction with government assistance, is what counts. The NSW government is committed to building capacity in the non government sector to assist them to fulfil their roles and responsibilities in delivering services funded by government.

Community Service organisations currently funded

Let me just say a few words about the capacity of the 1,800 Community Service organisations we fund before a quick overview of capacity in DoCS 18 months on. These range from a neighbourhood centre in Woy Woy (\$43,000 per annum) to Family Support Services run by Anglicare (\$600,000 per annum), and Family Support Services and homelessness services run by Mission Australia (\$5.4 million per annum).

It's obvious the capacity of these organisations is varied. At one end we have organisations with efficient and effective management structures and practices. At the other extreme we have organisations existing on the good will of a few dedicated volunteers with no professional management or accountability. A large number of these latter organisations "fall over" every year and are replaced, in most cases, by similar ones. They form a vital part of the capacity of the community sector and if they did not exist it would further damage already damaged communities.

But how can we assist them to build their capacity? One way is to encourage co-operatives of community organisations for the purpose of management. For example, a group of small SAAP providers, in the Northern Rivers region, pool amounts of their funds and employ a CEO to oversee their administrations and they get on with what they do best and that is deliver services to individuals and families that need them. In future, we will fund risk organisations to specifically increase capacity through mentoring, training and co-operative arrangements.

Finally, what about DoCS? After 18 months I can report. DoCS has stabilised as an organisation as shown by:

- turnover reduced from 13.4 to 10.4 (all staff);
- turnover down to 7 per cent of permanent staff;
- exit interviews to gauge the reasons why staff leave the organisation;
- the number of discipline cases annually reduced by 50 per cent;
- the number of people on stress leave slashed by 50 per cent – down to 56 from 115 the previous year.

We rolled out over 2000 new computers, plus 450 laptops. We have new state of the art client information systems, and a TeleService centre will support our new Child Protection Act in the second half of this year. The training of our staff for the new Act emphasises our new role in prevention and early intervention. We have spent \$1 million on supervision training in the last year. The Clinical Supervision Span in child protection was reduced from 1:20 to 1:8.

We aim to create a contemporary service which emphasises quality service with much closer clinical supervision ratios and one which understands and builds collaborative relationships with our community partners and the business information systems which enhance these initiatives will roll out when the new law is proclaimed. All of which will be supported by a comprehensive training system. We aim to separate our two businesses completely to allow disability services always overshadowed by the squealing baby of child protection to have its own dedicated career structure, training and accountability processes.

Finally, the challenges of intensive change over the next 12 months are enormous for DoCS. Every part of DoCS will be transformed. It will be a bumpy ride. We will not be wearing seat belts, despite the turbulence, because our focus is on change and reform and building capacity in DoCS and in community services.



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1. Neal Blewett, Ros McDonald, Alan Gold
2. Dianne Friezer
3. David Gruen, Rob Ferguson
4. Shirley Lowy, Jenny Ferguson, Frank Lowy, Susie Longstaff, Nettie Joseph
5. Claire Hilmer, Carol Berg

6. Ben Gammon
 7. Lucy Turnbull address The Sydney Institute
 8. Adam Gaensler
 9. Ian Simmonds, Sarah Scott, Christine Scott
 10. John Mundy
- Photographer: David Karonidis



Photo – David Karonidis

Helen Irving

Helen Irving is a lecturer in government at the University of Technology Sydney and the author of *To Constitute a Nation* (CUP 1997) and *The Centenary Companion To Australian Federation* (CUP 1999). The events that led to Australian Federation were, in Irving's view, immense, especially in Sydney and Melbourne. But, as Irving acknowledges, to claim Federation "was a popular movement is not the same as to claim it was a mass movement". Reflecting on the Constitution and its history, Helen Irving addressed The Sydney Institute on Tuesday 8 February 2000.

HISTORY AND THE

CONSTITUTION

Helen Irving

For the better part of the last ten years, I have lived with the 1890s, read about and thought about the concerns of that era, grown familiar with its leading men and women and come to know the style and mannerisms of those who framed Australia's Constitution. I have followed the careers of these individuals into the early years of the Commonwealth, and seen the inevitable occur, as their visions and dreams of Federation faced the mundane and technical realities of political life. I find myself at moments thinking about the men who wrote the Constitution, as if I had known them personally, although I am also amused by the realisation that many of them would not be pleased to hear a woman – in trousers! – speaking in their name, speaking up for them, because so often no one else will. I think frequently about the work they did, and the belief they carried with them, that this work was not only for themselves in the present but for future generations; for us. I am intrigued by their work, by how flawed it is and yet how successful it has been. For years I have carried a copy of the Constitution in my handbag, as I did a small French dictionary when I lived as a student in Switzerland a long time ago, just in case I needed to name something without delay.

Over the years, I have observed the Commonwealth's plans for the Centenary of Federation move slowly through the establishment of the Kirner Committee by the Keating government, to its report in 1993, to the virtual abandonment of any plans, to the destruction and slow re-construction of a Centenary infrastructure under the Howard government, and finally to a complex network of official organisations and an encouraging timetable for the year 2001. Centenary committees now exist in all of the states. The 1901 Committee, established in 1996 (which I convene) has found a home in the 1901 Centre at UTS set up last year as a Federation research and resource Centre, with funding from the National Council for the Centenary of Federation.

I have watched my own and other people's books on Federation history appear and slowly multiply, whereas in 1991, in the year I

began my own research, there was nothing more recent to draw on than a couple of works of the 1970s and the only available full history of Federation had come from the pen of the “founding fathers” John Quick and Robert Garran in 1901. I have seen Film Australia’s three-part documentary, *Federation*, evolve from an idea to a full script, to its screening on the ABC in October last year. I have seen and heard plans for countless Centenary projects, many of which are now funded. Things have never looked better for Federation history. People even now know the name of Australia’s first Prime Minister!

Why then do I find myself, at times, filled with a deep melancholy when I contemplate the approaching Centenary of Federation? Because, although I am certain that there is a much greater level of “product recognition” in the Australian community than there was at the beginning of the 1990s, it is also clear that Australians remain almost entirely unmoved by political history, and even more so by constitutional history. The majority may now know that Edmund Barton was first Prime Minister of the Commonwealth, but they know little and continue to care little about the means by which the Australian Commonwealth came into existence.

Two recent events have brought this message home with force. In the wake of the failure of the republican referendum last year, numerous theories sprang up in an attempt to explain what had happened. The bush, it was widely commented, resented the city elites; lack of bipartisan support had doomed the referendum from the start; uneducated Australians rejected the republican proposal out of ignorance. Neither these postmortem conclusions, nor the result itself were, in fact, novel. It is commonly claimed, in particular, that Australian people reject proposals to change the Constitution because they have never seen the Constitution and know nothing about its provisions.

I question this particular claim on two grounds: there were, in fact, as many reasons to vote “no” in that referendum out of *knowledge*, as there were to vote “no” out of ignorance. I certainly supported the proposal, but I have to admit that the closer I looked at the detailed constitutional alterations entailed, the more doubts I had – not about the principle of an Australian Head of State as such, but about the range of alterations that were envisaged, many of which had simply not been discussed at all and the implications of which were uncertain. I was also concerned about the *absence* of other, more useful proposals for altering the Constitution, and about the lost opportunity for a total examination of the document in the light of the republican goal.

More significantly, almost all Australians, even highly educated ones – with only a very few exceptions – are more or less ignorant of their Constitution. What we have is a rough sense of what it “means”, but very few of us could recite by heart even one of its provisions. As I said, I carry a Constitution in my handbag, but when my 12 year old

daughter opened it last year and asked me, "What does section 17 say?" all I could reply was, "It's in the Chapter on the Parliament, and is probably something to do with the Senate." Her response was: "When you've learned a bit more of the Constitution, we should do this again!"

There is a genuinely elitist assumption in commentary on the failure of referendums that all of those educated voters in the electorates of Bennelong and Kooyong know chapter and verse of the Constitution, and the voters of McMillan and Kalgoorlie know nothing whatsoever. A surprisingly good understanding of the Constitution exists, I believe, in all of these electorates. People have a sense of how the system works, and a rough understanding of how the pieces fit together. In any case, close examination of the Constitution would not assist an understanding: many of its provisions do not say what they mean, many others make little sense, and others (indeed close to half the provisions in the chapter on Finance and Trade) are obsolete.

But there was a different sort of ignorance demonstrated in both the campaign and the referendum: historical ignorance. Almost no one was influenced by the knowledge of the Constitution as a historical *creation* of Australians. There was virtually no debate about whether the Constitution still served the purposes for which it was designed in the 1890s, or what those purposes were. There was no discussion of the great historical shifts Australia has undergone this century, and little awareness of the Constitution as something Australians had constructed 100 years ago, something they had worked on and compromised over and handed to the future to continue with their work. The republican campaign revolved around the laughable claim that in the breast of every Australian child lies a thwarted ambition to go from bush shack to Yarralumla, and become the Australian Head of State. The Monarchist campaign revolved around the despicable and incoherent claim that all politicians harbour an active ambition to thwart the Australian electorate in order prop up their own power.

Federation history and the republican debate were quarantined from each other, not just by decisions made by campaign managers, but by a political climate that said: history is okay so long as it confines itself to the past; the republican debate is a dirty political issue and has nothing to do with Australia's constitutional history; mention the Constitution and that is a signal that you are talking republicanism; the Centenary of Federation has nothing to do with the Constitution. What was even more disturbing was the cloud of suspicion that hung over the debate, as if it were not an absolutely democratic thing to take part in, as if republicans were somehow subversive and should keep their views under the bed. My own experience of this was to have a little monthly slot I did on Federation history on ABC radio cancelled early in the

year, because of complaints from monarchists that I was known to have been involved in the republican campaign two years earlier.

The second event occurred later that month and I suspect what happened was indirectly related to the first. The government announced that there would be a delegation of Members of Parliament to London in July 2000, to mark the passage of the Commonwealth of Australia Constitution Bill through the Imperial Parliament. This delegation was to take part in a week-long program of events called "Australia Week in London" – including a cultural festival, a ceremony in the House of Lords, a sermon at Westminster Abbey, a cricket match and a history conference exploring Australia's evolving relationship with Britain since 1900. Conferences on significant centenary occasions have been held annually around the country since 1993, always in the historically relevant location, because the 1901 Committee (their organiser and co-organiser of the London Conference) is committed to the view that greater authenticity and interest is created this way. In addition the participants themselves also learn much more by being in the environment where the original historical event took place, than they would by remaining in distant university seminar rooms.

So, London was an obvious location for a conference in 2000, following this sequence of historical peregrinations. London was where the Constitution was turned from a bill to an Act, where a delegation of Australian federal leaders, including Barton, Deakin and Kingston, went to assist its passage through the Imperial Parliament, and where they won what they considered a great victory in the deadlock between themselves and the British colonial Secretary, that cold imperialist, Joseph Chamberlain, who had at this very late hour proposed to amend the Constitution that the Australians had written and ratified themselves. It was in London, in the Attorney-General's office, where the Australians and Chamberlain agreed to the compromise that would give the Australian High Court control over virtually all constitutional appeals, and kept intact the Australian Parliament's power ultimately, without any British involvement, to restrict all other appeals from the High Court to the Privy Council. It was there that Deakin, Barton and Kingston took each other's hands and danced in a ring around the room to express their jubilation. London was about Britain's part in Australia's Federation. It was also about Australia's triumph.

But, no sooner had the Parliamentary delegation to London been announced in late 1999, than a public outcry went up. It was all a junket! A waste of taxpayers' money! Knees were jerked and hip-pocket nerves twinged all over the place. There was no real consideration, based on any historical knowledge or even the smallest manifestation of curiosity, of why such an event was taking place and why it was taking place where it was. No attempt to look at the full program, no interest in anything except the likely price of the politicians' airfares.

When, soon after the cry went up, I contributed opinion pieces to the *Age* and the *Sydney Morning Herald*, explaining the historical rationale for the event, the predictable response came in letters to the Editor: I was effectively indulging my interest in history at the taxpayers' expense and there were other more important things to spend the money on. The great irony is that the historical conference, in which the events of 1900 and their aftermath are explored, is in fact struggling to attract adequate financial support, while it is publicly assumed that we take part in the big junket. The organisers of "Australia Week in London", which is happening because of an historical event and is sustained by the historical exploration it invites, themselves regard the conference as worthy, but not quite essential.

Even if it were otherwise, the issue for me remains that a parliamentary program, built around a particular political event in our own history – one upon which any sort of political "spin" could, in fact, have been placed – was rejected *a priori* as that good old chestnut, a waste of taxpayers' money. *History* itself was not the problem. The parliamentary delegation to Gallipoli in 1990, and its repeat performances have never, to my knowledge, been criticised as "junkets" (except perhaps in *Green Left Weekly*) even though these delegations mark an event that took place in 1915 in which Australia suffered defeat at the hands of a foreign power. But, going to London to mark the passage of the Constitution into law, was felt to be without justification.

Perhaps it would have been different if the republican referendum had not been defeated, and if Jeffrey Archer, interviewed by George Negus on that night had not so patronisingly told us that "Australians were a well-mannered race", and if we had not felt in our hearts that it was Britain's victory rather than our own defeat, one we had brought upon ourselves. Perhaps the press at least, which was almost without exception, republican, would have seen the opportunity for triumph rather than humiliation and have ceased to worry about forelock-tugging. Well, Jeffrey Archer has had his come-uppence; but so, alas, have Australia's republicans at least for the moment, and the chance of exploring our constitutional history, knowledge of which, it was claimed in the post mortem on the referendum's defeat would have helped the republican cause, has been diminished.

What these events reveal of Australians' attitude to constitutional history was depressing, but it came as no real surprise to me. I have seen, over the years, how difficult it is to get more than a handful of people to attend seminars or courses or conferences on the subject of Federation. I have seen the eyes glaze over. It was the strength of the reaction to London that was surprising. This was partly because Australians are not, in fact, indifferent to history as is often claimed. Indeed, in certain areas of history, Australians have an unquenchable

interest. The number of runs or matches or goals kicked by sporting heroes of the past – even the distant past – is widely known by a surprising number of people who would disavow an interest in history as such. Family history has grown so popular that public libraries have had to set up whole research centres to accommodate the demand. Events in Australia's military history are recited and honoured with, every year, a greater and greater following. And not just Australia's history: the American Civil War is regularly mentioned by politicians who seem to know, or at least care, more about it than they do about the making of their own Commonwealth. Australia's founders would grind their teeth and roll their eyes, for they themselves knew only too well about the American Civil War – they all remembered it and knew of it as a great tragedy, not a story of glamour and appeal. Indeed, one of the handful of things they all had in common was their determination to avoid an Australian repeat of the Civil War. That determination is written into the text of the Constitution.

So, why is political history the poor relation? Is it something inherent in the subject? Is it simply the fact that "War makes rattling good history; but Peace is poor reading", as Thomas Hardy wrote? Is it because the grand and heroic are missing from our impoverished, peaceful past? Not at all. We have lots of conflicts in our past if we care to find them, and "heroes" all over the place, some of them now dead (as heroes should be), some still teenagers, poor things, whose heroism depends as much on their ability to handle the spotlight without complaint as it does upon their willingness to spend six hours a day immersed in water.

Australians do not embrace their own political past, because Australians have adopted a myth about their country which airbrushes out the political. We believe in Australia as landscape. We identify with the bush and the outback, rather than the cities. *They* are not what makes us Australian. City-dwellers most of us, we are invited to think of ourselves as Australian by conjuring up images of being alone, or with a few mates, facing the landscape as it stands, untouched by human hands, our birthright. People with other birthplaces, we are told, must come here only in trickles and tread lightly on the soil, for if they came in any number, they would destroy the very thing that makes us Australian: a landscape upon which no human trace has been left. If the Anzac story is the other Australian myth, it is because it is a story of toughness, resourcefulness, fatalism, tragedy, of being stretched to one's limits by the hostile environment. It is a story of nation-defining rather than nation-building.

Listen to our creative writers, our opinion leaders, our artists: they will tell you again and again that they feel most "at home" when they find themselves in the bush or the outback. It is there their creative energies are restored and renewed. Their sense of self as Australian

affirmed. Who among them would risk saying publicly: 'My heart leaps up when I behold the skyscrapers of Sydney or Melbourne, rising in the distance, like Chartres, a beacon to the weary traveller, a sight for eyes that have grown sore from many hours staring at the empty landscape?' Who would dare be so un-Australian?

If you look through the encyclopaedias of last century, or the professional photos available for purchase, or the newspapers' illustrated features, you will see something different. There you will find numerous pictures of towns and streets and public buildings and bridges and butter factories and pit-heads. The occasional waterfall or ferny glen, but only a few.

Certainly most Australians in the 19th Century loved bush-walking and picnics and gathering wild flowers. Some questioned the policies of development and progress they found around them. But many more thought of themselves as "builders" and makers, and their fantasies were as pioneers, carving out their destinies on the lonely environment. They wanted to create and construct, to work on the bush and leave their mark there.

At the start of the 21st Century, to admit to such an ambition, indeed even to say that it is worthy, would be like admitting that one took pleasure in destruction and despoliation. To include photographs of Central Station or the Port Kembla smelter or Melbourne's Westgate Bridge in a tourist brochure would be considered bizarre and perverse. *Australia* is untouched landscape. Sure, the Harbour Bridge and the Opera House are routinely included (although I doubt the bridge would have that honour if it had been built more recently); but they are, more often than not, photographed in isolation from the rest of the city, sitting on the harbour, framed by blue water, not buildings or people or traffic. And the idea is to see them before you move on to the *heart* of Australia: the real heart, the red heart, the outback.

The myth that Australia is landscape is not just a myth that writes out our cities and the achievements of our planners and engineers and architects; it writes out the farms and the country towns where the majority of rural people live. It rules out the contribution of those Europeans who came to Australia from cities where they lived in apartments, where their consciousness was urban and cosmopolitan, not bucolic. It writes out the great schemes of national development that inspired the Australian imagination for so long.

It writes out our political and legal accomplishments, the institutions that were *made*, with remarkable perseverance and ingenuity, built by their framers upon the empty landscape. It rules out our Constitution as a great historical human artefact, a remarkable achievement, whatever one thinks of its defects. It undermines our interest in Australian political history, for this is a history of human intervention in the landscape, of belief in planning and progress. It puts a cloud over

the value of human effort, not only through the underlying belief that humans invariably stuff things up, but also over its moral worth, because it expresses the view that human intervention is almost always motivated by ambition and is driven by a destructive impulse towards the landscape upon which it is to be “inflicted”.

This myth invites a bizarre, static view of our constitutional history: suggesting that the Constitution itself should not be touched because it supports a fragile political ecosystem which will fail if any part of its delicate balance is altered. If any alteration is required, it should do little more than set the scene, describe the Australian character, turn the Constitution itself into landscape. At least the Prime Minister’s Preamble, which was mainly concerned with “character”, made a passing-mention of “nation-building” (albeit only as the “contribution of generations of immigrants”), which would have been better than nothing if the tone of the Preamble had not been otherwise so antithetical to political and civic achievement.

The Preamble’s critics were not much better: Bob Ellis for example offered a rhetorical alternative – a Preamble in which the historical destruction of our landscape was “acknowledged”: “theft, murder, unequal conquest, miscegenation, environmental atrocity”, and so on, concluding with a plea for “some understanding” of the ignorance and adversity under which our forebears laboured. A couple of critics alone noticed that the problem with the Preamble was its complete irrelevance to the purpose and function of a Constitution.

The referendum on the republic, so long-anticipated and hoped-for, is now behind us. The Centenary of Federation will come and go, leaving its traces in a commendably raised level of awareness of our history. But our knowledge of the Constitution will have scarcely been enhanced by either event. What chance do we have in competition with the Olympics which, when the dust of SOCOG has settled, will stir Australians to a frenzy and fill our newspapers and screens with new heroes and miles of old footage, and stories of past triumphs, and lists of long-gone medallists? And when that is over, will we praise the great stadiums and aquatic centres and the restored public-buildings that the Olympics has left in its wake? No, we will complain about their impact on the landscape, about the damage inflicted by the people who came here, about our shame, our failure to live up to the true Australian spirit.

The outback’s beauty need not be doubted, nor should the deeply moving character of Anzac day. Sport has been crucial in Australia’s history, indeed even to the achievement of Federation (you will find an entry on that very subject in the *Centenary Companion to Australian Federation*). But what I regret is our failure to take hold of two great opportunities to understand ourselves more deeply and, if you like, more usefully. Historical knowledge of Federation and the Constitution

(without expecting anyone to recite section 17 by heart!) is knowledge of how our national institutions were constructed, of the purposes they were meant to fulfil, of the ways these have changed and the manner in which change can be accomplished. Knowledge only of ourselves, alone in the landscape, is passive, fatalistic knowledge, which encourages the belief that all attempts at progress are corrupt. If we have reached the stage where we believe that politicians are not to be trusted and therefore the Constitution is not to be changed, we have really reached a stage of terrible historical ignorance.

Australians are perverse. They have always mistrusted their politicians, while still depending on them to provide for and take care of their interests, and still appealing to them to do so. The Centenary is not yet over; there will, perhaps, be real opportunities for greater historical and political reflection over the year. We may grow tired of jerking our knees every time a dollar is spent on political history. The referendum was defeated, but the republican question will not go away. Its defeat may even go on to provide a true opportunity for exploring the Constitution more broadly, for a real “national debate” about what we want it to deliver and about what, realistically, it can deliver. No historian is ever afflicted by melancholy for long, for the one thing we do learn from history is that nothing, not even the “timeless” landscape, is impervious to change.



Photo – David Karonidis

Robert Hill

Australians are often prone to an overly critical view of their country when it comes to the environment. Senator Robert Hill, leader of the Government in the Senate and Minister for the Environment, believes this is selling Australia short. And not healthy. To present a more positive view, Senator Robert Hill addressed the Sydney Institute on Thursday 10 February 2000.

ENVIRONMENTAL

CRINGE – RECOGNITION ABROAD NOT AT HOME

Robert Hill

1999 was a stellar year for Australian sport with victories on the world stage in tennis, rugby, hockey, cricket and surfing, along with a swag of swimming world records. Not surprisingly, these wins were rewarded with blanket media coverage, ticker-tape parades, and public receptions.

In all the hoopla, another of Australia's world championships snuck through unnoticed.

Australia finished last year with the best record in the world for the destruction of ozone-depleting halons, confirming our status as a world leader in ozone-related activities. It has been a remarkable success story and it is just one of many environment issues where Australia receives more recognition abroad than it does at home.

It is regrettable that as a nation we are not more forthcoming in acknowledging the things we do well in managing our environment. We have all heard of "the cultural cringe", a term used to describe Australia's penchant for failing to assert its traditions and accomplishments. One of the unfortunate by-products of our failure to acknowledge our environmental achievements is the development of what could be described as an "environmental cringe". This has been helped along by the more radical elements of the green political lobby groups who appear to decry everything Australia does as inadequate or second best. These groups continually claim that Australia will be an international disgrace unless we immediately adopt their stance on their cause of the day. For example, last year green groups said Australia would be an international disgrace if Kakadu was placed on the World Heritage Convention's "in danger" list. Of course, at the same time they also claimed Australia would be an international disgrace if Kakadu *wasn't* put on the list. Now this may appear farcical but as they say in politics, some of the mud still sticks.

Unfortunately our nation, its people and their unheralded efforts to work for a better environment are diminished by the desire of some to score cheap points by denigrating Australia's environmental perfor-

mance. For example, I have already mentioned our exceptional record on ozone-related activities. Australia has destroyed more tonnes of halon 1211 than any other country. We have established a halon bank as a national and regional centre for the collection, recycling and destruction of halon gases. We are ahead of the timetable set by the Montreal Protocol for the phase-out of ozone-depleting HCFCs.

We have contributed more than US\$17 million to a multi-lateral fund to assist developing nations and we are active participants in working groups under the Montreal Protocol. Australian industry has won awards from the US Environment Protection Agency for its global leadership in the phase-out of ozone depleting substances.

It's an impressive record by anyone's standards.

But when news broke recently of our sale of 250 tons of stock-piled halon to the United States Defence Force for essential purposes, all that good work seemed to count for nothing. The Federal Opposition immediately accused the government of destroying Australia's reputation on ozone matters. This is despite the fact that the Montreal Protocol, which was signed and ratified by the former Labor government, grants a blanket exemption for defence force purposes and allows the supply of halons for essential use purposes.

Labor also passed legislation allowing the trade of halons for essential use – the same legislation that this sale was approved under. On top of that, former Labor Prime Minister Paul Keating specifically referred to Australia's role in providing essential use halons to other nations in his 1992 Environment Statement. The hypocrisy of it aside, Labor was playing to the environmental cringe, trying to paint a false image that Australia is a laggard in international environmental practice.

The radical elements of the green movement weren't far behind. The Australian Conservation Foundation claimed Australia was now "setting a shocking example to the rest of the world."

But the international scientific community sees it quite differently. The key advisory panel to the Montreal Protocol has stated that if all the halon were collected and destroyed, nations may have to authorise new production for essential use purposes. The panel has also specifically backed the halon bank strategy, which we have adopted. It has stated "Repositories and clearinghouses provide a sound pathway for halons to be directed to critical uses. *They are also a key to responsible trade across international boundaries and should be supported and encouraged by national governments.*"

Simple scientific fact also dictates that it is preferable to use existing stockpiles of halons for essential uses rather than create new halon. Australia acted responsibly in this sale. But the reaction of the ALP and some green groups has once again seen the public left with the false impression that Australia is the world's environmental

problem child. Perhaps I wouldn't be so concerned if the halon sale issue was an isolated incident.

There are a host of environmental issues where Australia is either a world leader or respected in the international community as an active participant but is still viewed suspiciously or in a negative light at home.

This year, the international environmental spotlight will be on Australia like never before, providing us with a unique opportunity to showcase our passion, our expertise and our achievements. Australia has been chosen to host this year's international activities to mark World Environment Day on 5 June. We will also host the 52nd annual meeting of the International Whaling Commission and, at the end of the year, host the meeting of the World Heritage Bureau. Apart from all this we will be staging the first ever Green Olympics.

It has the potential to be a remarkable year – a year where the environment will be centre-stage as our nation expresses its aspirations for the new millennium. The question is: will we use this year to celebrate or denigrate our record of achievement? As the year begins it is a fitting time to put the record straight on Australia's environmental achievements and our standing within the international community.

In the middle of this year the Government's new Environment Protection and Biodiversity Conservation Act comes into force. It represents the most comprehensive overhaul of environmental law ever undertaken by a national government. It defines for the first time key areas of national responsibility and gives the Commonwealth appropriate powers to deal with these matters. It also adds to the record of legislative reform in environmental matters undertaken by the Howard Government – a record which I believe is unmatched by any other Australian government. But despite the new EPBC Act running to some 534 pages, the more radical green groups could not find anything in it worth supporting. The ACF, for example, attacked the new law as being a "further fragmentation of environmental standards" and "a victory for narrow-mindedness and evasion".

But internationally respected groups such as the Humane Society International and the World Wide Fund for Nature disagreed with this extreme view and worked with the Government to amend the bill and see it passed into law. The World Wide Fund for Nature went on to praise the new law as "the biggest win for the Australian environment in 25 years." The Chair of the Environment Institute of Australia, Simon Molesworth QC, has also praised the Act's transparency and enforcement provisions saying, "Indeed, this Act is actually equal to any environmental legislation I know of in any comparable jurisdiction around the world. ... As a composite whole, the advances we gain in this Act are actually better than any I know of in Europe. It is certain there is nothing comparable in any of the Asian or Pacific countries."

This positive view was shared by world renowned biodiversity expert Dr Thomas Lovejoy, the chief adviser to the World Bank in biodiversity issues, who says the Act is among the most innovative he has seen anywhere in the world, including the United States and Europe.

Despite these expert opinions from environmentalists, lawyers, and biodiversity specialists, the ACF still wants to mislead the public into thinking Australia's legislative protection of the environment at a Commonwealth level is inadequate and second rate.

Along with this landmark legislative reform, the Howard Government has brought to office a determination to involve the community in the task of caring for the environment and to provide them with the financial support they need. The Natural Heritage Trust – funded through the part sale of Telstra – has been an outstanding success in this regard. The Trust has already seen \$700 million distributed to thousands of projects across Australia. The involvement of the community provides an enormous pool of volunteer labour. It also ensures that the community becomes part of the solution to local environmental problems. The Trust has also funded projects which support the priority policy areas of the government – areas such as the marine environment, land degradation, management of river systems, endangered species, and protection of World Heritage areas to name just a few.

And it is in these key areas which Australia has gained widespread international recognition of our efforts. For example, the OECD in its most recent Environmental Performance Review of Australia recognised our “solid legal, institutional and scientific basis for managing biological diversity”, acknowledged our strong community involvement in voluntary conservation projects and praised our forestry policies, improved air quality and improved fisheries management. It also highlighted Australia's world leading role on marine issues. This government has achieved more in terms of protecting and managing our marine environment than any government before it. We have developed Australia's first National Oceans Policy, committed \$50 million to its implementation, and established a National Oceans Office. The US, Canada, New Zealand and the Pacific Island nations have since sought our advice on how to go about preparing and implementing strategic plans to protect and manage marine resources. We have also been recognised for our world-leading role in the protection of marine wildlife such as whales, albatross, dugongs, and the Patagonian Toothfish. The Howard Government also established the world's second largest marine park in the Great Australian Bight along with another major park covering underwater sea mounts off the Tasmanian coast.

International support is now growing for the concept of such marine protected areas in international waters, legally enforced under

international laws of the sea. This was a concept first proposed and developed by Australia. Our management and protection of the world's largest marine park – the Great Barrier Reef Marine Park – continues to set the global standard for protection of coral reefs. The expertise of the Great Barrier Reef Marine Park Authority is continually being sought out by other nations and we have encouraged and supported better coral reef management practices among the nations of our region.

I think I could safely say that no other nation in the world manages and protects its coral reefs as well as Australia does. This is, no doubt, why the United States approached Australia to chair the International Coral Reef Initiative during 1997's International Year of the Reef. This fine record has not stopped some green groups from scaremongering over the future of the reef.

Australia's management of its other World Heritage areas has also been unfairly attacked. We have seen the sustained political attacks of green groups over the Jabiluka uranium mine. Australia had acted responsibly in regulating the nearby existing Ranger mine – it is possibly the most monitored mine in the world. The scientists tell us it has not caused damage to the nearby Kakadu National Park in its 20 years of operation. The work done by the Supervising Scientist in monitoring the health of the wetlands in Kakadu is world class and is symbolic of the high duty of care adopted by Australia in protecting Kakadu. Again, I can confidently state that our management of Kakadu and our other World Heritage Areas is an example of world's best practice.

This outstanding performance has led to the World Heritage Bureau asking Australia to establish an Asia Pacific Focal Point for World Heritage Managers – in which Australia will share with the nations of our region our expertise in managing and protecting these areas of global significance.

Australia should also be proud of its efforts to repair the damage done to our natural environment through inappropriate land uses in the past. The achievements of the Landcare movement, along with the remarkable success of the \$450 million Bushcare revegetation program, stand in stark contrast to the continued reluctance of some State governments to implement effective controls on landclearing. Australia's Landcare movement is now being used as a model for similar programs in South Africa and the United States.

Australia has also been recognised internationally for its forest management practices even though green groups may paint a different picture and our media continues to focus on protests in individual forest blocks. Our Regional Forest Agreements have established an internationally respected benchmark for the responsible balancing of nature conservation and resource security. Australia's expertise was

specifically sought out by the World Bank to assist our regional neighbours to implement effective practices in their forests.

Australian industry has also made vast improvements in its environmental performance and, while we always would like to see them do more, they deserve credit for their achievements to date. Australian companies have been quick to recognise that better environmental performance can translate in a better bottom line both through savings on production costs and improved consumer support.

Australia has been at the forefront of programs encouraging cleaner production, waste reduction, and environmental auditing. We are now among the world leaders in embracing the new concept of eco-efficiency. We have also recently launched a National Pollutant Inventory – a database which allows all Australians to check what is being emitted by industry and other sources into their local environment. Already Australian industry has shown their willingness to build confidence within the community by going beyond what was legally required of it in the first year of Inventory reporting.

Australia's expertise in hazardous waste management, environmental planning, mine management, air and water quality, and management of chemicals and persistent organic pollutants has been put to good effect in the nations within our region.

Through AusAID and our support of the United Nations Environment Program we have promoted better environmental practice for industries in developing nations. We have also been a driving force in the APEC environment ministers forum which ensures we are well-placed to influence and support better practice on the environmental issues affecting our region. Closely related to our industrial performance is our response to the challenge of global warming.

Greenhouse is another issue where Australia's efforts receive more recognition abroad than at home. The Kyoto Protocol was a significant diplomatic and environmental victory for Australia in that the international community accepted the merits of our argument that the costs of reducing global emissions should be borne fairly among developed nations. We have accepted a challenging target and we now are one of the most advanced nations in the world in implementing our domestic response to the Greenhouse issue. The Commonwealth committed an additional \$1 billion to greenhouse and air quality initiatives as part of the revised tax package. The Australian Greenhouse Office, the first of its type in the world, is implementing a world-class suite of programs to encourage the development and commercialisation of renewable energy projects. These programs have been supported by the Government's move to set a mandatory target of a 2 per cent increase in the generation of renewable energy. We are also playing a key role in developing an international carbon emissions trading scheme – the scheme which will ensure the success of the Kyoto Protocol.

Again, we receive more recognition for our role abroad than we do here at home in Australia. For example, the Pew Centre on Global Climate Change represents some of the largest corporations in the United States who are actively confronting the challenge of global warming. The Pew Centre has asked Australia to represent the non-European Union nations at a meeting in April in recognition of the early success of our domestic response and our active role in on-going international negotiations. I could also go on about a whole range of other areas where Australia is recognised for its world leadership – protection of RAMSAR listed wetlands, Antarctic research and conservation, and protection of migratory birds.

This is not to say that Australia has achieved all that it is capable of or all that it needs to in the areas I have spoken of tonight. Our nation still faces major challenges to overcome the threat of salinity, to improve the health of our river systems particularly the Murray Darling, to slow the rate of landclearing, to generate further improvements in waste management and reduction, and to enshrine the environment as a core issue in all industry decision-making processes. But our performance to date gives us confidence that we can meet these challenges and continue to aspire to the goal of leaving our natural environment in a better state than we found it.

But if I could make one final observation, I would like to acknowledge the Australian community as world leaders in environmental care. The increased level of environmental education, the growing involvement of schoolchildren and community groups in environment projects, and the massive success of household action programs such as recycling and energy saving, are all examples of the enthusiasm of ordinary Australians.

I would hope that as World Environment Day approaches, Australia takes the time to give itself a bit of a pat on the back and celebrate its outstanding environmental achievements. I would also hope that the Australian media will seek out some of these environmental heroes and give them the acknowledgment they deserve – they're not hard to find.

In particular, I would hope that our green political lobby groups can bring themselves to acknowledge that Australia compares favourably with the rest of the world across all environmental areas – even those areas where these groups would want us to do better.

Contrary to what some of these groups would have us believe, Australia does not have to go around with an environmental chip on its shoulder. We should walk proud, knowing that our record is acknowledged by those around us, that our expertise and counsel is highly valued by our neighbours, and that our environmental future is safe in the hands of our committed and enthusiastic people.



Photo – David Karonidis

Allan Martin

Allan Martin first addressed The Sydney Institute following the publication of the first volume of his autobiography of Australia's longest serving Prime Minister, Robert Menzies. This was in 1993. A long awaited second volume of the Menzies biography has now been published. To discuss some of the themes in *Robert Menzies – a Life, Vol 2* (MUP), Professor Martin returned to The Sydney Institute on Tuesday 15 February 2000.

R. G. MENZIES –

A LIFE

Allan Martin

I have lived – in varying degrees of closeness – with R.G Menzies for about 15 years, more than half of them in retirement (mine) and without another research distraction. The result has been the production of two somewhat fat volumes of biography, totalling more than 1000 pages, the last only just out. One reviewer has written:

Like any good scholarly biography, this one is the synthesising of thousands of primary documents and a wide array of secondary sources and contemporary press accounts, giving us a highly detailed close-up. We know a lot more about Menzies after reading it. If a book is not going to give the reader previously unknown information on just about every page, why write it? The world is full of interpretations of *Hamlet* or Hitler driven by fashion or Freud or academic advancement. Real information has a high price.

However flattering the whole may be, at least a part of this argument makes me feel uneasy. On a minor point, I think there is a place for works of almost pure interpretation, though without “real information” to back it up “interpretation” can certainly be rather wan. More important, our reviewer seems already to know a good deal about Menzies – about what Paul Kelly has called his “many faces”. “He is John Howard’s hero,” writes Kelly:

The slayer of Labor’s dreams, the hate figure for our intellectuals, a caricature as the Queen’s man, an utter spellbinder as a performer and our most successful politician. The huge inescapable figure of R. G. Menzies dominates our past but baffles our comprehension...Is Menzies a national embarrassment or (the) supreme political artist of the century?

Whenever anyone takes up the pen to write almost anything about Menzies, contrasts of these kinds keep swimming to the surface. I myself have tried to mute them, though often without success. With our reviewer in mind, we may thus wonder whether knowing “a lot more” about Menzies is of itself likely to solve problems of ambiguity or conflict in interpretation. Could we hope, in other words, for a kind of definitive account of him? But, alas, like any biographer or historian worth his or her salt I reach for a gun, or at least a computer eraser

button, if I hear or read the word “definitive”. For the shelf-metres of unpublished papers and the piles of relevant printed memoirs, parliamentary material and newspapers are legion. At any given time scholars with differing preoccupations may ask different questions of this and other material. At any given time more than one interpretation of events and motivation may be possible and defensible. How much more likely – perhaps inevitable – that changing world-views, technologies and psychological preoccupations will in the future pose new questions and lead to new interpretations?

This, unhappily in a way, is the background against which I have somehow to fit my own work. As I say in the “Introduction” to Volume 2, I want as far as possible to address the interested *general* reader rather than that relatively small number of Australians who already have a proficient knowledge of our political history. We all got some inkling of how few these were during the recent discussions of Australia’s alleged republican future. Moreover, there are few grounds for optimism in coming days: as an old workaday teacher I can only feel horrified at the gaunt future which the study of history seems to be facing in our present community. To take another tack, we could ask about Bob Menzies in particular, what picture (if any) does he present to people who were not born, or not in the country, at the time of his long prime ministership. Let’s be clear about this: we are talking now of more than half the present adult population. How far does widespread ignorance allow a tendency to write Menzies off as being irrelevant for the understanding, not to speak of the shaping, of what so many see as today’s glorious multi-cultural and technologically advanced Australia? Or how far does this acquaintance with Menzies’ character and doings cultivate mindless acceptance of many myths about him generated in his own time, and now seen as irrelevant to the needs of 2000?

In writing for the general reader I try to do a number of simple things, bearing in mind as far as possible the caveats I have already made about the provisional nature of much historical knowledge. The method of presentation is primarily narrative, and as far as possible self explanatory. Whatever the importance of deconstructionism and other ways of now looking archly at the world, narrative and the concern to find out “what seems actually to have happened”, are, I believe, what most ordinary readers want. Of course there are controversial happenings which need describing in some detail and on which it is inescapable that a range of views – including my own – be represented. Contrariwise there are many other matters which are beyond the range of my expertise or of my detailed research and on these I have simply accepted, usually in brief form, the conclusions of scholars whom I trust, and whose work I know well. Every author of course hopes to write something attractive enough in itself to carry a reader along, but this is in some ways a reference book too. So is David Day’s important

John Curtin, a Life. Michael McKernan, in reviewing them both together for *Eureka Street*, is kind enough to say that:

Either book, if you followed the footnotes, would make a fine introduction to contemporary Australian historical scholarship.

You will be relieved to hear that in what remaining time there is I'll talk no more about the book nor about any of the usually discussed crises in Menzies' career. Instead, I'd like to say something about two almost opposite general impressions I am either taking away from, or seem to have been provoked by, my work. The first concerns Menzies' concept of parliamentary propriety and, with it, of leadership. The second underlines personal characteristics not often associated with him: shyness, and an almost boyish sense of fun.

In a somewhat fey article she calls "Take Me To Your Leader", Canberra academic Jenny Stewart recently wrote of the difficulty she had trying to find Australian equivalents for leaders who have been recognised as "great" in other societies:

We have little taste for the heroic, and find it difficult to believe that any of us could achieve greatness in anything. Our historical style has been to admire people who got on with the job and did not make too much fuss about it. Chifley, a modest man, remains most people's favourite political leader and Monash our most celebrated general. It is said of Chifley that on one occasion he took a woman's meat order over the phone rather than tell her that she had accidentally got onto the prime minister instead of her butcher. In this age when no-one is ever contactable by telephone at the first attempt...the thought of the prime minister answering the phone "live" is almost too surreal to contemplate.

So too, I would myself want to add, is Jenny Stewart's initial assumption, that the Australian historical style is to admire people who get on with the job and do not make too much fuss about it. It is easy to think of politicians – some of them *Labor* leaders – to whom this generalisation scarcely applies. Menzies himself was in this matter not one to "big-note" himself, as the saying goes. He admired Chifley, and was on good terms with him personally. On Chifley's election to the Labor leadership, and hence the prime ministership, in July 1945, Menzies wrote to him: "At the next election I shall, of course, do my best to get rid of you...[in the meantime] as at all times, I know that our mutual respect and regard will be maintained. The character of the personal relations existing between us has always been a source of great pleasure to me." Chifley replied that he "would not feel that you were doing your duty if you did not do your best to get rid of me", but added that nevertheless he would like "to thank you for the many kindnesses and courtesies which you have extended to me, both in and out of parliament".

Mutual respect survived the Liberals' anti-Communist jibes and victory at the poll in 1949. But Menzies had meantime, in 1947, given in private to Owen Dixon a marginally different opinion of Chifley.

This was just after Labor's sweeping victory in the 1946 election, at a time of great personal self-questioning for Menzies. Oppressed by a sense of unpopularity, he wondered in certain moods whether the new Liberal Party could ever succeed under his leadership and contemplated leaving politics altogether. Indeed, he wondered whether, with him, his party might become an irrelevancy, leaving Chifley alone to hold the centre stage to fight the only other party, the Communists. That prospect was not attractive to him. As Dixon recorded it in his diary: "He said (that) Chifley was decent and not stupid, but had no ideas outside currency and improved conditions of employment. All else (foreign affairs, education, Imperial affairs, etc) he called high falutin. Parliament (said Menzies) was a thing of the past as a force or live institution".

There spoke a man who would not have agreed entirely with Jenny Stewart. However much he might admire Chifley's "decency", Menzies, as scholarship boy, lawyer and man of the world thought of this approach to politics as being too narrow. Quiet, unfussy achievement might well be important but Menzies liked to think of parliament as a "live institution". We must remember that by 1946 he had behind him 18 years of parliamentary life, 13 of them as minister of the Crown and almost five as leader and maker of the first organised opposition in federal politics. He was easily the most widely travelled Australian politician of his day at a time when politicians travelled abroad quite rarely and as a constitutional lawyer he was particularly well-equipped to judge the parliamentary precedents he saw and read about in Britain.

We are fortunate that a few of the letters have survived which Menzies wrote towards the end of the war to his son Ken, then serving as a soldier in the islands to the north. They are beautifully relaxed and in almost throwaway asides tell much of his personal thinking about politics and politicians, just on the eve of the foundation of the Liberal Party. He was newly obsessed with the sentiment which had drawn him into politics in the first place, back in 1928: his anxiety, as he put it then, to do "a little bit of public work":

If you were to ask me what I thought the most deep-seated fault in Australia I would unhesitatingly reply that the old notion of disinterested public service has almost disappeared and that politics has come to be merely regarded as a war of interests in which much loot is to be won from the defeated. If the soldiers returning from the war are able to bring into the country a new spirit of civic service they will win us as great a victory here as in any theatre of war in which they have fought.

He reported that, by contrast with former times, on the eve of his loss of the prime ministership in 1941, he was well received in meetings he held in New South Wales, was pleased with the parliamentary performances of most of his followers in the old UAP and "you will be delighted to know that the personal attitude of the fellows to myself is

excellent and that old criticisms seem to be forgotten". But it was not long after his announcement in parliament that the party he led was henceforward to be known as the Liberal Party that he wrote again to Ken in 1945 to complain about the men he had previously lauded:

There is just a slight disposition to feel unduly optimistic about the next election. There is not a sufficient disposition to study bills closely. There is a sad falling-off in manners, much to my regret, because I feel that whatever comes or goes people of my party ought to set a good example in courtesy and dignity of debate.

Here was a good example of the elevated, almost aristocratic, conception of politics and political debate which Menzies frequently expressed, almost as if he believed that debating superiority, together with a worthy conception of public service, gave a party a kind of moral authority. He was, as Whitlam once put it, a great parliamentarian, a stickler for the rules of decorum in the House. Indeed, there was in him even a touch of the old 18th Century pre-party belief that the duty of a member of parliament was to listen to the debate and decide an attitude to the question at issue which flowed from the arguments he had heard. Nor could he ever quite throw off his experience as a barrister, and his basic tendency to judge most politicians in terms of their likely performance in the courts. Thus, "I have never thought that Curtin was a good debater in the true sense," he wrote to Ken:

He never meets the point of an argument and would therefore never win a case before a judge. But as a jury debater he possesses skill. His technique is that of evasion, with a very broad appeal to the political prejudices of his followers. From a parliamentary point of view this is of course useful, because though it may not answer the Opposition's argument, it does stimulate the Government's supporters.

Menzies wrote these words at a time when Curtin, as prime minister, was fatally ill and, in Menzies' view, to a large extent no longer in control of his "wild men", the three most prominent of whom he thought certainly deserved no accolades for their performances. They were Forde, Minister for the Army; Evatt, the Attorney-General; and the Immigration Minister, Calwell. Wrote Menzies,

Forde's speeches represent nothing so much as the crackling of thorns under a pot, and nobody takes him seriously. Evatt is an execrable debater who loses his temper and is almost a genius for the disorderly presentation of a case. Calwell is under the impression that vulgar personal abuse couched in the coarsest of extravagant language is a sign of mental virility.

There were simple techniques that Menzies strove to teach his followers. In his first days at the Bar, he repeatedly told them, he had learned quickly "that it is a good advocate who, having made his point, sits down – on the sound principle that you cannot improve on a winning argument but if you talk too long you may destroy it". In later years a journalist in the press gallery, Peter Bowers, was fascinated to watch, at Question Time, the techniques by which Menzies made this

simple point to his ministers. He would sit in his place at the table, take a clean sheet of writing paper and a sharp pencil, and as each minister finished his answer make a brief note, afterwards crumpling the paper and tossing it into a waste-paper basket. Bowers noticed that if Menzies felt the answer was too long, or the minister was getting into difficulties, he would slap the arm of his chair loudly enough for the minister to hear. That appeared to be the signal to stop immediately. "I suspect the Prime Minister was scoring performances. Or perhaps he was only pretending to score ministers so as to keep them on their toes." Hubert Opperman, a minister who described himself as a "slow learner", wrote quite affectionately after Menzies' retirement to say:

Sir, you often frightened hell out of me and I am sure that I answer questions better in the House now that I do not see a pair of shoulders tense with some apprehension as I commence to move into delicate areas of political minefields.

When it came to the crunch, however, there were few quick learners. As Menzies explained to his son:

The longer I go on in parliament the more struck I am by the scarcity of true debaters. There are plenty of people who can talk, particularly when some previous speaker has told them what to say. There are some who can prepare a set speech and plough through it with magnificent indifference to what has gone before. But the man who can seize hold of the point made by his opponents, destroy it or brush it aside and proceed to make a lively counter-attack with relevance and reasonable brevity and with sufficient personality to hold the interest of the House, is a rare bird.

On this definition, which was somewhere between the assertion of a parliamentary ideal and, consciously or unconsciously, a description of his own gifts, Menzies must indeed be thought of as a rare bird, at least for the Australian politics of his day. Until about 1947, however, his gifts tended to command admiration rather than trust. As is well-known, a somewhat abrasive personality and apparent arrogance lay largely behind the unhappy events that led to the loss of his first prime ministership in 1941. And though for a time after the establishment of the Liberal Party a strong alternative leader did not emerge, his position was not secure. The turning point came in 1947 when, as Boris Schedvin has put it, Chifley brought in bank nationalisation and for the first time since the outbreak of World War II the opposition seized the high ground of politics. Menzies declared his readiness to lead a vendetta against Chifley:

Make no mistake, these policies are his. Don't run away with the...story, fostered so sedulously during the last few years, that he is a mild and rather motherly old chap... So far as he is concerned, he means business. You are dealing with a man who from the bottom of the soles of his feet believes in socialism, and means to put it into operation. I like a man who knows what he stands for and believes in it.

Menzies seized the chance to settle the leadership question by resigning and challenging the party to replace him. The leadership, he said, would be of crucial importance in the run up to the next election, due at the end of 1949, and a decision made now must be adhered to for years to come.

I know that I could not accept the responsibilities of leading in this great new struggle for civic freedom unless I were assured of unswerving support, not only inside our parliamentary ranks, but outside in the Organisation, where divisions of opinion on the leadership have been embarrassingly and (if I may speak plainly) hurtfully evident.

He was unanimously re-elected, saw the High Court emasculate the legislation, and went on to win the 1949 election. And though from then on there were occasionally further rumbles about the leadership, there was not again a serious challenge. Why not?

That question, of course, can have no simple answer: it involves a complexity of twists and turns in the federal history of the whole period from 1947 to 1966. Paul Hasluck, the contemporary politician who perhaps understood Menzies best, would simply say that he had no rival because nobody of his calibre or experience was on offer. But that is no answer either: it just moves the problem one step away: why was such a paragon not available?

I'd like to close with some observations which bear peripherally on this bigger question but do not by any means override it. The issue here is simple, if equally difficult to answer definitely: what kind of a person was Menzies? I rely on the testimony of those who knew him well and conclude that he was a nice man, somewhat shy but with a great sense of humour. Hasluck and other colleagues and friends stress the shyness and emphasise his difficulty in unbending in public with a galaxy of ordinary Australians: in this respect one of his secretaries, Bill Heseltine, still thinks of Dame Pattie as his secret weapon, the wife who could lean on a fence and yarn happily with a farmer, a workman, or even an Aborigine.

Shyness took various forms. In such an accomplished speaker it was unusual for major speeches in and out of parliament to be traumatic events but it was a family joke that the dry-cleaning bills for his suits were considerable and he told various correspondents that after major speeches (which he described) a slap on the back readily produced splashes of water, in the form of perspiration. Hasluck thought he had a fence around him, but if he opened the gate and let one in, one was a friend for life. Another of those I interviewed used the same analogy. As a young man he had served in Postwar Reconstruction, was a declared socialist, and was horrified in 1949 to be transferred to the Prime Minister's Department. Menzies sent for him, assured him that he knew his political opinions, and that that would not affect their

relations if he did his job properly. The gate was opened, “and do you know” he told me, “within six weeks I loved the bastard”.

Whether from shyness or proper Protestant principle, Menzies insisted that his private life be considered sacrosanct, an attitude that goes far to explain his appearance of remoteness as a politician, but was the bane of publicity men charged with the task of turning him into a human being. In 1947, for example, the Liberal publicity officer, Eric White, approached Menzies with suggestions for 18 special articles in newspapers and magazines. They ranged from “A Politician’s Wife” (for *Women’s Weekly*) to “A Day in the Life of a Politician”. White asked for Menzies’ permission to discuss some of these articles with Mrs. Menzies and other members of the family, promising that in all cases copy would be shown to him for final approval. “I make this suggestion,” he added, “because you have told me in the past that some aspects of personal publicity nauseate you, and I think that you would probably be diffident about incorporating incidents which, to you, might smack of self-praise, but which, coming from others, you will be prepared to approve”.

We do not know in detail what Menzies’ reply to this approach was. But he seems to have remained, in general, diffident, even after Casey, as Liberal president in 1949, pulled the great coup of securing for the party’s services a major publicity firm, the Hanson Rubensohn Co., which had hitherto worked for the Labor Party. The company’s initial task, as it saw it, was through a considerable network of radio stations to spread the Liberal Party’s ideas.

By the eve of the 1949 election Rubensohn’s major concern had become to “sell” Menzies as a contrast to the homespun, “solid” Chifley. The Liberal Party, he wrote to Casey, must understand that its prospects at the next election “will largely depend on the public conception of the possible Prime Minister. The public, therefore, should be made more familiar with the real Mr. Menzies. He should be presented as someone interested in the things which interest other men”.

The illusion that he is the champion of the “money-bags”, the aloof, somewhat enigmatic cynic could, we think, be dispelled by a discreet, well-conceived public relations campaign of a personal character.

Armed with this advice, Casey organised the appointment of one Stewart Howard as Menzies’ “minder”. Howard, an ex-journalist who had in 1946 formed his own PR company, found Menzies a willing enough pupil. As Ian Hancock – the modern historian of the Party – puts it, by the time that the campaign master-minded by Howard was scaled back, in September 1949, local Liberals were hailing its “huge success”. The “human face” was certainly more in evidence. During a three-week visit to Labor strongholds in northern and western New South Wales in March-April 1949, Menzies was variously depicted,

chatting to miners with a beer in his hand, ironing a dress at a Bathurst clothing factory and smiling benignly at Kurri Kurri at the few who jeered and called him “Pig-iron Bob”. Meanwhile the party organisation was busy constructing its own version of Bob Menzies as the homely father figure and the people’s friend, to match R. G Menzies the Statesman and the gifted speaker and intellect. Late in 1949 it issued 333,000 copies of a booklet – “How well do you know this man?” – portraying Menzies as the self-made “man of the people”, the grandson of a miner and son of a storekeeper, the scholarship boy who had worked hard to become one of Melbourne’s leading counsel...a family man of simple tastes who loved sport and especially Australian Rules football.

This is all a bit incongruously like Jenny Stewart’s picture of the Australian preference for the non-heroic, and certainly makes a distinct cut into Menzies’ insistence on the privacy which made him so unknowable to many contemporaries. And yet I like to think that he could smile at the human weaknesses which PR both displays and exploits, for long acquaintance with him convinces me that he had a great sense of humour. This was something that got him through crises, and made him quietly much beloved. One of the few really rewarding things for a biographer of Menzies is not so much an occasional good public review as the private, spontaneous letters of people, usually personally unknown to one, who lived through the great Menzies period or, better still, who knew him well.

May I, in conclusion, mention just two? One is from a *Sydney Morning Herald* journalist, who belonged “to a circle” (as he puts it) “not of Bob’s greatest admirers”, to whom it seemed that the Menzies era would never end:

He [Menzies] was not himself a cynical man. Often calculating, occasionally disappointed and disillusioned (Macmillan), but never cynical. The quality that comes through most strongly in your book, and one that I never properly grasped before, was his immense good humour. My strong feelings about him now are not so much concerned with particular things he did or failed to do: all leaders have their pluses and minuses. They have something more to do with the grace and dignity he brought to the office. He was, I believe, profoundly of the view that public life, especially high public office, was the noblest of human callings. Who believes that now?

The other piece is shorter, but perhaps more revealing. It is from Sir Walter Crocker, who knew Menzies very well, and over the years had some critical things to say about him, sometimes in print:

At times I was bored with his anecdotes and uneasy about some of his colleagues...But he always survived. And he deserved survival. But he also deserved the recognition (seldom given) of his boyishness, almost the sweetness of his nature. He liked, naturally liked, human beings.

May I *finally* close with a piece of light-hearted Menziesiana, in parliament, in 1964. It is vintage 1964 and would hardly rate one of those clever double entendre headlines which journalists use these days, but people who remember the 1960s, at least in terms of homely families, will perhaps enjoy it. In August 1964 Menzies was elected “Father of the Year”. In accepting the title at an Australia Hotel luncheon, he observed that it was 36 years since he “found himself” a father, and now with ten grandchildren, it would be more appropriate if he were named “Grandfather of the year”. Scarcely a week later Menzies had occasion to reiterate this preference in parliament, when a Country Party backbencher, W. G Turnbull, drew his attention to the fact that Enid Blyton’s “lovable character” Noddy was currently *non grata* with librarians, and that storybooks about him had been withdrawn from the shelves of the ACT Children’s Library. Turnbull asked whether Sir Robert, as Father of the Year, considered Noddy suitable reading for his grandchildren. Menzies replied that he vividly remembered one night when he had been “left in charge of a considerable parcel of grandchildren”. They insisted on him reading a book by Enid Blyton, “and really, it was a terrible book”:

It was about a little boy whose father was a jockey, and because he took sick on the day of the big race the boy rode the race instead. I thought it was clearly a case for the stewards. It was rather immoral from an adult point of view but quite amusing.

Menzies added that after reading the book he was “pretty husky”. So his grandchildren said: “Grandpa, if you can’t read us any more of her books, sing us a hymn.” “Any writer,” he concluded, “who can occupy the attention of my grandchildren with a rather improbable story, and have me ending up singing ‘Shall We Gather at the River?’ is pretty good”.



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- 2. Susan Latham-Gilmore, Ann Watt
- 3. Anne Summers, Michael Skinner
- 4. Stephen Cathcart, Rodney Henderson
- 5. Peter Blunt, Robin Blunt
- 6. Pat Mills
- 7. Pam Albany, Buff Netherton

- 8. John Nethercote
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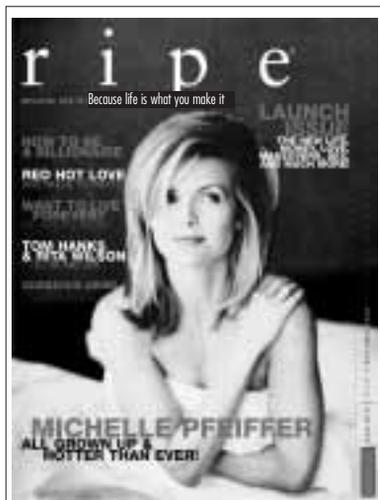
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