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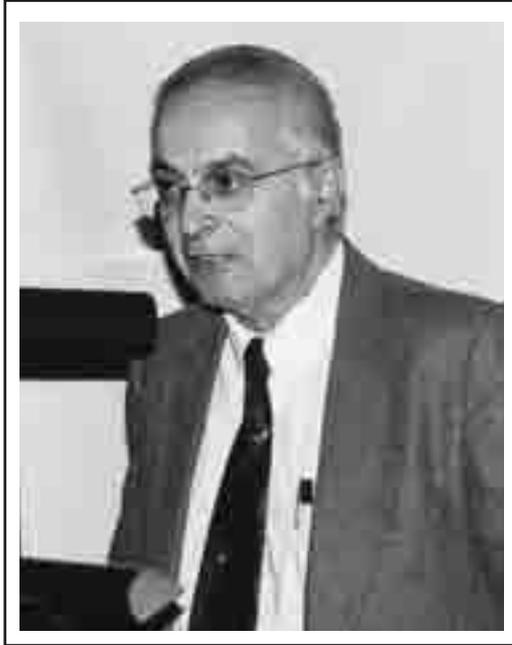


Photo – David Karonidis

David Menashri

David Menashri is the incumbent of the Parviz and Poursan Nazarian Chair for Modern Iranian Studies, Senior Research Fellow at the Moshe Dayan Center for Middle Eastern and African Studies and Professor at the Department of Middle Eastern and African History at Tel Aviv University. His most recent book is *Post-Revolutionary Politics of Iran: Religion, Society and Power* (Frank Cass Publishers). David Menashri addressed The Sydney Institute on Wednesday 25 October 2000.

IRAN AND THE

MIDDLE EAST

David Menashri

The Islamic Revolution in Iran is approaching its twenty-second anniversary. For its leaders, “Islamic Revolution” was not merely a title for a movement; nor was its message intended for the people of Iran alone. The revolutionary vision prescribed the creation of an ideal Islamic order, to turn Iran into a model for other Islamic communities to imitate. While such far-reaching goals may have motivated many Iranian revolutionaries, the revolution was intended first and foremost to provide a cure, based on Islamic philosophy and revolutionary politics, to the momentous difficulties that plagued the Iranian society in modern times, particularly under the last Shah, Mohammad Reza Pahlavi.

In reality, the first 22 years of the revolutionary rule were characterised by an attempt to attain three main goals. First, to stabilise and to consolidate the new regime. Second, to implement Ayatollah Khomeini’s revolutionary ideology. Third, related to the above, by so doing to ease the numerous difficulties facing its people and to develop Iran into a prosperous country.

Yet, when the revolutionary leadership seemed firmly in command and a measure of political stability was visible, a fierce struggle for power became evident within the ranks of the revolutionaries themselves. The differences between the various groups emerged for a variety of reasons, including different doctrinal convictions, the urge to reconcile the revolutionary doctrine and national interests, and factional and personal rivalries. While growing demand for reform has been noticed, and the pro-reform camp seemingly gaining strength in the late 1990s, the conservative establishment continued to struggle to preserve loyalty to the initial revolutionary dogma. Both camps, generally defined as “reformists” and “conservatives”, are still struggling with fervour to dictate the future politics of new Iran, each according to its own distinct preferences.

As far as actual policy is concerned, we now see Iran ideologically retreating from much of its initial dogmatic convictions. With the passage of time, almost all the taboos in the society have been broken,

and the Iranians seem to debate among themselves the most basic questions facing their country. It is a profound and vigorous debate, on such focal questions as religion and state, idealism and national interests, and the preferred attitude to be adopted vis-à-vis the outside world, particularly towards the West.

Khatami, who was elevated to the presidency on waves of public support in May 1997, became the symbol of hope for change. By Iranian standards he is liberal. Since his election – and particularly in his first steps in the presidency – he seemed determined to advance reform in many fields of life. Khatami favoured to abandon slogans, opting instead for more practical solutions. Clearly, the main reason for change was not a new-found ideological conviction, but the growing domestic difficulties.

With the approach of the new presidential elections (scheduled for June 2001), it is not yet clear how much latitude his domestic rival would allow Khatami to promote such policies. No major actual breakthrough could be traced, certainly not to the magnitude that many Iranian reformists had expected, and the results of the domestic struggle for power are still unclear. Clearly, however, some signs of policy change became evident. The revolution also seems much more mature and the urge for pragmatism is gaining more and more popular support, mainly among the youth. But the conservative elite seems powerful and determined to dictate the policy in line with their initial convictions. Khatami is now being criticised by the conservatives for moving too fast; and by many reformists for being too slow and hesitant in pursuing reform.

Before entering into the question of Iran's Middle Eastern policies, I will propose three preliminary questions, which in my view are important in understanding the revolution and evaluating its impact, in Iran and beyond.

We all use the terms "Islamic Republic," "Islamic Revolution," or "Islamic regime". The first question which comes to mind is, therefore, in what sense were the roots of the revolution Islamic or religious? Much depends, I believe, on the terminology that we use. There is much difference in this realm between Islam and Judaism on the one hand, and the Christian civilisation on the other hand. Islamic theory encompasses all spheres of the believer's life, making no distinctions between such spheres as the religious, the political, the scientific and so on. Thus, from an Islamic perspective, the economic difficulties, the wide social gaps, the prevailing political repression and the various consequences of the rapid westernisation under the Shah that served as catalysts for the revolution, are not wholly separated from religion. In Western terminology, however, there is a separation between religion and the state, religion and science, religion and so many different issues. In Western terms, therefore, the roots of the revolution extended

far beyond pure religious motivations, narrowly defined. The Iranian people supported the revolution because they were fed up with the realities of their life then. They opted for change and supported the revolution in anticipation of dramatic change. The Islamic revolution, much like other Islamist movements in the region, was therefore religious in this wider, more comprehensive definition. Islam gave the revolution its basic ideology and leadership and helped recruit popular support. Ayatollah Khomeini convinced people that he could bring them to the “promised land”, even though he refrained from making direct promises and raising expectations. Ultimately, the revolution led to the foundation of an Islamic Republic, which has been in control since 1979.

The second question is, to what degree the philosophy of Ayatollah Khomeini represented Islamic political theory? Is his worldview representing traditional Islam, or is it a revolutionary change in the Islamic traditions and political thinking? Following the revolution, people in the West tend to identify the basic precepts of the revolution with Islam – or at least with Shi’i Islam. Yet, Islam (much as Judaism and Christianity for that matter) is a wide sea of knowledge. The interpretations and meanings of religion have changed over the centuries. If one is to judge Khomeini’s vision compared to the beliefs and practices of early Islam, his view may be viewed as conservative in many respects. Yet, if by “tradition” we refer to the political theories of more recent centuries, Khomeini’s vision was more revolutionary than traditional. Moreover, even Khomeini’s own political thought, was changed over time. Thus, there is a considerable difference between his views in the 1950s and the ideology that he proposed since the late 1960s. In many ways, Khomeini’s doctrine represents a new approach and interpretation in recent Islamic thought. The revolution, however, brought such distinctive interpretations to power and made them the ideology of the ruling system. This same issue has recently become a major question in the domestic debate in Iran. Such questions are being raised: what is *the* true Islam? Who decides? More and more thinkers in recent years, within the religious establishment or lay intellectuals, tend to support the need for new interpretations, to adopt the initial dogma to the realities of our life.

And so on to the third question, which is more directly related to the topic of my lecture today: to what degree are the current politics of Iran faithful to the ideology upon which Khomeini came to power? Like other ideological movements in history, upon assuming power and faced with the complex demands of governance, the new regime was forced to adapt its dogma to the new realities. During those years, the revolution had to come to terms with reality. There is a difference, as you all realise, between what ideological movements say in opposition and what they actually do in power. In opposition, they stress their pure

dogma. In power, they have to answer immediate, practical questions. Therefore, they often need to deviate from the professed dogma. This may not be their preferred choice, but the result of the necessities of life. Once in power, thus, the new leaders of Iran often had to make such compromises. The change was noticeable since their first days in power. It gathered momentum following the death of Ayatollah Khomeini, and reached a peak after Khatami's election. Yet in terms of the specific areas of policy change and the appropriate degrees and rates of reform, the various domestic factions differed among themselves. Iranian "Islamic" policies thus remained fluid, divergent and often contradictory and in constant search of an appropriate balance between their initial idealistic convictions and the realities of life.

In a way, this process of change began from the first days of the revolution. I'll give you only one or two examples. When Khomeini came to power it was said that all Muslims are "one family", that there is no difference between Persians, Turks, Arabs, Afghans – they are all Muslims, they are all brothers. But how should we refer to the Persian Gulf? You know how much Iranians insist that the gulf will be referred to as the "Persian Gulf". This is an issue in dispute between Arabs (who prefer the term the "Arab Gulf") and the Iranians. Soon after the coming to power of the new regime, an Ayatollah proposed to Khomeini to resolve this dispute by calling it "the Gulf of the Muslims". Khomeini did not agree with that. He said that the Gulf had been Persian and will remain so. To give another example, the Iranian constitution deals with the qualifications of the president of Iran. It stipulates that he must be a Shi'i of Iranian origin. In fact, in the first presidential election, in which Bani Sadr was elected, one of the front-runners was a man by the name Jalal al-Din Farsi (the Persian). A few days before the elections it was disclosed that the father of Farsi was an Afghan. Jalal al-Din Farsi was disqualified. National interest, in fact, gained supremacy over dogma. There are many other such examples, leading to the same conclusion

Here we move to the Iranian attitude to its neighbours, including Arabs, Turks and Afghans, as well as the newly independent Muslim republics of the former Soviet Union. It is not surprising, I would claim, that we find the same basic pragmatic and nationalist attitude in the Iranian approach on such issues. Namely, there is an evident preference for national interests over the initial dogma, the professed doctrine. Generally speaking, this also means a more pragmatic policy in its immediate neighborhood. In fact, with very few exceptions, whenever the ideological convictions clashed with state interests, the interests ultimately shaped Iranian policy. There were, however, some exceptions to this rule, as I will mention briefly later in my talk.

When we analyse Iran's politics around the long borders of the country, we see the degree to which the new regime has distanced itself

from its initial creed in favour of more pragmatic policies. There were many such cases even before the death of Ayatollah Khomeini. For example, the closed alliance between Iran and the Arab nationalist and Ba`thist Syria. The example given here is from the 1990s, what some scholars viewed as “the second Islamic Republic”.

Such a pragmatic policy was evident, in Iran’s decision not to support (at least not publicly and in any massive way) the 1991 Shi`i uprising in southern Iraq. Following the Second Gulf War, after the attack of the American-led coalition on Iraq, there was an uprising there. This was a struggle by Shi`is against the Ba`th regime. They were against the United States. They struggled to establish an Islamic republic in south Iraq. For all this, they clearly deserved Iranian support. Yet, although making some general statements supporting their rights, Tehran did not provide them with any substantial aid. It seems that Iran feared that they would ultimately fail and, therefore, Iran’s support would harm its own interests. The Iraqi Kurds, who were also engaged in a fierce struggle against Baghdad at that time, may have had better chances to succeed. But Tehran had little incentive to help them materialise such an aim. It seems that it feared the negative influence that this may have on its own Kurdish minority. These are clear signs of preference of state interests over dogma.

Similarly, the Iranian assertive policy in 1992 to ascertain its sovereignty over the three islands in the mouth of the Hormuz straits – Abu Musa, the Greater and Lesser Tunb – confirm that Iran’s policy was motivated in the main by realism, and was more faithful to its national interests, than to its dogmatic creed. Evidently, it wished to control the islands not as means to “export” Islamism, but to advance its strategic interests, when time seemed ripe in its view (following the Second Gulf War).

In dealing with the Muslim republics of the former Soviet Union, too, Iran proved faithful to its interests first and foremost. It wished to avoid instability and disorder; to prevent the spread of “negative influences” (mainly from Azerbaijan); and to control population movement across the borders. Above all, it was careful not to antagonise Moscow and to maintain good relations with the republics’ governments. That none of their leaders was in their view an ideal Islamic ruler, and that they maintained close ties with Turkey, the US and even with Israel, did not prevent close ties with them.

The same tendency becomes even more visible if we compare Iran’s relations with Tajikistan, which is the closest to Iran culturally among the six Muslim republics of the former Soviet Union, and with Azerbaijan, the only Shi`i republic among them. In fact, the closest relations of Iran are with Tajikistan; the most stressed ties are with Azerbaijan. Eventually, the Iranian approach to the Azeri-Armenian crisis illustrated best such an attitude. In practice, Iran served as the

main land supply route to Christian Armenia, which was engaged in a fierce conflict with Shi'i Azerbaijan.

The NATO attack on Kosovo, in 1999, essentially intended to help the Muslims there, has led to a serious dilemma for Iran, which found it difficult to applaud the move by NATO (and led by the United States), but could not oppose it either. From an Iranian point of view, it may have been a good policy, but it was carried out by the wrong power. The result – much like their policy on the 1991 American attack on Iraq – was ambivalence.

Neither did Iran's policy with regard to its Afghan neighbors show any marked ideological purity. This has been even more visible following the takeover in October 1996 by the Taliban. On the face of it, the Taliban were ideologically closer to Iran: i.e. in their adamant opposition to the West and support for strict Islamisation. Yet, they were blamed by Tehran to have been supported by powers hostile to Iran and were thus not trusted by it. In summer 1998 tension between the two states reached a new peak.

True, its ideology and ambitions "obliged" Tehran to demonstrate "revolutionary presence" throughout the world. But as the problems facing the regime multiplied, the tendency toward pragmatism became more marked. The regime did not retreat from its initial doctrine voluntarily, nor did it fully abandon its vision. But it has become more mindful of both the possibilities and limitations, and seems to calculate the risks in formulating policy. Actual policy thus succeeded somehow to combine the initial ideological conviction with a regard for its national interests.

Having said all this, in a few cases Iran pursued its revolutionary goals even to the point of impairing its own interests. One such an example was jeopardising its relations with European countries in pursuing opposition leaders in Europe and Tehran's insisting on punishing the author Salman Rushdie.

The attitude to Israel was one of the rare examples of adherence to dogma. When I said that ideological movements often deviate from their dogma, I didn't mean that they did so voluntarily. Leaders of ideological movements don't wake up in the morning and say, "Well how can I contradict my philosophy today?" They try to pursue their dogma. But, wherever there is a clash between ideology and interest, usually interest wins (and even this, not in all fields of policy, of course).

Well, why is Iran so much against Israel? Are there signs of change in this regard too? In fact, there are no borders between Iran and Israel. There has never been a war between them. Under the Shah they even had very close ties. Additionally, in the collective memory of the Israelis, King Cyrus the Great is remembered as the benevolent leader who granted the Jews freedom. Similarly, I believe, the Iranians do not preoccupy their waking hours thinking just how they can destroy Israel.

They wake up, rather, and ask themselves, "How can I feed my children today?" Israel is a faraway country. But Iran has made it the major enemy, becoming the main Muslim state leading the anti-Israeli camp and the opposition to the Arab-Israeli peace process.

Ideologically, Iran is against Israel. While the Arab-Israeli conflict has been a national and political dispute, for Iran, as well as other Islamist movements (such as Hamas, Hizballah, Islamic Jihad), it is primarily an ideological conflict. They view Judaism as a faith and not a nationality. Therefore, Jews do not necessarily have the right to a state of their own, certainly not in the Middle East – of course not with Jerusalem as their capital. The close relations Israel had with the Shah, are now held against it. The close collaboration between Israel and the West, and particularly with the United States, is also held against Israel. I don't really know if they hate the United States because it is friendly with Israel or they hate Israel because it is close to the United States. It is all one package. The US is the great Satan and Israel is its unlawful son. Their attitude is therefore clear: "Israel should be eliminated".

But it is not only the ideology, I would argue, that keeps the animosity alive. The Islamic regime did not see sufficient incentives to retreat from this policy. In fact, one main area where the Islamic revolution could manifest success is in its anti-Israel policy. The struggle of the Hizballah and the Hamas, and the rise of Islamism in general, is taken as credit to their revolution. Also, having retreated from so many dogmatic convictions, it is difficult to retreat from such a focal element in the revolutionary creed. If you are in a revolution and you have laid down most of your flags, most your banners, your concepts, and there are few last issues on your agenda, what would wisdom dictate? To let them down too, or to raise them higher? For many Iranians, the Israeli flag is a proof that the revolution continues. Finally, raising the flag of Jerusalem helps to demonstrate Iran's Islamic leadership and regional centrality. The way to Islamic leadership seems to go through Jerusalem.

Yet, even on this issue, there are recently some Iranians who go so far as to claim openly that, regardless of the revolutionary slogans, Israel could not be annihilated. It would be difficult to find such public statements since the renewed Palestinian intifada (uprising) in Fall 2000, but they were evident throughout the last decade, gaining momentum since Khatami's election and reaching peak following the election of Ehud Barak (May 1999) in Israel. Some Iranians openly stated then, that if the Palestinians themselves decide to make peace with Israel, no other state has the right to be more Palestinian than the Palestinians. The Persian phrase used is very revealing: why should we be "a bowl that is warmer than the soup". Moreover, such views maintained, if the Palestinians, after their long struggle, opt for peaceful negotiations, no other has the moral right to preach them to go back to

the battlefields. Limited as they may appear, such expressions represent a more nuanced attitude and signs of an “alternative thought” even on this delicate issue. Still, considering many other areas of policy, the Iranian hostile policy towards Israel remained more unequivocal and firm. Finally, it seems to me, that the Iranian policy in this realm depends to a large degree on the developments in the Arab-Israeli and the Israeli-Palestinian scene.

To conclude, more than two decades after the revolution, the struggle over the future path of the “new” regime is not yet over. Recently, domestic controversies have further deepened and turned increasingly harsher and more open. In a nutshell, as was demonstrated in the 2000 Majlis election, this is a struggle between the initial ideals of the revolution and the new spirit of Khatami’s movement; between conservatism and reformism, between idealism and pragmatism. The conflict between these two tendencies is one of the main issues facing Iran on the eve of the 2001 presidential elections.



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- 1. Kevin O'Connor, Babette Smith
- 2. Stephen Cumines
- 3. Stewart Packham, Ms Esen, Niyaz Adali, Andrew Robertson
- 4. Elif Tuna, Orham Ozgummer, Oya Guney
- 5. David Loggia + guest

- 6. Stefani Neelagama
- 7. Anne Lawrance, Margaret Starr
- 8. Jennifer Lawless, Sedat Bulgu
- 9. Meg Stewart, Kate Watson, Daniela Torsch
- 10. John Shaw, Warren Reed
- 11. Rosalind Hecker

12. John Howard, Pat Howard
Photographer: David Karonidis



Photo – David Karonidis

Michael Sexton

Michael Sexton began his legal career as an academic and writer and commenced work as a barrister in the mid 1980s and took silk in 1998. His seventh book, entitled *Uncertain Justice – Inside Australia's Legal System* (Lansdowne) was published in 2000. On Tuesday 31 October 2000, Michael Sexton addressed The Sydney Institute on some of the issues dealt with in his latest book, and discussed the cost of litigation and the growing widespread belief that justice has become the preserve of people with infinite time and patience and very deep pockets.

UNCERTAIN

JUSTICE: INSIDE AUSTRALIA'S LEGAL SYSTEM

Michael Sexton

It used to be common in England for well-known silks to produce a book about their major cases under some such title as “My Famous Trials”. At one level mine is the same kind of book and amongst the cases that are recounted are:

- the Mr Bubbles saga
- the Westpac letters litigation
- John Elliott’s war with the National Crime Authority
- Kerry Packer’s libel cases
- the corporate world of Alan Bond
- the Chelmsford Royal Commission into deep sleep treatment

At another level, however, these cases and some of the other cases described in the book reflect some of the problems of the legal system and also some of the changes in Australian society over recent decades. It is important to remember that the legal system does not operate in a vacuum. The system itself and the people who work in it are essentially a product of society overall and the issues that come before the courts are largely the product of social, economic and political conflict within the community.

What I propose to do tonight is to try to illustrate this aspect of the book by looking at a selection of those cases.

Perhaps the most sensational legal drama covered in the book is the Mr Bubbles saga. The saga commenced on 6 November 1988 when Dawn Deren and Tony Deren were arrested at their home in Sydney’s Northern Beaches area. Dawn Deren was the operator of a kindergarten nearby and she and her husband were charged with several counts of sexual assault on children who attended the kindergarten. The media reports over the next few days carried allegations – which appeared to come from police sources – that the sexual assaults had taken place at parties arranged for the children and the assaults themselves had been filmed with video cameras.

There have been a number of similar and well-publicised cases in other countries, particularly in the United States. They are a phenomenon of relatively recent times because child care centres are the result of women entering the work force in large numbers over the last 30 years. Many parents are still uneasy – although without any real choice – when it comes to handing their children over to others for most of the day and they are, therefore, particularly vulnerable to any suggestion that the children have been left in a situation of danger and ill-treatment. This is the kind of story that strikes a chill into the heart of all parents, not just those at one particular kindergarten.

After committal proceedings some eight months later, all the charges against the Derens were dismissed. The presiding magistrate refused to allow the children to give evidence on the grounds that they were not old enough to understand the requirement to tell the truth and, in any event, their evidence had been contaminated by the way their accounts had been obtained by the police. The dismissal of the charges did not, however, stop an enormous amount of lurid speculation in the media – and also on occasions in the New South Wales parliament – about what had really happened at the kindergarten. It was clear that many people believed that the Derens' had escaped justice. It was at this time that they came to me to see if proceedings could be taken against the police. It is possible, of course to bring an action in malicious prosecution, but this requires showing that the conduct of the law enforcement authorities was more than incompetent – that it was also done for some improper motive. The proceedings that were instituted were in defamation, relying on the material that had been supplied to various journalists by some police officers immediately after the Derens' arrest.

This case was finally heard in February 1998. Even by the standards of the law, this was a long delay between publication and trial. But in the meantime there had been the Royal Commission into the NSW Police Force which had considered the bringing of the charges against the Derens. The Royal Commission was critical of the police conduct but did not consider the question of the Derens' guilt or innocence. An internal police inquiry had, however, concluded that there was no real evidence that any child was sexually abused at the kindergarten.

After a trial that lasted two weeks the jury awarded Dawn Deren \$450,000 in damages and Tony Deren \$350,000. The other side appealed to the NSW Court of Appeal. The Court of Appeal refused to interfere with Dawn Deren's verdict but sent Tony Deren's case back for a retrial on the basis that the trial judge had wrongly ruled out some of the defendant's evidence. Tony Deren tried to obtain special leave to appeal to the High Court on this particular point but the High Court was not prepared to disturb the ruling by the Court of Appeal.

This is a sobering case because, if the verdict of the jury of the trial is to be taken at its face value, it suggests that the charges against the Derens were without any foundation. Nevertheless they lost their livelihood and their reputation. None of this can really be restored by any court verdict and it is true to say that their lives have any never been the same since that morning in November 1988.

The greatly increased coverage by the media of politics and current affairs since the 1970s has produced an on-going debate about the law of defamation. Traditionally the law of libel has struck a balance – whether the right one or not is another question – between the values of free speech and the protection of reputation. It is possible to have this argument about the law of defamation generally but the question arises most sharply in the case of publications about persons who hold political office or other public positions.

These questions were considered most recently by the High Court in a case that David Lange brought against the ABC and where I was part of the ABC legal team. It is somewhat ironic that the last word to date on this subject arises out of proceedings brought by a New Zealand politician in the Australian courts. The publication that started the whole exercise was a *Four Corners* program of April 1990. This was in fact essentially a rebroadcast by the ABC of a program made by the Frontline team of television New Zealand and put to air there on the previous day. At the heart of the program was a description of the way in which the then New Zealand Labour government raised campaign funds from the business community and its suggestion that many of the government's economic policies were designed to benefit the business community in general and some individual businessmen in particular. At that time David Lange was no longer NZ Prime Minister (although he was still a minister in the government) having been replaced by Sir Geoffrey Palmer. But he took proceedings in the Supreme Court of New South Wales (as well as in the New Zealand courts) along with the former Minister for Finance, Sir Roger Douglas, and another Minister, Richard Prebble. Only the Lange case, however, was before the High Court in March 1997.

In its decision the High Court initially seemed to provide a new defence for the media but this largely proved to be a mirage. The defence of common law qualified privilege was expanded to cover a discussion of political issues but only if the conduct of the publisher was reasonable. This is the same standard set out in the NSW legislation on statutory qualified privilege and it has proved almost impossible for journalists to meet in the eyes of judges. This raises the question of whether the laws should move closer to the American position where libel actions by public figures – which include entertainment and sporting stars as well as politicians and public officials – can only be successful if malice is established on the part of

the publisher. It is true that malice includes reckless indifference as to whether the story was true or not but it obviously provides a higher barrier to public figure plaintiffs than would be encountered in this country.

After the laws of defamation, one of the most significant restrictions on what can be published by the media is the law of contempt. In 1994 I appeared for the NSW Attorney General who asked the Court of Appeal to make an order taking the current edition of *Who Weekly* off the newsstands. The cover of the magazine showed a photograph of Ivan Milat who had been charged with the murder of seven backpackers in the Belanglo State Forest. In relation to criminal cases, the law of contempt is designed to prevent any publication that would have a real tendency to interfere with the administration of justice – usually to prejudice a jury against the person who is standing trial. It is, however, a defence to a charge of contempt that the publication was a discussion of a matter of public importance and that any prejudice resulting from it was incidental to that wider discussion.

There has always been a problem about the publication of photographs of persons on criminal charges where identification is likely to be an issue at the trial – as, for example, in the case of a bank robbery. One of the witnesses in the Milat case was to be an English backpacker who had been picked up by Milat but later escaped. He had identified a photograph of Milat from a series shown to him by video link after his return to England. It was true that this witness' evidence could not be affected by the cover of *Who Weekly* but the Court of Appeal considered that other possible witnesses – as to the Milat's whereabouts at particular times, for example – could have been exposed to the cover. The court made an order restraining further distribution of the magazine and requiring the recall of those already in circulation.

It is not always easy to apply the law of contempt, which was essentially developed almost a century ago, to the operations of the modern mass media. The sheer volume of publications in recent times inevitably lessens the impact of any individual article or photograph. This is not to say that a damning article on the character and conduct of an accused person should be permitted a few days before a jury is sworn in at his or her trial. But the law does need to recognise that most media publications are ephemeral and that there is a real public interest in the open discussion of serious criminal conduct.

One particular problem over the last decade has been the coverage in the media of a number of individuals who have been involved in consecutive criminal proceedings over a long period of time. Alan Bond and Laurie Connell, for example, presided over corporate empires that had charge of many millions of dollars of shareholders funds. There was obviously considerable public interest in

media investigations of how those funds were used. But for almost ten years, from the mid 1980s, both of these individuals were involved in a series of criminal prosecutions for corporate fraud. It is clearly unsatisfactory that in these circumstances the discussion of these corporate collapses should be restricted because some of the material published might tangentially reflect on the character of Bond or Connell.

One further restriction on the press is the willingness of the Commonwealth government to ask the courts to restrain the publication of material that it says is damaging to national security. This usually involves material coming out of the Departments of Defence or Foreign Affairs or from the security services, such as the Australian Security Intelligence Organisation (ASIO) or the Australian Secret Intelligence Service (ASIS). In February 1994 a *Four Corners* program was put together which contained interviews with two ASIS officers, both of whom had worked as spies – under diplomatic cover – in Australian embassies in foreign countries. I was engaged to provide legal advice about the making of the program and there was no doubt in the minds of any of the lawyers involved that, if the Commonwealth government became aware that the program was being made, it would go straight to court and ask for injunction to stop it going to air. The program was produced at a separate studio because it was considered easier to keep the exercise from coming to the attention of anyone in government circles.

The basis for an injunction in this area of the law is an old action called breach of confidence. Its concept is that some inherently confidential information has come into someone's possession in circumstances where he or she is under a duty to keep the material secret but now proposes to publish it. An everyday example would be the theft of a private family photograph that came into the possession of a journalist. In the case of government information, however, the courts have said that publication will not be restrained unless it is demonstrated that the public interest requires its suppression. There is always likely to be considerable disagreement between the media and the intelligence agencies as to how much, if any, of those agencies' affairs should be open to public view. But the history of intelligence bodies in all countries over many years suggests that some of their more bizarre activities might not have occurred if the agencies had been subject to closer scrutiny.

One of the best known cases in this area is, of course, the *Spycatcher* litigation which occupied a great deal of time in the British and Australian courts in the late 1980s when the British government tried to prevent the publication of memoirs by Peter Wright who had worked for more than twenty years with MI5. After taking the matter all the way to the High Court, the British government finally failed in

its efforts to obtain an injunction in Australia. The courts in Britain did grant restraining orders but the book was eventually published in Britain in late 1988 when the government accepted its availability in the rest of the world made the ban absurd.

The breach of confidence action was also the basis for the restraining orders sought and obtained by Westpac in the proceedings that came to be known as the Westpac Letters case. The letters were in fact legal advice to Westpac about its possible liability to customers who had taken out Swiss franc loans in the 1980s. In this case injunctions were granted against the *Sydney Morning Herald*, the *Canberra Times*, the *Melbourne Age* and the ABC (for whom I appeared) to stop further publication of the letters. The various publishers continued to argue, however, that the injunctions should be lifted and Westpac effectively brought the proceedings to an end by tabling the letters at the hearing of a Commonwealth Parliamentary Committee on banking.

The loan activities of the banks in the 1980s gave rise not only to this case but also indirectly to the avalanche of litigation surrounding such corporate figures as Alan Bond, Laurie Connell and Christopher Skase. Like many others, these individuals were largely created by bank lending policies. Another corporate giant from this era was John Elliott and at various times during the 1990s I spent a considerable amount of time in court where Elliott's affairs were being litigated. The Elliott legal saga began on 20 February 1990 when the ABC's *7.30 Report* revealed that the National Crime Authority had been investigating a corporate takeover in which Elliott, who was then Chief Executive of Elders IXL and federal President of the Liberal Party, was closely involved. Elliott's political role made the report even more of a bombshell because four days earlier Prime Minister Bob Hawke had called a federal election to take place on 24 March 1990. Elliott sued the ABC in defamation for the material broadcast on the *7.30 Report* and also for 268 further publications in newspapers and on radio and television.

In October 1993, however, while the libel action was still wending its way through the court system, Elliott went to the Federal Court in Melbourne and obtained an injunction to stop the NCA bringing criminal charges against him and a number of other Elders directors. The proposed charges did not relate to the takeover referred to in the *7.30 Report* program but to a quite separate matter – an allegation of fraud on Elders in 1988 by means of sham foreign exchange transactions involving \$66 million. An injunction was granted – after a hearing held in secret – but this issue was then argued in full – and in open court. The ABC – for whom I was acting in the defamation case – became entangled in this hearing when Elliott issued a claim for damages in the Federal Court against the NCA, the Victorian Director of Public Prosecutions, the ABC and the former Minister for Police in

the Victorian government. The claim alleged a conspiracy to injure Elliott's reputation and his business affairs. It was also alleged that part of the conspiracy was the supply of information about the NCA investigation to the *7.30 Report*.

The Federal Court finally ruled that the charges against Elliott should proceed and the trial was set down for early 1996 in the Victorian Supreme Court. After several months of legal argument, however, Justice Vincent ruled that much of the evidence on which the NCA relied was inadmissible because it had exceeded its statutory powers in conducting the investigation into the Elders foreign exchange transactions. Justice Vincent ordered that Elliott and the other directors be acquitted of the charges. The Victorian Court of Appeal later said that Justice Vincent was wrong on this question but the relevant legislation does not allow the prosecution to apply for a retrial. This exercise prompted some scathing remarks in the Court of Appeal by Justice Brooking who pointed to the length of some recent criminal trials in Victoria and suggested that the system was "in some respects out of control".

Meanwhile a series of seemingly endless arguments over Elliott's damages claim in the Federal Court continued as the various defendants attempted to have the claim thrown out. I eventually escaped from this battlefield in early 1998 when it was agreed between Elliott and the ABC that the defamation action would come to an end and that the conspiracy action would be halted against the ABC – although not against the other defendants. Seven years after its commencement, the conspiracy case is still the subject of argument between the parties in the Federal Court and seems no closer to a hearing than it was in 1993.

One of the most significant changes in Australian society over the last two or three decades has been the much greater awareness of mental illness and the developments in ways of treating personality disorders. This area was brought home rather sharply to me in the late 1980s and the early 1990s when I appeared for the Department of Health before the Royal Commission into the administration of deep sleep treatment (DST) at Chelmsford Private Hospital. Chelmsford was located in Pennant Hills on Sydney's upper North Shore. In mid 1963, Dr Harry Bailey set up a ward at the hospital where patients were subjected to DST. Bailey was one of Sydney's leading psychiatrists and, until the previous year, had been in charge of one of the State's largest mental hospitals.

By the time DST ceased in Chelmsford in 1979, almost 1,200 patients had undergone this treatment. Twenty-four had died; nine had committed suicide shortly afterwards; and hundreds claimed to have suffered permanent physical and mental damage. The pattern of treatment was essentially the same in all cases. Soon after checking in,

patients were given a cocktail of barbiturates that induced a comatose condition. They remained in this state for up to two weeks, receiving liquid nourishment by means of a tube that ran through the nose and down the back of the throat into the stomach. On most of these days they were also subjected to electro-convulsive therapy (ECT) after electrodes were attached to their heads and then to a machine that generated the electric current. The chief dangers inherent in this treatment were chest infections (possibly leading to pneumonia) respiratory problems and cyanosis (insufficient supply of oxygen possibly leading to brain damage). Patients were admitted to Chelmsford for a range of conditions, including depression, drug dependency, alcoholism and anorexia. Some patients were suffering from severe psychiatric disorders, such as schizophrenia, although others had very mild cases of depression that could hardly justify hospitalisation.

In the early months the Royal Commission heard evidence from a large number of these former patients. Much of this testimony was quite harrowing as they described how they had been delivered to Chelmsford by family or friends and then sent into a coma – usually for weeks – about which they had only fleeting memories. In its final report the Royal Commission was damning of the Chelmsford doctors. It was also critical of a number of other bodies, including the Department of Health, although the evidence indicated that it would not have been easy for the Department to intervene in the affairs of a private hospital in the 1960s and 1970s. Since the mid 1980s, however, there has been a body that exists specifically for the purpose of receiving complaints about medical practitioners – now called the Health Care Complaints Commission – and serious complaints are then prosecuted by that organisation before the Medical Tribunal which has the power to remove medical practitioners from the register as well as to impose lesser penalties.

The role of psychiatrists in litigation has also become a much more important one over recent years and is the subject of some examination in the book. The most controversial aspect of expert psychiatric evidence is its use in criminal trials to try to establish that the accused person was essentially not responsible for his or her actions, including actions that led to the death of the victim. Often this defence evidence is contradicted by a psychiatrist called by the prosecution but this is, of course, not an easy conflict for a jury to resolve. It is a particular problem because some psychiatrists appear to start from the proposition that in very few circumstances can it be said that a person is responsible for his or her conduct. There are certainly cases where what would otherwise be major crimes are committed by persons with a serious mental illness. But this kind of evidence has

become extremely common in criminal cases when the offence charged involves violence against the victim resulting in death or serious injury.

All of these cases – and many of the other cases in the book – reflect some of the problems of the legal system itself and some of the more contentious issues confronting Australian society in the year 2000. It is important, however, to remember that the legal system is essentially designed to resolve differences between individuals and not to deal with broader social and economic problems. The values of any community are largely developed by other institutions, including parents, schools and the media. This was a point made by the American jurist, Learned Hand, in a famous speech given in Central Park in New York City in 1944. Hand suggested that courts, laws and constitutions could not be the real protectors of freedom in a society, adding: “Liberty lies in the hearts of men and women; when it dies there, no constitution, no law, no court can save it; no constitution, no law, no court can even do much to help it.”

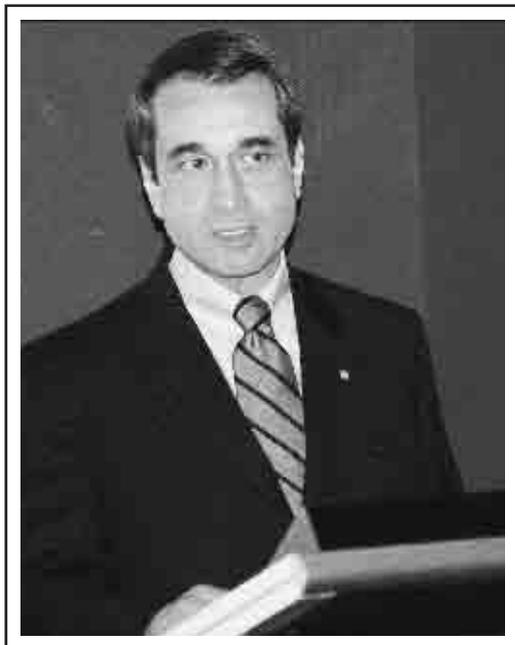


Photo – David Karonidis

Selçuk Kolay

An avid explorer of history, Selçuk Kolay runs and owns a museum in Turkey. It was he who found evidence of a submarine in the Sea of Marmara believed, and later proved, to be Australia's lost World War I submarine – the AE2. It was sent to take part in the Gallipoli assault in 1915 but was captured and scuttled by the Turks and the crew taken prisoner. With assistance from the Australian Government, diver and photographer Mark Spencer was able to identify the sub as the AE2. Selçuk Kolay spoke for The Sydney Institute on Thursday 9 November 2000. Selçuk Kolay's visit to Australia was sponsored by the Military Medical Symposium held in Sydney in November 2000.

FINDING THE AE2

Selçuk Kolay

Since 1976 I've been researching on ships lost during the steam age. My first encounter with the submarines from this era came when I was asked by the headquarters of the Turkish Navy to identify the remains of an unknown submarine found on the Black Sea coast near Istanbul in 1993.

Eventually, I identified the wreck as the German submarine UB46 lost in December 1916. With my advice and assistance, the wreck was recovered, restored and put on display at the Naval Museum in Istanbul. This wreck reminded me of another submarine lost in Turkish waters at almost the same time, and of my first encounter with the AE2. In the mid 1980s I was assisting the German researcher Bernd Langensiepen in gathering data for the completion of his book *The Ottoman Steam Navy*. I had studied the story of the fight between the AE2 and the Ottoman torpedo boat – Sultanhisar. I was now quite interested in looking at the subject again in detail but decided to postpone the project for some time.

In November 1993 I had planned another activity, the search for the lost World War I Ottoman cruiser, Midilli, ex "Breslau" of Germany. Shortly after this successful operation in December 1993, I produced a video documentary for public viewing on behalf of the Rahmi Koç Museum and Cultural Foundation. A year later, at the request of Mr Koç, the founder of the Museum, I conducted a search for the lost Turkish submarine Atılay which was suspected of having hit a mine in the Aegean Sea in 1942. I produced a documentary based on the video footage gathered throughout the diving operation which I led. The same year, together with Max de Rham and Tosun Sezen, I located the buried wreck of the Russian admiral's ship Yvestafy from the Ottoman Russian/Cesme War of 1770.

In December 1994, at an opening ceremony, I was approached by the then Australian Ambassador to Turkey, Mr David Evans, who was aware of my recent research. He asked me whether I would be

interested in taking on the project to look for the AE2. Being aware of the historical significance of the AE2 for both nations, I agreed to do it.

The AE2 was one of Australia's first two submarines. It was acquired from England on 24 May 1914 to provide more autonomy in the protection of Australian shores. The commanding officer of the AE2 was Lieutenant Henry Hugh Gordon Dacre Stoker, a cheerful and flamboyant Irishman and a relative of Bram Stoker, the author of *Dracula*.

By his own admission, he joined the submarine service for two reasons. It offered an extra six pence a day and he loved to play polo. He had heard of a rich Australian gentleman living in Sydney who paid people to play polo with him, so he offered himself for transfer and the command of one of Australia's new submarines. What was not known then was that Great Britain would declare war on Germany shortly after this and that the AE1 would be lost, with all hands, at the very beginning of the war. The cause and the location of this disaster are not known to this day.

For the AE2, it was a daring feat to reach Turkish waters and to penetrate the treacherous and heavily mined Dardanelles Straits.

The AE2 arrived in the enclosed Sea of Marmara on the morning of 25 April 1915, the same day the Anzac troops were landing on Gallipoli beaches. The aim of the mission was to prevent the transportation of Turkish troops and war equipment from Istanbul to the front at Gallipoli through the Sea of Marmara. After four days in the Marmara Sea, during which the AE2 was successful in sinking one Turkish boat, Captain Stoker was happy to find out that the British submarine E14 was also in the Sea of Marmara. A rendezvous was arranged for the following morning, five nautical miles north of Karaburun. Karaburun sounds Aboriginal, but it is a Turkish word! On its way to the rendezvous, he sighted the Ottoman torpedo boat Sultanhisar looking for the submarines. Trying to make an emergency dive, the AE2 hit a denser layer of water, causing it to rise uncontrollably. Breaking surface with the stern first, the submarine was disabled by shell fire from the torpedo boat. Captain Stoker successfully gained some distance and scuttled the vessel to make sure it would not fall into enemy hands. All 32 of the crew were taken prisoner.

I started with the archive studies in early 1995. Material I got from Turkish, Australian, British and German archives revealed to my surprise, four different locations for the position of the scuttled AE2. The official Turkish and German locations were approximately ten nautical miles apart. I worked out a search pattern covering all possible positions and giving an area of approximately 22 square miles to scan. There's quite a distortion between the Turkish, German, British, and Australian positions, the last one given by Captain Stoker. There is also the German position right on top of one of the small islands. I classified all these positions as wrong positions and didn't consider them at all as

possible sinking sites.

Since the bed of the Sea of Marmara is quite flat on the bottom and covered with a thick layer of mud, I decided to use a combined system of side scan sonar and magnetometer. This system would enable me to detect the submarine even if it was totally buried. The Turkish navy and some other researchers had tried to locate the AE2 in approximately the same area previously. But I wanted to make sure using my own methods and this combined system. Supported by Global Positioning System, I started scanning the quadrants one by one, beginning from the east. I was pulling the lines from east to west or from south to north, depending on the wind direction. This part of the Sea of Marmara can be very rough. It was in March and my research was frequently interrupted by unfavourable weather conditions. However, by June I had scanned almost 80 per cent of the area and was able to concentrate more on Stoker's position, which was given as four nautical miles north of Karaburun. While I was carrying out the scanning, I visited the fishing villages in the vicinity, and during the evenings talked to the trawlermen in the hope that they might indicate where their nets were snagging. But this revealed nothing definite.

By the end of August, I had scanned the whole area including even a part to the north west of Karaburun, but to no avail. All I found was a sunken coaster and a natural magnetic anomaly picked up by the magnetometer not too far away from Stoker's position. All my friends advised me to concentrate on the Turkish position rather than on Stoker's position, since he was in enemy waters and was desperately trying to escape, so his statements about the position would not be accurate. I didn't share this opinion. For me, looking for the sub somewhere else would be like the old Turkish philosopher Nasreddin Hodja looking for his lost key in his garden, explaining that he had actually lost his key in his cellar, but it was too dark there to look for it! So my answer was: "This man, bringing his sub all the way from Australia for almost 10,000 nautical miles through many seas and through the Dardanelles without touching a single mine, will know by inches where he sank!"

Yet, I still wanted to stick to Stoker's position, though the sub was definitely not there and I was quite confident of my survey. So I decided to take a different path and started studying Captain Stoker's life after the sinking.

During his imprisonment in Afyon in Turkey, he had escaped twice from prison. On the second occasion he was caught at the Port of Izmir, just before boarding a boat disguised as a lady! In England, after the war, he had some problems with the Admiralty refusing to decorate him, although he had succeeded in not letting his submarine fall into enemy hands. He left the Royal Navy shortly after the command of one

of the K Class boats was given to him and went to London where he worked as an actor until his death in 1970. Quite a remarkable man!

I had to find living relatives to get more information. Some help came from Andrew Solomon, a friend of mine working at the BBC studios in Acton, London. He had found the only living relative, a niece of Captain Stoker. Miss Primrose Stoker, 80 years of age by then and living near Greenwich in London.

In September I went to London to see her. She was quite interested in what I was doing. After a couple of cups of coffee she handed me an old leather bag full of manuscripts – the originals Captain Stoker had taken with him before leaving the AE2! The contents consisted of his diary, his notes and letters he received during his imprisonment, including maps showing escape routes from the prison in Afyon to the Port of Izmir and his original copy of the report about the loss of the AE2 that he had sent to the Admiralty.

I was even allowed to take the documents away to study. Could I ask for more? You won't believe it but I did! My question was, "Can you remember him telling you anything about the story of the AE2 after coming back from imprisonment?" Her answer was, "As a hero of war, he never talked about this incident, he was too secretive. But as a little girl then, the only thing I can remember, was his wife telling my mother that Captain Stoker would sometimes shout "north, north" in his sleep. During the next 48 hours, I studied the handwritten documents with almost no sleep. Most of them were what I already had in my files in printed form. But here I was able to read between the lines and spot everything he had changed.

My attention was drawn to his statement about the sinking position where he said, "The boat sank in about 55 fathoms in approximate position four miles north of Karaburun Point at 10.45am." This sort of depth is not in accordance with the depth at the given sinking location which is about 70 metres. Back in Istanbul I decided to extend my search area further to the north, into deeper waters.

At a depth of 84 metres, I hit a wreck which had a similar shape and dimension to the AE2. For some time, I firmly believed that I had found the submarine. But, after further studies and dives, I knew that it was the wrong wreck. Since there were other wrecks in that area, north of Karaburun, I decided to go back and concentrate on Stoker's position. He might have been wrong with the depth but I had the feeling that he should be right with the position. Even a sketch made by the signalman, Albert Thomson, during his imprisonment, clearly showed that the sinking was somewhere north of Karaburun. but where was the AE2? I decided to scan the area again more carefully.

I knew that this was the hardest case I ever had. On various charts, all the sinking points were shown somewhere around north west by north of Karaburun. Though he had not given an exact position, the

area indicated by the Commander of the Sultanhisar, Ali Riza, in his book, *How I Sank the AE2* published in 1947, covered these points. According to him, a couple of minutes after the AE2 had disappeared from the surface and the whole crew of the AE2 were safely on board of the Sultanhisar, two other Ottoman torpedo boats, Zuhaf and Aydin Reis had arrived to help and had taken the bearings. What was their position? So far I was not able to find it in the archives.

By January 1998, I had already finished my third year into the search. It was funny that every passing month I was becoming more determined than desperate. Almost three years before, six months into the search, I had even scanned a small area to the north west by west of Karaburun, though, as I stated before, all the various given locations were around north-east of Karaburun.

One very fine day in May I dropped a marker buoy exactly four miles north of Karaburun and told our research ship's captain to stop the engines and stand by the buoy till I had finished working out a new search pattern on the charts. After approximately a quarter of an hour, when I was finished with the job, I saw that we had drifted for a couple of hundred metres to the west. There were no waves, no wind; it was dead calm – like on the day AE2's sinking. This was probably due to the weak natural current towards the Dardanelles; towards west. Suddenly, I remembered the Turkish position approximately eight miles west of that of Stoker which I had classified as wrong and had not considered as a possible sinking site.

Now I knew that I had to scan further to the west, further than I had scanned before. The latitude of this Turkish position seemed to me to be right, but the longitude was surely far too west. Before starting a new search I decided to examine this position further in detail. The position was taken from a book published by the Turkish General Staff in 1936, but no source was shown. I was sure that it was taken from Ottoman Naval archives and transcribed from Arabic writing into Latin after 1928 when Turkey had switched from Arabic to the Latin alphabet. Since the Ottoman Naval archives are still in the process of being transcribed and classified, I had to do my own detective work.

The longitude, given as 27 degrees and 10 minutes, seemed to me to be far too west by at least five to seven miles. If it had been given as 15 or 16 or even 17 minutes, instead of 10 minutes, I would have thought of it as a possible sinking site. I was sure the mistake was made during the transcription. Since many people aged over 80 can read and write Arabic letters, I went to see my father and asked him to write down all the figures from 10 to 20 in Arabic. When I saw the figures, I was sure that a mistake had been made because figures 10 and 15 are almost identical in Arabic writing. So the east longitude should read 15 minutes instead of 10. I now had a new area of approximately four square miles to scan.

On the 11 June 1998, I started scanning early in the morning. At 5pm when I was thinking of finishing for the day, a slim profile started showing up on the screen of the side-scan sonar. A couple of seconds later, the magnetometer went mad. I had the feeling that I had found the AE2 but I kept very calm, took the GPS readings and ordered a return to the port of Karaburun for the night to prepare for an extended magnetic and acoustic survey of the site next day. On the 12 June, weather conditions were excellent again and I could finish the survey in less than three hours. The magnetometric survey had shown that the wreck was approximately 600 tonnes. From side-scan sonar images one could easily see the shape of a submarine and read a length of 50-55 metres! The AE2 was lying at a depth of approximately 72 metres 4 miles north-west of Karaburun.

Everything now became obvious. When the AE2 was hit and damaged by shell fire from the Turkish torpedo boat, Captain Stoker had decided to scuttle it rather than let it fall into enemy hands. He steadied his boat on the surface, gave the signal to the Sultanhisar that he was ready to surrender and gathered his crew on the deck. Then he probably took his bearings to know his exact position before opening the valves. At that time, he was north east by north of Karaburun and as marked on the charts. It took some time before the last one of the Captain Stoker's crew reached the torpedo boat and the slowly sinking submarine disappeared from the surface. During this time, both the sub and the torpedo boat drifted westwards just as our research ship did 83 years later. The two torpedo boats closing in just after the sinking took the actual bearing of the sinking point. That was why the wrongly transcribed Turkish position and Captain Stoker's position were slightly different.

Now it was time to start for the preparations for the dive. A dive to 72 metres really needs very careful planning. Spending many hours at the computer, I finalised the dive plan and decided for the composition of gases to be used at various depths. But the AE2 apparently still didn't want to reveal its secrets. On our first dive, in the third week of June, the shot-line came off the wreck when we had reached a depth of 60 metres and we had to abort the dive. On our second try, we reached the bottom to see that the grapnel-hook was resting in the mud with no trace of the wreck around. On 2 July, I used a more sophisticated method to secure a shotline to the wreck, I started descending with my buddy Kaya Yazar and Levent Yuksel the cameraman following me. At 4pm I was probably the first person to see and touch the AE2 for 83 years. The visibility was about three metres and I knew exactly where we were – next to the starboard side exhaust pipe. We had a quick tour of the upper deck and the conning tower. The submarine was in excellent condition. It was like stepping back in time. The morning of 30 April 1915 was frozen here. Before coming

up, I rubbed my gloves against the rusty hull. I wanted to keep these gloves with the rust from the AE2 as a memory.

Back on board Saros, our research ship, I dropped my diving gear on deck and rushed to the bridge in my wet suit and telephoned my Australian friends. It didn't matter that it was after midnight in Australia. Coming down from the bridge, I was surprised to find out that one of our crewmen had carefully washed my gloves. "They looked rusty," he said. This exploratory dive revealed that the submarine was lying upright with mud up to the water line in 72 metres of water. The hatch of the conning tower is partly open and there is a big conger eel on guard. In October the same year, the Australian diving team comprising John Riley, Richard Taylor and Merv Maher, and led by Dr Mark Spencer with the maritime archeologist, Tim Smith, came and confirmed the state and identity of the wreck. In the near future, a visual and photographic survey of the wreck site must be carried out and non-destructive corrosion testing must be performed on the wreck. Such information will assist in deciding whether the wreck is capable of being raised, and which method should be used. While doing all this, there should be no physical interference with the wreck or its immediate environment.

The AE2 is a highly significant war relic for both Australians and Turkey and altered the whole course of the Gallipoli campaign. With appalling casualties to Anzac troops, it soon became clear that the landing on the beaches at Gallipoli was a mistake. It was thought that the troops were to be recalled when the news of the AE2's successful penetration of the Dardanelles Straits reached Sir Ian Hamilton. Instead of withdrawing, he wired the troops, "The Australian submarine has got up through the Narrows and torpedoed the Turkish warship at Chanak. Dig, dig, dig until you are safe!" On both sides, thousands of men ended up paying the ultimate sacrifice for their countries.

The future for the AE2 should be seen in its raising, followed by proper restoration and conservation rather than to be left in the depths of the Sea of Marmara. We have the intention of raising the AE2 in a joint venture with Australia. This would create a dual attraction with Gallipoli's ANZAC cove, with the growing numbers of Australians making a pilgrimage to Turkey. Such a project should be seen as one which enhances the goodwill that already exists between two countries. The AE2, once a symbol of war, can now be seen as a symbol of peace and co-operation. And I think Captain Stoker and his crew would approve of this.



Photo – David Karonidis

Cheryl Kernot

The issue of unemployment has given way to the issue of under employment as jobs growth in the part time and casual sector have taken up many of the unemployed. But many are not holding down jobs that last or lead to careers or even provide sustainable income. These issues and more were addressed in a paper given to The Sydney Institute on Wednesday 15 November 2000 by the Shadow Minister for Employment and Training Cheryl Kernot.

DOES IT WORK

ANY MORE?

THE CHANGING NATURE OF WORK

Cheryl Kernot

Jacob Bronowski in his series *The Ascent of Man*, made a great impact on me when I was younger, and I heard him refer to “the dignity of work”. It was one of those concepts rumbling around in my head as a result of listening to my parents and teachers; but it needed Bronowski’s wise and compassionate articulation to make it gel for me. And still, today, it informs much of my thinking on unemployment and the issues related to it.

I thought I would begin tonight with a brief look at this because there has been a real sense in public debate recently that the unemployment problem is somehow solved. The more thoughtful understand that it is not.

The dimensions of unemployment

Behind every monthly release of headline figures there is always another story. And behind the latest headline rate of 6.3 per cent unemployment the story is that there are still 231 regions of Australia where unemployment is in double digits. This represents approximately one fifth of all of the areas surveyed by the Australian Bureau of Statistics. So employment growth is not fairly shared across the country.

The story is also that unemployment still weighs too heavily on the shoulders of mature age Australians. In fact 22 per cent of the unemployed are over 45. Mature age Australians also make up a disproportionate share of the long-term unemployed at 34 per cent.

Two and a half years ago I addressed you here on the reality of mature age unemployment. Two and a half years later the government’s still looking at pilot programs to examine whether the mature age unemployed find it more difficult to find work. I can save them the \$3.1 million they allocated to this Budget measure right now, by telling them that mature age Australians do in fact face greater difficulties in finding work. The figures speak for themselves.

The rest of the story is that too many Australians are still vulnerable to unemployment because of inadequate or outdated skills.

You might be interested to know how unemployment is measured (and has been since at least 1982.) When the Australian Bureau of Statistics interviews people who are out of work, they ask them whether they have been actively looking for work in the previous four weeks and are ready to start in a commonly specified week. This means that the ABS doesn't count as unemployed those people who would really like to work, but for various reasons are not currently looking.

This includes people who have been stood down from their work, but not yet formally dismissed; as well as those who have given up the search for work. These people are not counted as officially unemployed. The ABS estimates that there are currently just over 1.1 million people in this category.

The other reason that people sometimes get an unrealistic picture of Australia's unemployment situation is because of the large number of *underemployed* people. The ABS currently defines someone as employed if they worked for one hour or more within the week in question for: "pay, profit, commission or payment in kind". This means that if you mowed your neighbour's lawn in exchange for a couple of beers at the pub then you are officially an employed person.

Now don't get me wrong here. I am not taking issue with the ABS definitions. The ABS does after all measure all of these other groups of hidden unemployed, but I am pointing out that when these definitions are applied to the headline rate of unemployment, it can skew people's understanding of the true extent of the unemployment problem.

The ABS data on underemployment estimate that there are currently 545,500 Australians who fall into the category of being underemployed. This goes to the heart of the adequacy of the work which is available, and government's responsibility to frame policies to acknowledge this.

The other issues of work

My reason for beginning by unpacking these traditional notions of work and unemployment is to introduce my theme tonight, and that is the need for a broader public debate about where we see the issues of work going in this new century, particularly the impact on work and family balance.

Earlier this year, Labor released its *Workforce 2010* document. This was detailed research on the workforce of the future, done by the Centre for Policy Studies at Monash University. In releasing this work, we were able to draw attention to some of the important challenges facing the Australian workforce and policymakers over the next decade.

For example, the research found that computing skills and people skills will be the tools of the trade for the new millennium; It found that

most new jobs will go to people with a recognised post-secondary qualification. It also showed that the strongest areas of new jobs growth over the next decade will be in human services, particularly in retail trade, health, education, welfare, property and business services.

Work and life

We debated these issues at length at the time, and proposed several policy solutions designed to come to grips with them. But this work also raised some further important questions:

- As we reflect on the stressful lives of many working families today, we also need to ask: will some of us be working more hours in the future while others work fewer?
- Will most of the new jobs be in occupations that demand longer working days or in occupations that offer mostly part-time work?
- Who will pick up most of these new jobs – older or younger workers, men or women – and what will it mean for family life?

Our research showed that the decline of the standard working week will continue over the next decade as most jobs will involve either very long hours or very short hours. Three out of every ten new jobs created will require people to work more than 49 hours a week. Another four will involve working fewer than 30 hours a week.

This has enormous ramifications for the one issue that Bronowski didn't have to address for those who do have work, and that is: balancing work and life.

So this is the topic I want to talk about tonight. It's a complicated topic – mainly because it means different things to different people. For policymakers, I think there are two key issues to balancing work and life, and I summarise them simply under these headings: the adequacy of work; and the danger of overwork.

Casualisation

Let me turn first to the adequacy of work; whether most people have enough work. And let me use a concrete example to demonstrate the problem here.

I was approached one day recently by a concerned mother whose son (in his early twenties) was earning a reasonable income but was unable to get a loan for a house. The reason was because the income was not the same each fortnight, due to the changing number of hours he worked. This young man's casual status had excluded him from doing what many Australians aspire to; owning their own house.

Australia has the second highest rate of casual and part-time employment in the OECD. This trend has been especially marked in the last ten years. Over this time two-thirds of all new jobs created were casual jobs. This means that today around 2 million workers are

employed on a casual basis. What these numbers mean is that there has been a significant shift away from the notion of full time and permanent waged employment as the standard employment arrangement. In its place has emerged the concept of the “flexible firm”, comprising a secure group of core workers and a peripheral group of temporary workers, out-workers and subcontractors.

I think we all understand this trend has primarily been driven by two factors.

On the employer’s side, casualisation has been driven largely by cost-cutting measures; a casual employee generally has far fewer entitlements than a permanent one; in addition, the termination of a casual worker can be undertaken with scant notice and little recourse for the employee.

Let me make it clear – many casual workers find the flexible arrangements beneficial to their lifestyle. Some people cite family considerations as a reason for wanting casual employment and the varied hours of work that it can bring. That is a matter of choice, and all to the good.

Yet, at the same time, having to rely on casual work can have important consequences for workers: from the loss of entitlements that many of us take for granted and the consequent financial insecurity that it brings, to an inability to borrow money for a car or house, or even finding it difficult to rent because of the lack of a demonstrated regular income.

It’s appropriate to take stock of this trend. Is it here to stay? I don’t necessarily subscribe to the orthodoxy that it is. After all the guru of downsizing did recant after millions world wide became unemployed in the name of “efficiency”. He actually came to the conclusion that the way to build successful companies was to invest in employees, not to sack them en masse. But if casualisation is a permanent feature of the new work, we as a society have a responsibility to ameliorate its worst aspects.

We need a rethink on the general issue of the entitlements of casual workers. In 1998 about 910,000 females were employed on a casual basis. The question needs to be asked: how will it be possible for people to provide adequately for their own retirement income if they are only ever employed in a series of short-term casual jobs? Will this perpetuate the feminisation of poverty?

There are some encouraging signs that the balance is being reassessed. I note, for example, that McDonalds Australia announced on Monday that it will now give its casual staff access to unpaid maternity leave. This is a positive step that Labor supports. The fact is that moves which give casuals entitlements to help them balance their work lives provide a benefit for both the employer and the employee.

Another approach is that of Coles Myer who are taking concrete steps to reduce the number of casual and part-time workers they employ, choosing instead to employ people on a permanent basis. In fact, over the past five years, Coles Myer has reduced the portion of

casual workers from 60 per cent of its workforce to 31 per cent. This is being achieved by employing people in its new supermarkets largely on a permanent basis.

In my view, Coles Myer has recognised both a wider corporate responsibility and the economic advantages to it of increased productivity, reduced stress, improved morale and commitment, reduced lateness and absenteeism, increased staff retention, and the increased ability to attract and recruit new staff.

Labor will continue to support moves by corporate Australia to improve the conditions and entitlements of their workforces. But I believe that government has responsibilities here too. Before I comment on those, though, let me sketch the other half of the work/life balance problem, and that is the issue of overwork.

Overwork

The second example I mentioned above was the need to find a balance between work and life. And let me use a concrete example here too.

The example I'm thinking of is a man whom I will call John. John is married with a young child. He is also in his early 50s. John works in an environment where he has seen many of the functions his organisation had previously carried out outsourced. He is under a lot of pressure and stress, as he has heard that his section is being examined for outsourcing. To try to increase his chances of being retained, John has taken to working longer and longer hours. He is often in on weekends, "just to finish things off".

The result is that John is praised for his dedication, and others are encouraged to emulate his good example. Pretty soon the whole organisation is working from seven until seven without a break. The problem is that no one is getting any extra pay for this work and their health starts to suffer. Ultimately the organisation, as well as its workforce, suffers from greater stress and a resultant loss of productivity.

This trend to working longer and longer hours is a serious problem that prevents many workers from achieving a healthy work life balance.

We have moved such a long way from the "eight hours labour, eight hours recreation, eight hours sleep" slogan of the Operative Stonemasons Society in NSW in 1855. A century and a half later in Australia, more and more employees are being forced to work more than eight hours a day, often with no pay, let alone overtime.

The findings I mentioned earlier from *Workforce 2010* predict that, if we do nothing, then there will be a job divide between the overworked and the under worked. Longer working days will place further strain on many families,

My colleagues and I were sufficiently concerned with this trend to commission some additional work from the Chifley Research Centre on

the new patterns affecting people's work and family life. We now have some preliminary findings:

- A recent Australian study found that 68 per cent of fathers felt they had too little involvement with their children. The majority of fathers considered that working conditions (such as long and inflexible working hours) prevented them from being the kind of father they wanted to be, and 33 per cent admitted to finding it hard to take time off work to care for family matters.
- In 1999, Australian Bureau of Statistics figures showed that in dual-income couples where both members work full-time, 70 per cent of mothers stated that they always or often felt rushed, compared to 56 per cent of fathers and 52 per cent of women with no dependent children.

Family is a vital source of comfort and strength for most Australians. For parents, having the time to spend with their kids is the most precious thing there is. For those without children, there are things people want to achieve in their lives outside work: contributing to the community; spending time with friends and loved ones; caring for relatives; or simply having time out for themselves. I also know that many workers need to work long hours, just to stay afloat financially.

But people must have a genuine choice to do extra hours of work; or not to do those hours. The worst thing that can happen is people have no choice. The key to this is in evening up the balance of employers' rights to do things like changing working hours unilaterally, with employees' rights to have a real say in being able to plan their hours of work.

Of course, it is not all bad news. In many workplaces, we are seeing substantial progress. The examples I mentioned above of McDonalds and Coles/Myer are just two among many.

But for all these advances, I think the public debate still lags behind in the recognition of the importance of work and family as a workplace issue. I was interested to note, in what was a very good study of the reputations of the top 100 Australian companies reported in the Fairfax press, that the section on "Management of Employees" did not specifically include any evaluation of performance on work and family issues. It had some categories which touched tangentially on work and family but my point is that I think there should have been a specific evaluation of work and family issues alone. I don't want to single this index out; the fact is that there is wide-ranging ignorance in our society of the growing importance of balancing work demands with family life.

Business interests/ productivity

The pursuit of a family friendly workplace does not have to be seen simply as an issue of workers rights; or even worse, a zero sum game between employers and employees. The Australian Chamber of Commerce and Industry commented in its recent Review that "a

dismissive attitude or simple assumption that employees have no life outside the workplace is no longer realistic, if it ever was". Put simply, workers with a stable and happy life outside work are better, more productive workers inside working hours.

Employers here and overseas are recognising this fact, and making major productivity gains over their competitors as a result.

Role of government

But Labor also believes there is increasingly a need for leadership from government.

Conservative philosophy stipulates that the balance between work and family is one for the market to strike. The problem is that we now have plenty of evidence showing us that this is a case of market failure – that the market does not sufficiently value, for example, time invested by parents in raising their children. The recent evidence in Australia all points to the fact that family-friendly clauses in workplace agreements have remained largely the preserve of better-educated, higher paid workers; those with economic choice and bargaining power.

That's a good thing for those workers, but what it underscores is the fact that Labor's traditional concern with equality of bargaining power in the workplace is not some kind of old-fashioned obsession, but is essential if the great bulk of the Australian workforce is to have a more family-friendly working life. Put simply, where workers have bargaining power, they are getting a more family-friendly workplace. Where they do not have bargaining power, they are missing out. Our nation cannot afford for the majority of workers to miss out. It is the job of government to correct such market failures. And correct it we will.

Solutions

Labor's policy solutions will be to give workers the power to choose between hours spent at work and hours spent outside work. Uniquely in Australia, Labor can bring to the table effective industrial relations strategies to make Australia's workplaces more family-friendly.

Firstly, let me give you some indication of the kind of ideas we are trying to encourage. And these are things even the employer organisations have identified as in the realm of the possible:

- A bit of flexibility about start and finishing times when an employee has to deliver or pick up children from school or child care;
- Allowing an employee to work from home for an afternoon;
- Allowing employees to transfer to part time work if rostering complications can be accommodated;
- Allowing single day annual leave to be taken;
- Time off in lieu of overtime;
- Banking of hours;

- Agreements allowing employees to purchase additional leave which can be used to help meet family responsibilities like being at home with children during school holidays;
- Home-based work opportunities; and
- Work-based (or close to) child care.

These are the ideas we want to see become a reality not just for those with economic choice and bargaining power, but for all workers.

As always, you need the policy architecture to deliver that bargaining power. In this area, Labor has already outlined a four point plan to begin to deal with this problem. Our focus is firstly on strengthening the role of the Industrial Relations Commission. This will involve giving the Commission the power and discretion to protect and strengthen award conditions.

Secondly, Labor wants to capitalise on the knowledge that many employers and employees have. Thousands of agreements have been certified with the Commission. Within these are some extremely innovative practices that employer and employees from other workplaces could learn from – the problem is, of course, accessing that information.

This is why Labor wants the Commission to have a role in establishing and disseminating best practice in family-friendly workplaces. One of the ways we will deliver this is to make the Commission responsible for administering a database of best-practice, family-friendly clauses in workplace agreements both in Australia and overseas. In this way, we hope to maximise the opportunities for employers and employees to strike effective agreements which advance the family-friendly nature of Australian workplaces.

Thirdly, Labor believes there is merit in establishing a closer relationship between the Commission and the Human Rights and Equal Opportunity Commission. Many industrial advances are now being made through the route of test cases, and we think properly funded test-cases could be an important additional string to the bow in advancing family-friendly working conditions.

Fourthly, Labor will support Anti-Discrimination Legislation to prevent discrimination against pregnant and breastfeeding women; and those with caring responsibilities. On top of these industrial measures Labor also wants to assist families in how they cope financially with having one parent being able to stay at home and care for children. This could be done through an idea Labor is examining to provide flexible assistance to families through a Family Account that would allow parents to draw forward a limited proportion of their future Family Tax Benefit to assist one parent to stay at home with a child in its early years.

And I personally would like to see greater availability of work based child care. This will require leadership both from employers and also from government.

Conclusion

Six years ago I was the first politician to appear at the Industrial Relations Commission to argue for Carers' Leave entitlements. The amendment I had successfully moved in the Senate had begun the process of the test-case which culminated in leave for workers to care for sick family members. It also included leave for family days when there is a need for a parent to be at school attending an important function.

It was recently described as "a very innovative measure for its time". I thought it was too, at the time, and I still think it's one of the most meaningful things I've been able to achieve in politics, even if no-one knows its origins. Its importance lay in the fact that it legitimised this aspect of work and family; it was no longer necessary for parents to fib about their illness in order to stay home to look after a sick child. Let me tell you how it came to be.

My daughter was seven months old when I returned unexpectedly to the workforce, initially full time. The daily ritual of packing the car and screaming down the highway to child care, and then to work was extremely stressful. And I only had one child! Other women told me of their need to drive to the opposite end of the city from where they worked just to access available child care with all the attendant pressure of being late for collection and the pressurised return drive in the afternoon.

But the really great pressure was felt when a child was sick: would the child have to be left at child care and run the risk of infecting others or would the parent have to take an "illegitimate" day off.

I resolved to do what I could to make a significant improvement to the stresses of balancing work and family when I was elected. I did, but it still took me four years. It has worked because it is a structural change. It showed a way for employers and employees to cooperate to find agreement together, not just relying on this to materialise out of thin air.

A compromise was the outcome: the leave was unpaid and taken from existing entitlements. But, it was legitimised and workers everywhere now access it.

Six years later I feel the same frustration that progress is lagging far behind community needs. Some very good things are happening and some of these were showcased in the DEWR's Family Friendly Awards announced today. We commend them on their best practice, but our research tells us that these are not widely representative and that generally more gains have been made at the managerial level rather than further down the line where workers have less bargaining power. That's why it is not acceptable for Peter Reith to continue to argue that all will be solved in the hands of employers and employees. That only happens in a perfect market.

Tonight I want to lay down the challenge for employers and the government to make more urgent and meaningful progress on this

matter and thereby appreciably improve the quality of work/life balance for the majority not just the few Australian families.



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1. Fay Hallstead, Brian Hallstead,
Tony Patinson

2. Gerard Cudmore

3. Susan Mitchell, Tony Richards

4. Lesley Frost, Martin Frost, Lee Frost,
Gavin Frost

5. Penelope Nelson, Alice Beauchamp

6. James Darvall

7. Chantelle Kirkman

8. Matthew Hogg, Caroline Portbury

9. Toni Zevenhoven, Joe Rao

10. Ray Wagner + guest

11. David Gilmore

12. Stephen Cathcart, Rodney Henderson

Photographer: David Karonidis



Neal Blewett



Anne Henderson



Helen Irving



Paul Kelly

Photo – David Karonidis

To celebrate the centenary of Australia's federation, Lansdowne Press published *Australian Prime Ministers* edited by Michelle Grattan. All of Australia's prime ministers are profiled in the collection, including ones who held the post for just days or weeks. In a unique seminar discussion, Gerard Henderson (author of the profile of John Gorton) led four of the other contributors in a conversation about Australia's prime ministers, and in particular the ones they wrote about. On Wednesday 22 November 2000, Neal Blewett, Anne Henderson, Helen Irving and Paul Kelly gave their perspectives on Bob Hawke, Joe Lyons, George Reid and Malcolm Fraser and various others who have held Australia's most important portfolio.

AUSTRALIAN

PRIME MINISTERS - A DISCUSSION

**Neal Blewett, Anne Henderson, Helen Irving
& Paul Kelly with Gerard Henderson**

Gerard Henderson: Firstly, I should make a comment about why all of us are here this evening. Or some of us, at least. In almost three decades of dealing with the persistent – some might use the term obsessive – Michelle Grattan, I have always found it useful to disregard Nancy Reagan’s famous advice. And, instead, to just say yes. So, when Michelle Grattan phoned one day and requested that I write for her edited collection *Australian Prime Ministers*, I just said yes. So, apparently, did Neal Blewett, Anne Henderson, Helen Irving and Paul Kelly. Likewise, when Michelle Grattan phoned last night to advise that she could not make it to this evening’s function – due to the fact that she had to trail Peter Costello around Goondiwindi today – I just said, well, yes. She indicated that the *Australian Prime Ministers* occasion had a strong panel and could get by without her. Yes, again. Well, we will have to – won’t we? I’m sorry that Michelle Grattan cannot be here this evening. She has made an important personal contribution to *Australian Prime Ministers* – as editor, in her introduction and as the author of the chapter on Australia’s incumbent prime minister John Howard.

Had the editor of *Australian Prime Ministers* been here, I would have asked her a question – in my own particular persistent and obsessive way. Concerning word lengths. Neal Blewett and Paul Kelly were given 8000 words each to write about Bob Hawke and Malcolm Fraser respectively. Fair enough – between them these two prime ministers held Australia’s top political job for around 15 years. But the allocation for Gough Whitlam was 10,000 words. Why? Especially when coverage on John Gorton (who was prime minister for longer than Gough Whitlam) was set at 4000 words. And that for Joseph Lyons (whose government had a political life more than twice that of the Whitlam government) was 5000 words. Helen Irving, no doubt, has her own complaint. George Reid was one of Australia’s more interesting PMs – but he received an allocation of just 2000 words. In

any event, Michelle Grattan sends her apologies. For missing tonight – if not for the (controversial) word-length allocations.

All members of the panel would almost certainly hold the view that Australians do not know enough about our history. Michelle Grattan's *Australian Prime Ministers* – which was supported by the National Council for the Centenary of Federation – makes a significant contribution to redress this (historical) deficit. As, in its own way, will tonight's discussion.

Neal Blewett, you were a key player in the Hawke Government as a senior cabinet minister. But, somehow or other you are not in the chapter on Bob Hawke in this book. Please explain?

Neal Blewett: Thank you Gerard. Maybe I'll answer first the question you would have asked Michelle if she were here. I had an argument with Michelle about the length of various chapters based on similar concerns to yours. In fact I had a small victory as the Hawke chapter was increased to 9,000 while Gough lost about 1,000 words.

Since returning to writing it's a pleasure to read one's own work especially to an audience as distinguished as this, so I want to begin tonight by just reading the final assessment I made of Hawke and then seek to justify it and explain certain aspects of it.

Extract from *Australian Prime Ministers*:

Hawke is unlikely ever to achieve the iconic stature of Gough Whitlam, who triumphed over great difficulties to transform the Labor Party and make it electable, and who, even amongst the ruins of his government, remained a giant, and a martyred giant to boot. More controversially, perhaps, his contribution to policymaking may be seen as of less substance than that of his treasurer and successor, Paul Keating. But judged simply as a prime minister, he is likely to surpass them both. His was one of the great watershed administrations of Australian history, one that changed the ways Australians would see their world. His government towers above the administrations of the last generation, which can be best defined in the shadow of his. Whitlam's government was a cautionary if inspiring prologue; Fraser's was a hesitant and disappointing conservative interregnum; Keating's a turbulent if creative epilogue.

Moreover, despite much revisionist writing, it was Hawke's government. Its survival, though abetted by conservative instability, owed more to his electoral skills than to any other figure. A great party manager assisted by astute lieutenants, he brought a historically fractious party through a period of profound change without any serious split. He was served by able ministers and he gave them an easy rein, but there were never any questions of who ran the government. His political weight and skills gave him a mastery over his ministers, unchallenged until the final months. His imprimatur was necessary for every major act of government.

And I went on to conclude that he was Australia's greatest prime minister since Menzies.

First of all, this conclusion surprised me. Any of you who read my diary would note many disparaging remarks about Hawke, who at the time of the diary was by then a former prime minister. The difference in my view is partly a matter of context but mostly due to the fact that a historian, unlike a diarist, needs to overcome his personal prejudices.

Secondly, I'm sure that the assessment would surprise the ex-prime minister himself and this favourable view is unlikely to be widely shared at this time among the Australian public. I think there are three reasons for that. The particular circumstances of Hawke's fall damaged his reputation. His post-prime ministerial activities and the break up of his marriage have also lowered his status. But I am convinced his reputation will recover with the passage of time.

Hawke seems to me almost the complete prime minister. First of all there was the longevity, the period in office. It is the second longest term of any Australian prime minister. Although longevity in itself is not sufficient to make a great prime minister, it is difficult to be a great prime minister without a reasonable tenure in the top job. Look at the great nineteenth and twentieth century British prime ministers, Peel, Disraeli, Gladstone, Salisbury, Asquith, Lloyd George, Churchill, Thatcher – all of those served at least seven years in the top job. It is difficult for a prime minister to hold office for a short term and be outstanding – except in wartime circumstances – and Curtin might be the classic exception.

So what other characteristics did Hawke bring to his office? Above all he was instrumental in that longevity – the government survived under him and he survived as prime minister for nearly nine years. He was a superb electioneer. And you've got to remember that his success took place in a time when the world was dominated by conservative political parties – Reagan in the United States, Thatcher in Great Britain, Kohl in Germany, Mitterand shared power with the conservatives in France. He was also a superb party manager. He kept the party together during that period of time.

And, thirdly, it was an orderly government, not marked by extreme clashes and divisions. Certainly at very heart of the government there was the growing conflict between Hawke and Keating but that did not destabilise Hawke's government until the last twelve months. For a charismatic politician, Hawke had good bureaucratic instincts. He insisted on a small cabinet. He insisted on processes within government. He cooperated very closely with the public service. He was a good cabinet chair.

Like most Australian prime ministers Hawke was an activist in foreign affairs, although he was more activist than most. He assiduously cultivated the great and the good – and not so good – around the world. He probably exaggerated the importance of foreign policy, the importance of his role and the importance of Australia's influence. But

one has to say he achieved significant results in foreign policy. He wanted Australia to have a clear view of, and a successful engagement with Asia. He was strong on the GATT (General Agreement on Tariffs and Trade), on the liberalisation of world trade and was an active international proponent of the Uruguay Round. He worked for the Cambodian settlement; he was a key figure in the Commonwealth in helping to end apartheid in South Africa. He protected New Zealand in many ways from US wrath over the nuclear ships issue and finally there was his management of Australia's participation in the Gulf War.

The Hawke Government's reputation will rest, above all, on the massive, if incomplete, transformation of Australian economic life – the floating of the dollar, privatisation, deregulation, dismantling protection and even tentative efforts to reform industrial relations.

It is true that everything ended in tears. That is not unusual for prime ministers. The 1991 recession proved fatal. For the first time ever, a Labor prime minister was toppled by his own party. But that ending should not obscure his achievements.

Gerard Henderson: Anne Henderson, you decided to write about Joe Lyons who died in 1939. Before you did this, you travelled to Tasmania – six decades after his death. What was the point of that particular pilgrimage?

Anne Henderson: Well, having listened to Neal, it's interesting that some of the things said about Bob Hawke as prime minister can be applied to Joe Lyons. I suppose the point that struck me in writing on Joe Lyons is that I didn't come to it from a particular political point of view. And what is interesting about Joe Lyons is that history has forgotten him. If you ask a group of students who he was, they probably wouldn't have any idea he was an Australian prime minister.

Lyons' memory in Australian history has been marred by the fact that he left the Labor Party and joined the conservatives. Having started out as a Labor man, and been an extraordinarily successful Labor premier of Tasmania in the 1920s, he entered Federal politics with Prime Minister Scullin's encouragement. But in 1931 he defected from Labor after Scullin reinstated "Red" Ted Theodore as Treasurer. For this defection, Labor would classify him ever after as a Labor rat. His party record would never be claimed for Labor; he would never again be one of them in the historical records.

And, having joined the conservatives, induced to become the spearhead of a new party called the United Australia Party by a group of wily businessmen in Melbourne, he fell in with the conservative forces of Australia. And conservatives, generally, don't write books. But when they have, as part of the Liberal Party of Robert Menzies, it is Menzies they honour, and not a Labor defector like Joe Lyons. So Joe Lyons misses out there too.

What's more, because he died in office in 1939, Joe Lyons did not live on to record his own history. Instead, his wife Enid Lyons, who later became a successful member of Federal parliament, overshadowed her husband and wrote her own memoirs.

Joe Lyons was a very interesting character and was probably one of the most popular prime ministers this country has ever had. I'm not old enough to remember that, but there may be some people in this room that can remember the Lyons period. He was enormously popular, more so even than Bob Hawke. It was this popularity, across party divisions, that eventually made him prime minister. He was a sort of non-politician prime minister – the people's man. He was able to win three successive terms for a single party, something that had never happened in Australian politics before. And while there were tears at his going, they were tears for a loved man who had died. Rather than trying to hang on to his job, Lyons was actually trying to get out of politics when, like John Curtin a few years later, the job killed him.

Lyons was one of those rare birds who could see that it was time to move on. He had formed a government, as his biographer in the *Australian Dictionary of Biography*, Philip Hart, once described it, which was a government for an emergency which had outlived the emergency.

Because of the way Lyons has missed in history, I went to Tasmania to try to find some of the threads. Except for Kate White's biography of Joe and Enid Lyons, the only other full scale biography is Philip Hart's unpublished Ph D thesis on Joe Lyons. Otherwise there's not a lot on the record. There were a tribe of Lyons offspring and a number of the younger ones spoke to me – Peter, Brendan and Barry Lyons and Mary Pridmore, Lyons' granddaughter.

The reason I did that is because Joe Lyons is one of the few prime ministers where you can't really look at him without knowing his personal life, as opposed to his public life, which is something rather modern. In so many books about politicians, you begin to wonder if the only life they led is political and public except for the occasional nod at the family.

But with Joe Lyons, having married Enid when she was just 17 (and begun courting her when she was 15, a student teacher and he was Minister for Education), that relationship was very strong in his life. In moments of crisis, such as when he left the Labor Party, or when there were great problems deciding whether to join the conservatives or moving to form the United Australia Party, he would go home – all that way to Devonport in Tasmania – to see Enid. At one stage, in a letter, he wrote that he wished he could go home and lie his head in her lap. They were a really affectionate couple, although the last year in office strained the relationship as Lyons procrastinated about his successor.

But this closeness to Enid also led to one of the big myths of the history of Joe Lyons prime minister. That Enid Lyons ran Joe Lyons. But Enid didn't control Joe. She was an incredible partner, she was politically active. As the mother of five she stood as a Labor candidate for the State seat of Denison because Joe wanted to drain female votes from an independent woman candidate. Enid was a perceptive woman, a bright woman, she would have been at university with a career of her own in another generation. But Joe Lyons was also a very liberal minded person. He wanted equal pay for women teachers in his first years in parliament. Likewise he encouraged his wife to be part of the political process – he coached her in public speaking, encouraged her to join the party and so on. Joe was Enid's mentor.

The more you look into Joe Lyons, the more he becomes a fascinating figure. He was a very politically astute person. He was an incredibly able premier and, in some ways, he was one of the most Australian of prime ministers. He did not, as John Curtin did, absorb his ideas from the political philosophy of British socialists like Tom Mann. He didn't get his ideas from elsewhere. He was absolutely a pragmatist. This is one reason why people regard him as not having any great vision. There's a lot of truth in that. What he wanted was to get things right, fix the economic problems in the wake of the Depression and make things better in the life of the working person and Australians generally.

In many respects, as prime minister, Lyons governed as if he were a premier. But he found Federal politics much more difficult. As Neal said of Bob Hawke, so Lyons wanted government to be a good, healthy and well managed process. But there were frictions and rivalries in those years in the UAP. To many of the conservatives, Joe Lyons was a rookie and they thought they could do a better job. Joe just happened to be good value at elections. The rivalry wore him down and probably contributed greatly to his death.

By 1939, the Lyons Government had certainly had its day. Lyons didn't seem to know where he was going in the end. War was imminent. He was good at finance and fixing up the economy, but he was a pacifist – he didn't have any interest in what was coming. Ironically, Lyons even discussed with various members of his party, who might take over from him. And there were all sorts of weird and wonderful schemes afoot for that.

Menzies had resigned from the cabinet a few months before Lyons died. Some thought Lyons should step aside and let Menzies take over, but members of Lyons' cabinet didn't trust Menzies. Many thought they would lose their ministerial positions with a new leader. Some wanted Stanley Melbourne Bruce to be brought back from London to take over. Lyons even talked to Bruce himself about coming back.

The fact was that Lyons had been so able, the conservatives could not think of anyone who could fill his shoes.

Gerard Henderson: This year in *The Australian*, and again in your recently published collected essays, Paul Kelly, you argued that Australia had seldom been so poorly served by the combined contribution of the prime minister and the opposition leader at any one time. As you know, this was a criticism of both John Howard and Kim Beazley. But what about the combined contribution of Malcolm Fraser and Gough Whitlam in 1976 and 1977?

Paul Kelly: There are many people in this room who, like me, recall first hand the experience of Malcolm Fraser as prime minister. No doubt you remember, fondly, his manic anti-Americanism, his passionate support for the republic, his political agitation over rising inequality in Australia and his championing of Aboriginal reconciliation. A few weeks ago Gough Whitlam said he hardly disagreed with anything that Malcolm Fraser had said over the past ten years. That is surely a remarkable statement for anybody who experienced the depth of the 1970s Whitlam-Fraser struggle and the sense that fundamental issues of principle and national direction were at stake. What was it all about? This is the same Malcolm Fraser who figured in Labor's post-dismissal and famous 1975 election slogan "Shame, Fraser, Shame". What does Fraser have to be ashamed about today? This is also the same Malcolm Fraser who, in Whitlam's 1975 language, committed the greatest violation of our Constitution by blocking his supply in October that year.

This contemporary reconciliation between Whitlam and Fraser is a political phenomenon. It tells us more about our politics now than it does about these two former antagonists. There are two Malcolm Frasers – during and after politics. I think that Fraser has changed and mellowed somewhat but our own political debate has changed far more. Fraser, once seen as an authoritarian tough-minded right wing PM, now seems in economic and social policy closer to his old enemies on the left.

The Fraser Government was dominated initially by the quest to restore order. This is why Fraser won such a sweeping victory in 1975. Fraser and the Australian people were united in 1975 in their concern about the tribulations and disorder created by the excesses of the Whitlam Government. Fraser's bedrock pledge and message was restoration – to restore morality, ministerial standards, proper relationships between government, public service and people. Above all, Fraser promised to restore order and prosperity to the Australian economy which had suffered its worst upheaval for a generation. Under Whitlam, unemployment had risen from two to nearly five per cent; inflation had gone from four per cent to 13 per cent, at one stage touching about 18 per cent; the tax burden had lifted; and Federal spending as a portion of GDP had lifted from 24 to 30 per cent courtesy

of the Whitlam program. So Fraser's restoration was a conservative instinct. But this is far from being the full story of his government.

In temperament Fraser was impatient, demanding, intimidating, restless and interventionist. His government was utterly different to the measured pace and relaxed style of the Menzian prime ministership. Fraser believed in strong government and when he wasn't indulging in such activity he was contemplating it. His policy record is that of a modest reformer and the policies which best illustrate this belated reputation are immigration, multiculturalism and Aboriginal land rights.

Fraser restored and expanded the immigration intake which had been so severely slashed under Whitlam. He championed multiculturalism and, as prime minister, deserves the principal credit for entrenching the idea of multiculturalism in the organs of government and in the community. Fraser moderated and rewrote Whitlam's Northern Territory land rights bill but, to the surprise of many, he supported this principle. It was a complete reversal of the Coalition Government's pre-1972 hostility to land rights. It is under that legislation today that 40 per cent of the Northern Territory is controlled by Aboriginals and Aboriginal Land Councils.

Fraser's agenda of social reform, I think, looms larger in retrospect than it did when he was prime minister. It is central to the way Fraser is now seen and integral to this process is the contrast between the Fraser and Howard governments. Let me speculate on this point. If, for instance, we had Vietnamese boat people arriving here today and a Vietnamese refugee crisis similar to that of the 1970s and early 1980s, would the Howard government respond with the efficiency and generosity of the Fraser Government? It may be that the more conservative and tougher line taken by the Howard Government on immigration and Aboriginal issues has become the catalyst for a re-interpretation of the Fraser period.

It was, however, economic policy that dominated the Fraser period and this is where Fraser's performance was disappointing. Fraser misjudged his ability to restore economic growth. His 1975 manifesto underestimated the extent to which global economic conditions had changed fundamentally. The stagflation of the 1970s meant there would be no easy return to the postwar prosperity and Fraser succumbed, finally, to another recession. When he lost office unemployment was higher than under Whitlam and inflation was about 10 per cent again.

In policy terms there were two other failures of the Fraser era. First, Fraser did not deliver on his lower taxation mantra despite his sustained rhetoric and many policy twists. Second, Fraser was not sufficiently radical in economic policy and was too reluctant to put the economy on a firmer de-regulatory path. Fraser was an economic traditionalist. He was a protectionist with a deep suspicion of banks and,

as a farmer, he had an affinity with the National Party. Fraser was the last prime minister before the age of globalisation. Fraser's resistance to deregulation set the stage for the Hawke-Keating performance. Bob Hawke was the beneficiary of the early 1980s recession. Hawke was able to depict himself as the man of the future who embraced economic reform and pro-market policies when Fraser had been too timid. It was an interpretation also shared by John Howard.

Malcolm Fraser was a man of his time. His prime ministership, overall, was closer to that of Menzies than Howard. Fraser was a believer in development – farm, mine, factory. He backed a bigger stronger Australia – more people and a strong anti-Communist line. He expected sacrifice in the cause of nation and knew the real enemies were socialism and appeasement. He had trouble relating on an emotional basis to the Australian people. He was a young prime minister aged 44 to 52 years during his term in office. Fraser mellowed in later life and people began to understand better this benevolent paternalist.

Gerard Henderson: Helen Irving, in your chapter you write that George Reid, rather than Alfred Deakin, was the progenitor of the modern Liberal Party. Has anyone told the Liberals? And, if so, why doesn't George Reid have his photo on the Liberal Party parliamentary room in Parliament House Canberra?

Helen Irving: Well, I've told the Liberals now, but whether they're doing anything about it, I'm not sure. That's to say I've written about George Reid in that way.

I've always thought it was inappropriate for anyone to claim Deakin as the progenitor or the founder of the Liberal tradition. Deakin is so unique, so pure and so distinctive in style and contribution. In terms of his policy and in terms of his approach to leadership, he is not like any of the other Liberal leaders.

Certainly, personality wise, Reid was probably in a funny way more like Bob Hawke than any of our other national leaders. In the sense that Reid was superb at electioneering, he had that sort of buoyancy and optimism that Hawke had. He was also a womaniser and something of a drinker, and it was noticeable that he gave up neither of those when he became prime minister. And he was a bit older than Hawke at the time.

George Reid was also greatly popular, not as prime minister, but as premier of New South Wales in the 1890s. One of my initial dilemmas was reflected in the size of the chapter, which only gave me 2000 words. This is probably a reflection of the fact that George Reid is probably the least well known of all of the prime ministers – perhaps with the exception of deputies that stood in when there was a vacancy due to death in office. The chapter on Reid would probably be one of the last that we would turn to because he is an unknown. He was only

in office for ten months. And, in that sense, he does not qualify as a great leader, even if he had been great as a prime minister.

But the paradox was that Reid was a very effective premier of New South Wales for five years, from 1894 to 1899, during a period when it was a really crucial, critical role. He was effective, very popular and he made a huge impact on New South Wales politics in all sorts of ways. This contrasts with his rather unsuccessful prime ministership. The other irony, of course, was that Reid was the first leader of the opposition. He felt that it was a comedown, it wasn't what he wanted. He had hoped to be the first prime minister.

At one stage he had had that hope held out to him. As New South Wales Premier, he might have been appointed or commissioned by the Governor-General for the first transitional ministry, set up at the end of 1900, to oversee the process of the first elections of the new parliament in March 1901. But he lost the premiership in 1899. He felt let down as the Leader of the Opposition but it proved to be a significant role in those early years of the Commonwealth, when Commonwealth power and Commonwealth policy was being developed and exercised for the first time.

Something I haven't really commented on in the chapter is that Reid was not terribly relevant once he became prime minister. Some say he was hampered by the fact that he kept his law practice going in Sydney, while parliament was sitting in Melbourne. He had almost never attended parliament as Leader of the Opposition. He was there on half a dozen days in a two year period. That seemed to be tolerated in ways that wouldn't be now. He certainly changed that practice when he became prime minister. Then he was in parliament regularly.

Reid was an extraordinarily popular, jovial, effective premier who was also responsible for bringing New South Wales into the Commonwealth. In doing that, he effectively assured Federation at the time that it occurred. It probably would have come later but New South Wales would have had to agree. New South Wales had been holding off. The referendum on Federation had failed in 1898 and it was Reid who engineered the negotiations with other premiers and brought New South Wales into the Federation which ensured that Federation took place.

But Reid did not effectively make the transition to the Commonwealth scene. He had a very brief period of ten months as Prime Minister. He did not become Prime Minister due to an election, but because the government fell on the floor of the House. Reid was able to form a coalition between Protectionists and Free Traders. The coalition was uneasy, unstable and in the end easily defeated. It was also hampered by Deakin on the sideline, even though he was a Protectionist. Deakin stayed away from that coalition and always had harboured a tremendous loathing for Reid.

But it did become increasingly obvious that there would have to be an alliance between the two rival parties, or a fusion between them. Their differences were no longer relevant to the Commonwealth scene. I have tried to emphasise, in the chapter on George Reid, all of that, and especially how significant Deakin's mistrust, indeed loathing, for Reid was in those early years – hampering and setting back the sorts of discussions that might have taken place between the protectionists and free traders. Discussions that might have led to the formation or the fusion of the first Liberal Party earlier than occurred. The hatred and distrust shown by Deakin for Reid was not mutual.

The other point about Reid is that he emphasises how difficult it is to make the transition from State politics to Federal, especially in 1901. The sorts of skills, charm and style appropriate to State politics, didn't necessarily work once you got to the Commonwealth level.

Once he had left politics, Reid was offered the position of the first High Commissioner to London by Deakin and he proved a very effective High Commissioner. He was back in a very similar role as premier, using the same sort of skills – fixing things up, organising things, arranging meetings, events, and so on. Later, as a member of the House of Commons, he was very happy. He was very much an Anglophile, very much pro the Colonial Office view of 1890s, rather unlike the other premiers. So his was a very happy ending, for a rather sort of uncomplicated, happy person, who operated very effectively on a small scale, but not so well on a larger national scale. He's not well remembered because he proved to be rather ineffective as a prime minister.

Gerard Henderson: I'd just like to point out that David Day spoke here recently on John Curtin and Allan Martin recently on Robert Menzies and of course they're both in Michelle Grattan's book.

What I was interested in, in doing my chapter on John Gorton, was not so much what is said, but what is not said. And I refer to the fact that recently there was an occasion at Parliament House where John Howard, as the current Liberal leader and Prime Minister, spoke glowingly about John Gorton. And John Gorton spoke glowingly about the man he called "Sir" John Howard. What was interesting was what was not said. No one there, particularly John Howard, mentioned that John Gorton had split from the party, had run against the party, and, as an independent Senate candidate, had urged people to vote for Gough Whitlam over Malcolm Fraser. No one mentioned that.

In relation to the current book, two comments were made in *The Australian* this year by Paul Kelly and Anne Henderson. They both said, in different ways, that from reading David Day's book on John Curtin (which is an objective book and which covers Curtin's career in an honest way) this man who became an Australian prime minister wasn't up to the job. When David Day spoke at The Sydney Institute earlier this year he said that John Curtin was a great hero of our time.

So, I'd like to ask Anne Henderson and Paul Kelly what they meant by their criticisms.

I want to ask Neal Blewett about his perceptive comments on Bob Hawke. If he praises Bob Hawke because of his efficiency – then what of the view that he held as a university academic in the 1970s concerning the Whitlam government: that there was something noble, or perhaps even visionary, about the Whitlam government – believing that Bob Hawke was a great man generally, what do you now say, Neal Blewett, about Gough Whitlam?

I'd like to ask Helen Irving, in her perceptive comments on George Reid, about why no one says much about him. Because, in a sense, if you look at Deakin objectively he set Australia on the wrong track in terms of protectionism, industrial relations and White Australia. Why do you think that Deakin has had a good run in history books and Reid had such a poor run or has essentially been ignored?

Paul Kelly: Curtin did the job. Curtin was the only politician at the time who could give Australia effective leadership during World War II, during a remarkably difficult period. He understood keenly the mistake that had been made in World War I: that Labor had to stay united. He wanted to ensure that the party did not disintegrate under the war pressure as Labor had disintegrated in World War I. In that sense his skills at managing the party were of a very high order.

It is important to bear in mind the tribulations Curtin faced, and the back stabbing he encountered from caucus – which, of course, is always a part of life for a Labor leader. It was apparent at the time, that the problem was not just in the caucus, but also within the industrial movement.

The other point I would like to make about Curtin is that he was doing two things at the one time. He was the war manager and he was planning the peace. He was temperamentally ill-equipped to be a war time leader. The Labor Party is very proud of Curtin's emphasis on defence policy in the 1930s but I think a hard look indicates that Curtin really had very little understanding of the strategic requirements of the time. Maybe that's a strength because he delegated that to the military, particularly to General Macarthur who was of course appointed the foreign General, Commander-in-Chief of the Australian Armed Forces.

Curtin's appeal to the United States – which is now seen as a legendary event inside the Labor Party and started the American alliance – was, of course, nothing of the sort. Curtin's famous article in the Melbourne *Herald* was a reflection of the fact that Labor and Australia desperately needed new allies and this prime minister wanted to rally the Australian people. But in no way did he inaugurate the Australian/American alliance which was not a function of World War II but the Cold War.

Anne Henderson: I guess I came at my conclusions about John Curtin with a more personal reaction. David Day's biography of John Curtin is a fantastic book but I don't come to quite the same conclusions as David. Writers make people heroes. This is something to bear in mind. What amazed me was John Curtin's ability to be made a hero in spite of very real flaws as a person, and as a leader. You couldn't have a prime minister like John Curtin today. It just wouldn't work. Bill Clinton and John Kennedy have come close to it but their flaws are part of their record.

Curtin apparently got over his drinking problem, but he also had a terrible problem with depression – in the middle of a crisis he would just walk out. To some extent his drinking binges were also a way of escaping his professional responsibilities. In the middle of a huge crisis, at the time of the Pacific War, he disappeared for hours up Mt Ainsley. His office literally had no idea where he was. No one did.

And there are myths about John Curtin. Such as about how nationalistic he was, how non-Anglophile and so forth in the good old Labor tradition. On one occasion, from the United States, Curtin made an incredibly long journey by sea plane across the Atlantic to go to London. He was terrified of flying and for a lot of the journey stood up because he was so frightened of crashing – I couldn't work out how that was going to help. But in London the meetings he really was most anxious not to miss were those with members of the Royal Family. Reading all of this, I got the distinct impression that he was no less of a monarchist than either Joe Lyons or Robert Menzies.

David Day, thankfully, by being so honest and putting in so much detail, has revealed that Curtin was a very flawed character. What saved his reputation was the war, and the fact that the media in his day were not as likely to publish negative personal details anything like the way they can and do today. He did unite the Labor Party after a decade of division, and he was successful in attracting much of the Labor vote back after the successes of his old colleague Joe Lyons among his conservative new friends.

Joe Lyons was a Catholic who had brought so many Catholics over to the conservative side of politics, in terms of voting, that he really broke the stranglehold Labor had on the Catholic vote. Labor had kept the Catholic vote until Joe Lyons. And I would say that Curtin was successful in bringing this support back to the Labor Party. But I don't know what he would have been like without the war. There are a lot of myths about John Curtin as hero. David Day might not like me saying this but, thanks to David Day, I found out about them.

Neal Blewett: Well, my question was about my views of Gough Whitlam alongside Bob Hawke. I think Whitlam was an intellectually inspirational leader in a way that Bob Hawke never was. One of the

things I have noted about Whitlam was his iconic status and much of his legacy to the Labor Party stems very much from that.

I think that the great tragedy of Whitlam's career, as prime minister, was that the social democratic prospectus which he developed in the 1960s, and his so-called radical legislation which flowed from it, was little more than doing the sorts of things that European social democratic parties had been doing in the 1950s and 1960s. Yet, by the time Gough became prime minister, its time was running out. The great pity was that Whitlam did not become prime minister in 1969 when this social democratic prospectus still had a few years of life in it.

But by 1972, with the changes in the world economy – the inflation from oil prices and the breakdown of the great boom that had characterised the Western world in the 1950s and 1960s – the time for a social democratic program of that nature was running out. I think that is the source of much of the failure of his government.

In addition, there is no doubt that at the heart of his government he was let down in his personal management by those who were key figures. One of the interesting things from Clem Lloyd's chapter on Whitlam is that the junior ministers did a pretty good job in the Whitlam governments. But the breakdown came with divisions and controversies at the top, with senior ministers – Rex Connor, Clyde Cameron, Jim Cairns – these figures contributed greatly to the decline of the government.

A third point, and again I make this in my chapter, is that the Hawke government was enormously influenced by the Whitlam government as an example of how not to do it. The reason, for instance, that Hawke pushed so strongly for a small cabinet was that Whitlam had included all 28 ministers in the cabinet. Hawke pushed and got through a small cabinet with the majority of ministers outside the cabinet partly because of the alleged difficulties that the large cabinet had caused Whitlam.

The enormous emphasis on process in the Hawke government was partly a reaction to problems in the Whitlam government. Hawke's first Deputy Prime Minister, Lionel Bowen, was always there reminding cabinet, from his experience in the Whitlam days, how not to do it.

Whitlam's government was in many ways a disappointing but inspirational government. It came too late in the social democratic cycle, there were problems of interpersonal relations at the very top of the government and, thirdly, it was flawed in many of its processes.

Helen Irving: George Reid's contribution was certainly obvious in the Constitution. It would not have been written as it was if he had not been around, and there are a number of other Federal leaders about whom one certainly could not say that. His mark on the Commonwealth, and on the Constitution of the Commonwealth, is very clear, and very

strong. His presence was very necessary. Deakin, in Victorian politics, was not terribly successful either as a colonial politician before going into Commonwealth politics, and not terribly memorable, except that he is remembered. That is a bit of a paradox as well.

As a prime minister, Deakin had the advantage of being prime minister three times. And he was also the first attorney-general at a very crucial time in the first couple of years of the Commonwealth. So, I'm not suggesting that his role was insignificant by any means. As you said, Gerard, his role was very instrumental in view of the tide of protectionism and the control of wages together. So, very quickly, he was effective, he was important. But he is still a bit of a mystery.

One of the reasons Deakin is remembered, and Reid and others are not, is that he wrote the history, he left an account of things. There is *The Federal Story* and, as Attorney-General and Prime Minister, he wrote, anonymously, a regular column in the *Morning Post* in London. It was signed "Our Special Correspondent". In it he was commenting on his own government, commenting on himself and his political opponents. This went on for 13 years. There must have been some people who knew, but it was not generally known. It was an extraordinary thing to discover, and it would have been quite scandalous had it come out.

If you write the record, you leave the history. But politicians very rarely do this. It's surprising how rarely politicians actually leave a record of their own time in politics and their impressions of other people. Reid wrote an autobiography. But it is no longer in print and I must say was not a bestseller. So, even writing the history does not necessarily work.

Deakin was an extremely talented person. He was also an extremely complex person, probably one of the most complex men we've ever had in Commonwealth politics, and that is probably saying something. He wrote in such a compelling fashion that what he wrote is remembered. Even though *The Federal Story*, for example, is really rather rambling in some ways, it is so sharp and so entertaining. I would have loved to have quoted a whole section that Deakin wrote on Reid, but it would have taken up all of my 2000 words. I had to summarise it in two lines. But I described it as one of the most scathing and compelling sketches ever drawn of another politician. Deakin spends pages talking about how physically repulsive Reid was, describing his stomach, describing his great hatred for Reid, his womanising, the way he talked. You can feel the physical loathing.

Deakin was very proper. He was a health fanatic, a spiritualist, and he was in touch through a medium with the dead. He took some of his instructions from the other world – he went into politics because he was instructed to do so. He had ambitions as a writer and as a poet. He had a secret life and a spiritual life. He was also quite devious and

manipulative but he was remembered as an extremely honest and decent person. This had to do with the success of his character.

Deakin is fascinating. He wrote the history. He was fascinating in his own right. He was around in politics for three decades, Colonial and Commonwealth. That's probably the reason why we remember him as opposed to George Reid.



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1. *Matthew McIvor, Tonya McIvor*
2. *Bronwyn David*
3. *Robyn Williams, Phillip Knightley, Virginia Ginnane*
4. *Alexandra Reid*
5. *Margaret Szalay, Deborah Griffin*
6. *Caroline Ayling*

7. *Keithley Bishop, Brenda Curtaigne, Gwen Johnson*
8. *Mark Wilson*
9. *Sandy Johnson, Vivien Dunne*
10. *Greg Waters, Bruce Meagher*
11. *Eva Kellerman, Eva Stack, Kayla Szumer*

12. *Tuc Le*
Photographer: David Karonidis



Photo – David Karonidis

Gillian Appleton

Gillian Appleton was married to Jim McClelland from 1978 until his death in 1999. As a writer and researcher she has worked in various capacities for most major agencies in film, broadcasting and cultural policy. She is a Trustee of Sydney's Royal Botanic Gardens, and chairs the NSW State Arts Advisory Council. Her memoir of Jim, *Diamond Cuts*, was published by Pan Macmillan in 2000. Gillian Appleton addressed The Sydney Institute on Tuesday 28 November 2000.

JIM McCLELLAND:

WHAT MADE HIM TICK?

Gillian Appleton

I knew Jim McClelland only for the last twenty years of his life. Since we were born 27 years apart and into very different backgrounds, I did not experience some of the important events that shaped him. I base my insights into what motivated him on my observations over that 20 year period, on what he himself wrote, and on what people who knew him before I did have told me. As I am neither an academic nor an historian, my account derives purely from personal experience. Where necessary I referred to Jim's own memoir, *Stirring the Possum* (Viking, 1988).

In order to tease out the major influences in his life, I will briefly outline the course of that life.

Jim was born in 1915, six weeks after Gallipoli and died in January 1999. He was a man of the 20th century not merely in the chronological sense, but because of his close engagement with some of the great movements and events of that century. Born into a lower middle class family – his father was a tradesman painter with the Victorian Railways – he spent his childhood partly in a large provincial town, Ballarat, where he attended the Christian Brothers school St Patricks, and partly in Melbourne.

He was brought up Catholic in a household of Protestant (of Northern Irish descent) father and Catholic (Republic) mother. In those days of rampant sectarianism, his parents were obliged to marry “behind the altar” and the local priest was a regular, importunate caller. After a devout childhood ravaged by unwarranted guilt and fear of eternal damnation, he renounced his faith at the age of 17 and persuaded the rest of his family, mother included, to do the same.

He had great natural intelligence; thanks to public libraries, he was a voracious and discriminating reader and remained so all his life. He passed the equivalent of the HSC at the age of 14 and won a fee-free period at the selective Catholic school, St Kevins in Melbourne, where he shared a desk with a young fellow called Bartholomeo Antonio Santamaria. These two gifted young men thus grew up on the

eve of the Depression and came on to the labour market at a time of massive unemployment.

Needing, as he freely admitted, another religion to replace the one he had rejected, Jim became a Marxist of the Trotskyist persuasion. He fought in the Second World War; though as he was fond of saying, he “never fired a shot in anger”. During this time he was, he suspected, the only Australian serviceman to carry in his knapsack, and read from end to end, the three volumes of *Kapital* – twice! Possibly the most lasting legacies from his war service were a memory of the extreme tedium which characterised most of the experience, a lifelong distaste for rice, which he was forced to live on for a year in the Northern Territory and, most important, a great regard for the Tiwi people of Bathurst Island where he was posted for ten months – a regard which was reflected in his attitude to Australia’s indigenous people for the rest of his life.

After the war his life took a more conventional – and strikingly different – turn. He had been entranced by Sydney when he passed through on a troop train, and had resolved to move there if he returned from the war. Armed with an arts degree from Melbourne, he proceeded to study law at Sydney University on a serviceman’s scholarship. During this period he lost the remaining vestiges of his Trotskyism, and like many another disillusioned Marxist, joined the ALP.

With great determination and a degree of ruthlessness, he built up a large and lucrative industrial law practice. Most major unions retained McClellands and Jim briefed people like John (later Sir John) Kerr and Neville Wran – not, as I understand, Lionel Murphy, though he and Jim later became close friends.

Twenty years later, tired of the law and restless for new experiences, he moved into politics, entering the Senate the year before the election of the Whitlam Government, in which he briefly, though with some distinction, served as a Minister. He left politics after seven years to become a judge of the NSW Industrial Commission, a job which did not capture his interest for long, and which he departed to establish the new – and then considered innovative – Land and Environment Court, as Chief Judge.

The culmination of his formal career came with his appointment to head the Royal Commission into British Nuclear Tests in Australia (1984-85), familiarly known as the Maralinga Royal Commission, a process which history will no doubt see as marking a major turning point in British-Australian relations.

Finally, at the age of 71, Jim began writing a regular column for the *Sydney Morning Herald*. Thus he became what he had always wanted to be: a writer.

The Catholic schooling which Jim experienced, within the largely crude and primitive kind of doctrinal education which then prevailed,

at least among the Brothers, gave him a lifelong abhorrence of organised religion of the fundamentalist variety. “The traumas of my Catholic childhood,” he wrote, “left scars on my psyche which lasted for a long time after my recovery... [T]here were several years during which I felt extravagant hatred of religion and a loathing for all things Catholic.” He remained interested in religious issues all his life, however, and liked to keep up with the more enlightened strain of Catholic thinking which came to the fore in the second half of the century. When I was preparing my memoir of Jim, *Diamond Cuts*, I was surprised to find how many of his columns had dealt with aspects of religion. In ideological terms he could not have been further from his old schoolmate B.A. Santamaria. Nevertheless, he often read Santamaria’s columns and sometimes elegantly dissected the ideas expressed therein in his own column.

Jim stated, in *Stirring the Possum*, that when asked if “it was Depression which radicalised me and inoculated me against any desire to join the big battalions”, he could not recall drawing any lessons from the misery that he observed during this period. However, he conceded that the effects may have been subliminal and he was “probably softened up by those haggard people in the street to be receptive to the tortuous dialectics of Marx, Plekhanov, Lenin and Trotsky, which ultimately convinced me that only a proletarian revolution could rescue humanity from misery and destruction”.

After living with him for 20 years, I am certain that the Depression had a profound influence on Jim and the choices he made later in life. He described in his memoir how his reading at that time, combined with the chronic unemployment of the 1930s, led him to question whether it was an immutable feature of capitalism that during peacetime there should always be a shortage of jobs for those who wanted to work, and whether war should be the only solution. To the very end of his life he held to the view that there must be a better way, a middle way – though decidedly *not* the Third Way of Tony Blair. (He had no time for the “new face” of British Labour, and even less for Blair himself). He referred to the Depression frequently in conversation and in his column, for example when he memorably described the arrival at his door of a young woman selling bags of sweets, who reminded him of the desperate door to door hawkers of the Depression.

This influence, combined with the simple tenets of Christianity which underpin even the most primitive varieties of the faith, and his later Marxism, ensured that however glittering a career he might have or how much money he might make, he would always be on the side of the less fortunate. He had enormous compassion for the battlers. He would ask me, more or less rhetorically, when contemplating a phone bill or the medical insurance renewal notice, “How do ordinary people

survive?” I resisted pointing out that most ordinary people settled for a lot less than he took for granted as essential to a civilised existence.

In launching *Diamond Cuts*, NSW Premier Bob Carr suggested that Jim had to some extent been seduced from Marxism by the lure of that now dominant ideology, capitalism. It is true that Jim enjoyed the things that financial comfort could bring – such as good cars and smart clothes – but in his lifetime he probably he gave away as much as he earned. He was fond of saying that he had never wanted to be rich, simply “unpoor”. He deplored ostentation and was mystified by some people’s apparent compulsion to make more and more money. “How much does anyone need?” he would say.

When he spoke at a celebration of Jim’s life last year, Donald Horne eloquently identified a defining trait in Jim’s character, when he said that “if he took something up, he would lend himself to it absolutely. And if he ceased believing in it, he could abandon it absolutely”.

It probably sounds odd or exaggerated to say that a great motivating factor in Jim’s life choices was boredom, but I believe this to be so. He freely admitted that he chose to enter politics in the early 1970s only when the prospects of an ALP win looked good, and he chose the Senate because preselection for the lower house would have involved “long years of cultivating so-called kingmakers, remembering the names of every party member you meet, attending innumerable prawn nights and barbecues and enduring the tedium of branch meetings, where the inadequacy of local kerbing and guttering looms as large as questions of war and peace or prosperity and depression”. Even his decision to abandon the Marxism which had played such a formative role in his thinking was to some extent informed by the tedium of endless meetings as he put it, “being earbashed about unreality by Nick Origlass”. He had no time for trivia (unless it was good gossip) and his eyes would quickly glaze over if conversation moved to the more mundane aspects of the diurnal round.

Perhaps restlessness would be a less pejorative word than boredom. Looking back over Jim’s career there is no doubt that he soon moved on from any occupation, or preoccupation, that had lost its interest for him. I experienced this phenomenon several times during our marriage: first when he was chafing on the backbenches of Federal Parliament after Whitlam’s 1975 defeat, bitter that he had been able to exercise his ministerial skills for so short a period, and bored with the tedium of much parliamentary debate; then when he soon tired of routine work negotiating awards in the Industrial Commission, whose responsibilities, he later wrote, should not require recourse to the law at all; and later again, when having established the Land and Environment Court and performed admirably in an entirely new field of law, he jumped at the chance to move on to the Royal Commission.

In *Stirring the Possum*, Jim described himself as “a natural non-conformist”, an observation with which I would entirely agree. “Since shedding my inherited religion,” he wrote, “I have been unable to identify completely with any organisation or discipline...of which I was a member. Only Marxism briefly commanded my total allegiance and that, of course, was another religion.” After he abandoned this second religion, his involvement with Laurie Short in the takeover of the Federated Ironworkers, one of the great anti-Communist battles of the Cold War era, saw him bracketed with leading figures of the right. And when he entered parliament it was assumed that he belonged to the NSW Right.

But Jim could never be so easily labelled. The disfavour in which certain elements of the ALP held him sprang from his disinclination to continue to belong to the “mates” club. He refused to toe the party line when he believed it was misguided or plain wrong and, to their chagrin, used his column to take potshots at some of the party’s luminaries and its tendency to abandon many of what he believed were its core values. When, in the condolence debate in parliament after Jim’s death, Prime Minister John Howard spoke of Jim’s regular attacks on him and his policies, Kim Beazley pointed out that the ALP had been just as often a target of Jim’s salvos.

Another aspect of Jim’s non-conformism derived from his introduction, via his first marriage to the Russian Jewish emigrant Nora Fitzer, into a world which in the 1950s was unknown to most Australians of his Anglo-Celtic background. He acquired a circle of friends – mainly fugitives from eastern Europe – who greatly widened his horizons and influenced his thinking, not least about the effects of Marxism as it had been implemented in their countries. He wrote, with wit but also serious intent in *Stirring the Possum*, that “all the dominant influences on my intellectual formation had been Jewish: Jesus (although Jewish only on his mother’s side), Marx (although he repudiated his faith) Trotsky (although he regarded it as irrelevant) ... In an odd reversal of the old obliquely anti-Semitic remark – ‘Some of my best friends are Jews’ – it could be said of me that at least in the formative years of my life, only a few of my best friends were not Jews”.

After his mammoth read-through of Marx during the war, he felt that “at the end of this experience I had learnt a great deal from Marx which I have valued all my life and which considerably sharpened my analytical powers.” But, he conceded, he failed to find there the unassailable proofs he had been seeking.

His involvement in the Ironworkers battle, as he freely admits in *Stirring the Possum*, arose from his keenness to win the prize of the legal business of that union for his fledgling law practice, and from his desire for revenge against hardline Stalinists who had expelled him from that union a decade earlier, rather than from any vestiges of ideological commitment.

Donald Horne's summation of Jim's changes of heart applies as much to friendships as to ideologies. He never forgave those friends who, like John Kerr and Neville Wran, he felt had let him down and had not lived up to his – sometimes impossibly high – expectations of them.

Conversely, he was intensely loyal to people he respected and admired, the most prominent example being Lionel Murphy. Though he was convinced Murphy had attempted to influence him in the Morgan Ryan matter, he considered Murphy's behaviour, while misguided, less reprehensible than the greed and moral pliability of some other former friends and colleagues.

While I hesitate to ascribe particular characteristics to anyone's ethnic background, Jim certainly evinced the capacity as a "hater" which has often been manifest among people of Irish background, particularly in the Labor Party. John Howard spoke of it in the condolence debate after Jim's death. "Jim McClelland was a great hater," he said. "He was a passionate believer in the things that he supported and was a passionate and vitriolic opponent and critic of any philosophy or person with whom he disagreed." Jim would have been rather proud of this description, especially from the Prime Minister, with whom he disagreed on almost everything except gun control. Unlike the Prime Minister, Jim remained throughout his life receptive to new ideas and dismissive of any tendency to hark back to some mythical better time.

Jim was dauntingly well read, a true intellectual in the sense of someone who has enjoyed and pondered the great works of fiction – from other cultures as well as his own, as well as the ideas of thinkers and theorists from the Greek philosophers to Marx and Freud (whose name he later concluded should be spelt with an "a" rather than an "e"). His preferred companions for social contact were always writers, thinkers, creative people – even journalists. There is no doubt in my mind that his final incarnation as a columnist – or some would say, essayist – was his happiest.

While the tone of his column was often lighthearted, no-one should be deluded into thinking that Jim was superficial or flippant. He cared passionately about the fate of the human race and the planet; but he believed in making serious issues palatable, when possible by presenting them in an engaging way.

Despite his profound scepticism, his conviction of the innate fallibility of the human race, and his experience of the grimmer events of the 20th Century, Jim remained an optimist to the end. For example, he always comforted young people dismayed about their prospects of employment with the advice that it could never be as bad again as it had been during the Depression.

I will end with some of his concluding remarks in *Stirring the Possum*, which encapsulate his view of the human condition better than I could attempt to do.

“We live out our lives,” he wrote, “according to the dictates of our genetic inheritance and the accidents of our social conditioning. We all attempt to fashion what we imagine to be a unique identity. And for all our sameness we are all as distinct as our fingerprints. This is the meaning, not of life, but of our individual lives.

“And society’s most precious assets are its genuises, the creators, inventors, explainers of what life is really like and what it could be...[A]lso valuable are all those who demand more than just self-gratification or, to put it more crudely, those who need a cause as a justification of their existence.

“Today there is new lexicon of abuse for such people (politically correct, bleeding hearts etc) [b]ut I believe they are, together with the geniuses, the ones who are extending the possibilities of life, fraction by fraction, to higher levels.”



Photo – David Karonidis

Ernest Drucker

Dr Ernest Drucker is Professor of Epidemiology and Social Medicine at the Montefiore Medical Centre Albert Einstein College of Medicine, New York. Dr Drucker has worked in a number of areas in drug research, including as an adviser to the Drug Policy Foundation (Washington DC), and is a member of the Australian Drug Foundation Advisory Board. Among his many involvements in publications about the drug problem, he is editor-in-chief of *Addiction Research*. Ernest Drucker addressed The Sydney Institute on Wednesday 29 November 2000.

REINVENTING

INTERNATIONAL DRUG CONTROL

Ernest Drucker

I am very happy to have this opportunity to speak about international drug law reform here at The Sydney Institute because, over the last decade, Australia has so earnestly tried to develop a humane drug policy in the face of significant international pressure to desist. With ever more ferocious and desperate strategies put into play in the war on drugs (e.g. The US Plan Colombia), and so much political resistance to change, Australia's efforts have been an inspiration. However, as you may know, even this country's success is very limited: while the AIDS epidemic has been stopped from overwhelming Australian drug users (fewer than 2 per cent carry HIV), the number of drug related overdose deaths has climbed steeply in recent years – due to the continued criminal involvement of addicts (that destabilizes their lives and diminishes their social prospects) and the uptake of heroin use by new younger users. This is not Australia's fault, but shows that even an island continent far from the rest of the world is not immune to the failure of the international system for controlling dangerous drugs.

The current regime of global drug regulation is based on the 1961 Single Convention on Narcotic Drugs. These international drug conventions and treaties, administered by the UN and its International Narcotics Control Board (INCB) and Drug Control Program (UNDCP), were first framed in the period before WWI. They form the legal basis of our response to the existence of psychoactive drugs in the modern world and are the foundation of worldwide prohibition – the policy of “zero tolerance” of illicit manufacture and distribution of certain drugs. Most of the world's nations are signatories

These agreements have endured and steadily increased their scope and authority over most of the twentieth century. They are periodically updated, but always to expand their jurisdiction to include more drugs and to reaffirm the basic objective of prohibition. But they are still archaic – rooted in an American conception of prohibition first formulated over 100 years ago, in a world where drug use was

constructed as a “moral” issue. The context of international affairs of that time was very different. These were the halcyon years of the colonial world order and its highly competitive commercial empires. The Boxer Rebellion and the Chinese Opium Wars, the political alliances before and after WWI, and the birth pangs of the League of Nations, with its dream (still far from fulfilled) of an international legal and moral order. From the outset, the US has played a dominant role in pushing for what Ethan Nadelmann calls a “regime of global prohibition”. And with its ascendancy after WWII, America has become what historian David R. Bewley-Taylor calls a “hegemonic actor”, exerting all its influence on behalf of prohibition. This assumes that for most other nations the cost of compliance is cheaper than non-compliance, although often at the cost of their sovereignty and national self-interest.

Drug use itself was different in this epoch. Throughout the nineteenth and early twentieth centuries there were large populations of middle and working class citizens using opiates – in the form of morphine, opiate tonics, and candies, as well other medicaments available through pharmacists and physicians. The first set of international agreements (The Shanghai Opium Commission of 1909) and the first set of national laws prohibiting the manufacture and sale of narcotics without prescription – the US Pure Food and Drug Act of 1906 and the Harrison Act of 1916, led to some decline of use by restricting access to over the counter medications containing opiates – creating the first black markets in morphine and heroin. In many countries opium products were then used by a significant portion of the Asian community as a cultural transplant, similar to North Africans’ use of Kaht in the UK today. This type of use was the subject of effective suppression throughout the Western world and among the older population in Chinese communities.

Nonetheless there were soon new users of the more potent drug heroin and, by the 1950s, small populations of perhaps two score nations in the world were using these potent opiates. This increase was not due to the growth of opium smoking, morphine, or prescribed medications – but involved “recreational use” by totally different populations in Europe and North America where different cultural values were involved – e.g. the role of drugs in jazz and the arts. In European and American markets, this new trend of heroin use also included the advent of a significant injecting population – with greater liability for addiction. But none of this prepared us for the development of drugs as the worldwide economic and social force they would become in the last decades of the twentieth century.

The modern growth of global drug markets

As an economic commodity, illicit drugs are particularly appealing. The people of almost any nation can produce them without

elaborate technology and (because of the added value of contraband) sell them at a vast profit without government regulation or taxes. The motivation of consumers seeking the positive effects of the drugs predicts a steady stream of new customers – and their addictive potential assures continued consumer interest over time. These economics alone would determine a burgeoning and loyal customer base and the profit incentives assure the energy to create new markets.

Not surprisingly the illicit drug trade grew dramatically in the second half of the twentieth century. And it is still growing. While 30 years ago there were only about 20 to 30 countries in the world where significant levels of injecting drug use took place, mostly of heroin (with perhaps one million users in North America and Europe) today there are over 140 countries in which injecting drug use occurs among 5-10 million users. And the menu has expanded to include amphetamines, cocaine and whatever else is available on the black markets.

India, the former Soviet Union, Indochina, and China (a group of countries with over half the world's population) are now open to the development of very large heroin markets – with over three million addicts in less than a decade. With modern communication, transportation, and the dropping of borders to globalization, the opportunities to market heroin throughout the world are unparalleled – equaled only by the irrelevance and ineffectiveness of our current regulatory mechanisms .

In the USA, in response to the vigorous repression of the drug traffic from Latin America, (the source of most drugs in the United States), we see continued evidence of huge shipments of drugs entering our country. The seizures get larger every year, literally tonnes of cocaine and heroin, and are discovered in all the main ports of entry – New York and Newark, Los Angeles, and Miami – fresh from the growing and processing regions of South America – Peru, Bolivia, Colombia – and with the recent addition of Mexico as a source country. Yet the street price goes lower all the time and the purity and potency of the products increase – a measure of the size of stockpiles and the ability to easily replace loses. The transformative power of this economy is most evident in Colombia – a country totally in the grip of the narcotics trade (a “narcocracy”) where the cocaine billionaires come and go, are killed or imprisoned, but soon replaced because the business is irresistible.

Soldiering on in the face of these powerful marketplace realities there are no new ideas in the war on drugs. The recent American film, *Traffic*, by Steven Soderbergh, includes a scene where the new US drug czar (whose own daughter is an addict) has just visited the “front lines” of the war on drugs – the teeming border with Mexico. The vast flow of cars makes the impossibility of effective interdiction obvious – with tonnes of drugs embedded in millions of legitimate vehicles crossing

each day. On the flight back to Washington the newest leader of the war on drugs asks for new ideas from his aides – an eerie silence fills the plane. But not only are current policies devoid of new ideas – they are hostile to them. The current regime includes a philosophy of institutionalized intolerance – a bunker mentality and culture of dogma and denial that stifles dialogue and limits innovation.

Nonetheless the 1980s saw a renewed interest in drug policy reform due to two factors – the onset of AIDS and the dramatic growth of the international narcotic trade as massive cocaine production targeted new markets in the US and, later, in Europe. In 1989 Ethan Nadelmann published an influential piece (“Drug Prohibition: Costs, Consequences, and Alternatives”) in the prestigious journal *Science*, beginning a decade of public examination and activism in drug law reform. And while we don’t know what would happen if drugs were made “legal”, we *do* know what happens with a world drug control regime based on prohibition – the refusal to accept the reality of any but the most restricted medical use of many drugs. In that context I want to look at this reality of global drug use and its public health consequences and try to give you some of my own perspective of how current policies affect that reality. The global AIDS pandemic is a powerful lens through which we can examine our international fabric of drug policies.

Drug policies and public health – the case of AIDS

Picture the stereotyped American drug addict – a poor black or Hispanic man from the South Bronx in a back alley injecting heroin (or the analogous scene in Kings Cross, Delhi, or Saigon). This image symbolises the illicit nature of drug use, the marginalisation and degradation of the addicts life in a deteriorating and violent environment. In the Bronx we must add the crack epidemic that came upon us in the 1980s after 20 years of experience with heroin. This new form of cocaine appeared far more powerful and dangerous than heroin and we don’t have such effective treatments for cocaine. And soon cocaine was being injected as well as heroin. The Bronx, where I worked for 30 years and is the only part of NYC that is attached to the mainland of the United States, was one of the first beachheads of the AIDS epidemic among injecting drug users in my country. AIDS spread from here and other East Coast cities to the rest of the country over the 1980s.

In the US, syringes and needles are also proscribed and prosecuted under drug paraphernalia laws that are part of drug prohibition. This makes them scarce commodities and assures that addicts will share them. The AIDS virus rode on the wave of injecting drug use via reuse of syringes. Daily needles transmit blood born diseases and people who are illicit drug users frequently share needles, spread Hepatitis C and HIV in that way. In most places there are networks of regular drug

injectors – friends who share needles and have sexual partners and offspring that are vulnerable to spreading the AIDS virus.

Imagine hundreds of thousands of these networks in a place like New York City, (which has 200–300,000 drug injectors) and you can understand how the AIDS epidemic grew before our eyes in the US during the 1980s. This pattern has now become the model for the global spread of AIDS through injecting drug use. Yet despite this dramatic spread of disease (and over 100,000 US deaths by 1995), our efforts to stop AIDS have been inadequate, due to our societies difficulties in confronting both drug use and the facts of human sexuality (a legacy of our Puritan past). So today over 40,000 Americans become newly infected with the AIDS virus each year – more than half of them due to drug use.

Harm Reduction

In response to AIDS link to drug use and the larger threat it posed to many developed societies, Harm Reduction was the first innovation offered to help stop the epidemic. This approach supplanted the goal of prohibition (i.e. an end to drug use) with the public health goal of reducing the dangers of drug use. First in Great Britain and the Netherlands (before AIDS had actually arrived there) and later in Australia (in the mid 1980s) Harm Reduction became national policy and began to challenge the premise of prohibition as the exclusive approach to drug control. Recognizing that the goal of a drug free world is unachievable, these societies instead asked how they could more effectively regulate drug use to minimize their potential to cause harm to human health, rather than the exclusive focus on restricting use *per se*.

Some countries (including Australia) “got it” very quickly. They understood the importance of providing more effective treatment for heroin addicts and preventing the sharing of injections. By offering needle exchange programs and easy (“low threshold”) access to services like methadone (the most effective treatment we have today for heroin addiction) these programs were able to remove many addicts from harms way – even though they might continue to use some illicit drugs. At last we began to have tools at our disposal that could deal with the AIDS epidemic.

But as soon as these innovations were proposed to reduce AIDS risk (e.g. a scientific heroin trial of injecting rooms in Australia) they were assailed by opponents as violations of international law that encouraged illegal activity. The safe injecting facility, now planned in Kings Cross and funded by the NSW government as a medical trial, and many other initiatives have been attacked by the UNINCB on these grounds – e.g. Switzerland’s heroin trials.

We get a clue to the larger problem in the use of the treaties to inhibit both rational discourse and stifle useful public health efforts and

the scientific research needed to deal effectively with the most dangerous drugs and their public health consequences. In this respect international prohibition regimes are used as an obstacle to the more effective regulation of drugs and reduction of their potential to do harm.

Legal opinion is clear that these initiatives (which are still carefully monitored research programs) in no way violates the letter or the spirit of the laws. In Article 2 – 5B the Single Convention states that “A Party shall, if in its opinion the prevailing conditions in its country render it the most appropriate means of protecting the public health and welfare, prohibit the production, manufacture, *export and import of, trade in, possession or use of any such drug except for amounts which may be necessary for medical and scientific research only, including clinical trials therewith to be conducted under or subject to the direct supervision and control of the Party.*”

The structure and language of these treaties in no way restricts any country’s right or ability to conduct medical care or research, or undertake other measures that it considers in the best interests of its citizens wellbeing and public health. So while some may use reference to international law to oppose domestic innovations, harm reduction programs are allowed and are clearly legal under current treaties.

The US war on drugs

Fixated on its moral crusade of prohibition, the US has largely denied the implications of the new reality that AIDS represents for drug policy. (President Reagan didn’t utter the word AIDS in public till 1987 – when we already had about 1 million people infected.) And has consistently barred the way to the implementation of many of the most effective harm reduction approaches worldwide. While some countries in Europe and Australia have struggled to learn how to do harm reduction in this hostile climate and succeeded in protecting their populations from massive outbreaks of HIV, the US ratcheted up enforcement of prohibition. Drug treatment facilities remained inadequate – and many methadone clinics still operate at the margins of medical practice in totally inadequate and deteriorated space. US policy is committed to a punitive prohibition model and gives it priority in resource allocation – a decision that has meant two decades of \$50 billion a year in enforcement expenditures, compared with only about \$16 billion in treatment.

It has remained illegal to make syringes and needles easily available in most American states. In response, citizen activists (and drug users and their advocates) have taken the lead in hundreds of local underground harm reduction programs. For their trouble many have been arrested (as recently as 1998) for distributing syringes and needles in the name of preventing the spread of AIDs. In the last few years, a number of states (including New York) have fought for the ability to do

this. But only very grudgingly and very minimally – with fewer than 20 per cent of drug injectors having access to clean injecting equipment. Today the US government still prohibits the use of Federal funds for support of syringe and needle exchange programs, even though it has been repeatedly demonstrated (in US government sponsored research) that needle exchange, like methadone, prevents the spread of HIV and does not foster drug use.

While, in response to AIDS, we failed to adequately expand public health and treatment services to reduce drugs harms, the US *has* accelerated its decades old war on drugs with the mass incarceration of large numbers of its citizens. We've quadrupled the size of our prison population in the period 1975–2000. Today we have over two million people behind bars and another three to four million on probation or parole at any given time. The US has highest rate of incarceration of any Western country, over 700 per 100,000, compared to 75–150 for most over Western democracies. Over 50 per cent of these US offenders use illicit drugs and about one third are incarcerated for personal possession or small scale sales in the illicit market. Many of these figures stem from the increase in long mandatory sentences for drug offences imposed through federal and state legislation in the 1980s.

These policies have also exacerbated our nation's racial inequities through the criminal justice system with unequal application of law to black and white.

So, while drug use patterns are not terribly different between black, white and Hispanic in the United States (although Asians use somewhat less) and only 12 per cent of the US population is African-American (with a similar proportion of drug users) – 35 per cent of arrests for drug possession, 55 per cent of convictions and 74 per cent of prison sentences are meted out to African-Americans.

While there is no evidence that they reduce drug use these drug laws are most effective at prohibiting innovation to reduce drugs harms – even talk of change is not tolerated. Although some public officials are now speaking out in opposition to the war on drugs (like New Mexico Governor Gary Johnson) most only will voice their opposition in private. The drug issue is politically toxic – a “third rail” in American politics. A particularly chilling episode involved Bill Clinton's first Surgeon General, Dr Jocelyn Elders. Her 25 year old son was entrapped by narcotics officers into a small cocaine deal – a first offence for which he was given a ten year prison sentence, following her frank (but somewhat innocent) statements about the war on drugs, i.e. by saying that we might want to discuss legalisation ideas and some of the European innovations in harm reduction.

Meanwhile AIDS marches on through the spread of the heroin trade and drug injecting worldwide. There are today probably 50 million people infected with the AIDs virus around the world. In the

developed world we do have effective medical treatment, that costs \$US10-15,000 per year. And although Brazil is offering the drugs free and (manufactured at a cost of \$7-800) and manufacturers in India are making them cheaper, even that price puts them out of reach to most of the world – where per capita health budgets are numbered in single digits. So the issue of prevention becomes of paramount importance to contain an epidemic now spreading around the world on the waves of heroin use. And while there are some modest harm reduction programs underway on every continent now, sponsored by the World Bank, the UNAIDS and by AUSAID, they're very late and very modest compared to the magnitude of the problem.

Beyond prohibition

The growth of the global AIDS epidemic stands as much for the failure and the bankruptcy of our current drug regulation systems as it does for the power of this deadly new virus – in our midst now for over two decades. But there is a growing public discourse about drug policies seeking change – for example the NSW Drug Summit of May 2000 and many other national, state, and municipal initiatives working to find a better way. Many of these discussions are now turning to the most important issues about drugs in the modern world – their huge impact on public health (for example their role in AIDS), the implications of drug enforcement for police and governmental corruption, the role of the drug trade in the erosion of civil and human rights, and (most recently) the threat international drug traffic, arms purchases and money laundering pose to global security.

But the official international discourse remains unchanged. Two years ago, in June of 1998, the UN General Assembly in NYC held a Special Session on Drugs, where the goal of “a world free of drugs by 2010” was reaffirmed by Pino Arlacchi, head of the UNDCP – without protest by any of the Assembly members. Indeed the only oppositional voices appeared in a paid advertisement in the *New York Times* signed by hundreds of leading academics and former government officials. This official disconnect of the international drug laws from the material, social, and economic reality of drugs has grave consequences because this outdated framework fails to reflect most of what we have learned in the last century about drugs: the biological meaning of addiction, distinct social and cultural patterns of drug use (and their promise for more effective “natural” control mechanisms for limiting addiction and drug misuse), about the functioning of global drug markets and their linkages to other geopolitical issues – including economic globalization and regional security.

We must overcome our addiction to prohibition and the moral crusade against drug users. It's time we publicly acknowledged the true nature of the huge drug problems we face – problems of public health,

civil and human rights and global security. We must insist that our governments and international organizations engage these issues and be held accountable for the outcome of their efforts. The longer we wait the harder it will be to dig out of the hole.

This starts with a recognition of the new realities that drugs signify in the modern world:

1. Public health – AIDS and other new infectious diseases spread by injecting (including the costs and inequalities of access to AIDS care) and the linkage of the AIDS epidemic to national and global security.
2. The maintenance of civil society – human rights abuses, police and official corruption, violence, the protection of women and children, and political participation, mass incarceration and capital punishment, the linkages to traffic in refugees, slavery, and prostitution.
3. Global security – regional and civil wars fueled by the drugs/arms trade, organized international criminal apparatuses that supplant state controls, cross border terrorism and the movement of weapons of mass destruction.

There is much that we can build on. Even in the restrictive climate of global prohibition, we now know that there are models that work. The regulation of cannabis is a prime example and candidate for reform. Since 1976, the Dutch have had over 300 cannabis coffee shops, that sell small quantities to adults over 16 years of age. Cannabis use in the Netherlands is about half that of the USA, where 800,000 citizens were arrested for marijuana offences in the last year. But since there are 5-10 times as many users of cannabis as all the other illicit combined, removing cannabis from the international conventions would have a dramatic effect – reducing the world's illicit markets by almost 80 per cent and “decriminalizing” 80 per cent of drug users.

In the treatment of opiate addiction (where 20 per cent of users consume 75 per cent of all the drugs) the medical provision of substitution therapy must be made more accessible – and its regulation wrested from the hands of law enforcement and placed in the hands of medicine and public health officials. We need more “low threshold” programs like the Dutch methadone buses that make the rounds of Amsterdam – making it very easy for addicts to replace illegal drugs with legal ones and access a network of helping services. By contrast, Russia, now full tilt into an explosive HIV epidemic linked to heroin addiction, suicidally banned the use of methadone in 1998. For those that fail in methadone treatment, the Swiss and Dutch operate medically supervised heroin maintenance programs that draw the most refractory people into treatment – with very good results: Now entering its fifth year, with over 1500 patients in care, the Swiss programs have an 80 per cent success rate.

These are not really new innovations. I worked in a program in Britain in 1969 that prescribed injectable heroin and offered a place for

shooters in a church basement. But their recognition and large scale implementation has been hobbled by the continued international obsession with prohibition and retarded by the atmosphere of therapeutic nihilism that often accompanies prohibition. And even when proven effective in stopping AIDS, many harm reduction measures are limited in their implementation and public deployment – stifled by the climate of international restriction of the therapeutic use of opiates – which do nothing to stop the growth of the illicit production and use of heroin, but hamper all the legitimate uses of these drugs in treatment of addiction and pain.

The term “peace process” has been overused in the last decade, but it includes a vital truth for the war on drugs. Any resolution of this war will be achieved only through a process in which the actors are held accountable for outcomes in all three areas – public health, civil and human rights, and global and regional security. As with other environmental hazards, the global production and distribution of drugs can never simply be a local matter. We must redefine the criteria for success in global terms. Clearly cultural and historical differences must be acknowledged and regional discussions must begin first – both to ascertain the state of the problem and to set priorities for local solutions. We know that in every instance where headway has been made in harm reduction, an inclusive and extended process was initiated by government (city, state or federal) which took leadership in convening the stakeholders (including drug users and their families) and asking that they work out pragmatic solutions. Its time that we began a similar process within the international community – with the goal of reinventing the international agreements to fit the realities of the twenty-first century drug problems.

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12

1. Denise Morris, David Morris
2. Jane Ferguson
3. Anne Henderson, Leanne Mundy,
John Mundy, Greg Goldhawk
4. Richard Rawle
5. Jane Nelson + guest

6. Marian Simms, Gerard Henderson
7. Dennis Mahoney, Jeremy Kinross
8. Rick Bates, Paul Gittings
9. Rosalind Strong
10. Brenda Woods, Barry Woods

11. Martin McAvenna
12. Gwenyth Burrus, Janine Burrus

Photographer: David Karonidis



Photo – David Karonidis

Kieran Kelly

Every country has its great narratives, sagas that define its people and describe its enduring heroes. In Australia, many tragedies dot these epics. The Northern Australian Expedition, led by explorer Augustus Charles Gregory in 1855-56, on the other hand was brilliantly successful and produced the final pieces in the jigsaw map of Australia and solved the riddle of the inland sea. For ten years, stockbroker Kieran Kelly researched Gregory's feat and made his own expedition in 1999, following in his footsteps, exactly as Gregory had travelled. He recorded this journey in his book *Hard Country, Hard Men* (Hale & Iremonger 2000). Kieran Kelly addressed The Sydney Institute on Tuesday 5 December 2000, and spoke of some of his adventures.

AUGUSTUS

GREGORY AND AUSTRALIAN HISTORY

Kieran Kelly

If I told you that the history of Australian cricket had been written and Don Bradman omitted you would think it absurd. If the history of Australian politics was written and Menzies not covered you would say it was incomplete. Art without Brett Whitely, letters without Patrick White you would rightly say was nonsense. However, that is exactly what is happening with the teaching of Australian history in our schools particularly as it relates to exploration.

If I went around this room and asked each of you who was Australia's greatest land explorer some would say Sturt, others Stuart, still others Leichhardt or Sir Thomas Mitchell. Other names from social studies lessons with dotted lines on maps, Kennedy, Edward John Eyre, Hume and Hovell, Blaxland, Lawson and Wentworth would be familiar. And of course all would know Burke and Wills, those pillars of inland exploration disaster.

I propose to you that many of these were indifferent explorers, cruel to the men and animals that supported them, poor at science and navigation, unversed in the rigours of the Australian bush, partly terrified of and partly contemptuous of, the original inhabitants of this country. This often led to needless slaughter. Kennedy destroyed himself and his entire party save Jacky; the Jardines staggered up Cape York losing most of their cattle, all their equipment and leaving a bloody trail of Aboriginal massacre behind them. Sturt, through reckless ambition, killed his best friend Poole; Mitchell deserted Cunningham in the bush after 12 fruitless days search, as the tracks of the rescuer and the lost crossed and recrossed in the desert. Mitchell was not a good enough tracker and bushman to find Cunningham and simply abandoned him.

The subject of tonight's talk is the West Australian, Sir Augustus Charles Gregory who I believe stands at that narrow pinnacle of Australian exploration occupied by James Cook and Matthew Flinders. Gregory's North Australian Expedition 1855-56 was undoubtedly the most successful, best-led venture in the history of land exploration in

this country. Yet the textbooks of Australian schools are silent on this great figure in our history.

As a navigator, astronomer and careful leader of men only Cook is his peer. As a horseman no one came close. As a conciliator of Aborigines, skilled in traversing their country without incident and humane in his treatment of them and in his understanding of their culture he was years ahead of his time. As an innovator and inventor of saddlery, navigational equipment and exploration technique he stands alone.

Augustus Gregory grew up on a property outside Perth when it was known as the Swan River Colony. As a boy he slaved in the hot sun, learned horsemanship from his father, maths from his mother and the ways of the bush from the Aborigines whose land he shared. In his late teens he went into apprenticeship with the WA Survey Dept under John Septimus Roe, Phillip Parker King's able assistant and someone firmly in the enlightenment traditions of Capt James Cook. From Roe, Gregory learned astronomy, map making and celestial navigation. In his early twenties Gregory led the first major expedition into the West Australian interior. The Irwin River expedition of 1846 was extraordinary at the time. Covering 1,533 kms in 47 days at an average speed of 33 kms per day, through some of the worst deserts in the world, Gregory did not lose a man or a horse, he never got lost himself and placed all the major features on his route in the positions we know them today.

He followed this feat several years later with the Settler's Expedition up the West Australian coast into similarly waterless terrain. Carefully planned and brilliantly executed, this expedition covered 2,500 kms in ten weeks averaging 36 kms a day. While this does not sound onerous it is the equivalent of riding a horse from Sydney to Mt Isa, a distance beyond the comprehension of explorers on the east coast of Australia only 30 years earlier.

When the Duke of Newcastle, Secretary of State for the Colonies and one of the most powerful men in the British Empire was planning his grand North Australian Expedition to map the entire top half of the continent and find the elusive inland sea, he had many potential leaders to choose from. The leading lights of the day pressed their claims. Major Thomas Mitchell, Captain Charles Sturt, Lieutenant Edward John Eyre, all had their hands up. These were the most distinguished explorers of Newcastle's generation – military men lionised in British Society. But Newcastle had heard a whisper from Swan River about a young, unheralded Australian surveyor who was revolutionising the way inland exploration was undertaken. Newcastle chose A. C. Gregory, Assistant Surveyor at Swan River Colony, to lead his grand expedition.

It was an inspired choice. The North Australian Expedition of 1855-56 was the largest and most expensive expedition undertaken by the British Empire up to that date. It was a resounding success. It

mapped the Victoria River Valley, dissolved the riddle of Inland Sea, penetrated the Tanami Desert then retreated all the way across the top of Australia through Arnhem Land across North Queensland and back to Brisbane. Gregory, that extraordinary horseman, in the saddle for 41 days at one stage, sketched and surveyed as he went producing maps that are as good as anything that can be bought today. Despite a trip lasting nearly two years and covering 6,000 kms, Gregory did not lose a man, reported no serious illnesses, was free of scurvy and lost few of his horses.

Through careful management and discipline he avoided any fatal conflict with Aborigines. The leadership demonstrated was exemplary as Gregory displayed an ability to motivate and inspire men as diverse as expedition botanist, Ferdinand Mueller and artist Thomas Baines on the one hand and the stockmen, farriers and harness makers who made up the expedition muscle. Gregory saw no difference between officers and men, something some of the Englishmen in his party found curious and worthy of note. He was egalitarian to his bootstraps and is one of the first prominent Australians to demonstrate that national trait which we now regard as peculiarly Australian.

The artwork produced by expedition artist Thomas Baines, 70 pictures in all, gave Europeans and most Australians a look at the Never Never for the first time. It now survives in the RGS in London. The botanical collection put together by expedition botanist Ferdinand Mueller is the greatest collection of plants ever assembled in Australia and earned Mueller the distinction of being Australia's greatest nineteenth century scientist. He attributed his success to Gregory's careful management and the encouragement afforded to the scientists in his party.

Despite being miffed at losing leadership of the expedition Sturt best summed up Gregory's achievement: "Unquestionably Mr Gregory's survey ... has been decisive of the general character of the Australian interior, nor has he left much for any future explorer to hope for, who may hereafter penetrate into it." The essential climatic and topographic features of Australia were now understood. The flow of Australia's rivers was clarified and those who hoped for large transcontinental streams or inland seas were disappointed.

The North Australian Expedition made Gregory a household name in Australia and his expedition was proclaimed around the world. It was then promptly forgotten in Australia.

Not resting on his laurels, Augustus Gregory was back in the saddle two years later in search of Leichhardt, leading a party 2,600 kms across southern Queensland and into the waterless hell of South Australia. He didn't find Leichhardt but led his party safely through the deserts to Adelaide and opened what we know today as the Birdsville and Strezlecki Tracks. This trip allowed movement of stock from Queensland to Adelaide for the first time and showed the way for

Stuart's transcontinental trip and the more widely known Burke and Wills expedition, several years later. That Burke and Wills would soon die in the same area traversed easily by Gregory is a stark comment on the differing skills of the explorers.

As a result of the North Australian and Leichhardt Expeditions, Gregory had ridden from the Indian Ocean on the north west coast of Australia to the Pacific Ocean at Brisbane then down to the Great Southern Ocean at Adelaide. In total he had ridden a distance equivalent to travelling from Sydney to Perth three times across the continent. It is equivalent to riding from London to Peking right across central Asia. No explorer since the Venetian, Marco Polo in the Middle Ages had ridden further, covering such a diverse range of topography and climatic types. No one has ridden such great distances since.

Gregory's explorations had a dramatic impact on the development of Western Australia, the Northern Territory and South Australia. His activities as Surveyor General of Queensland opened its vast interior and gave the State the shape we know today.

Given these great achievements why are the textbooks silent? Macquarie University's Professor Duncan Waterson possibly offered an explanation when he told me: "Australian history has been written by the Left. Gregory, after his exploring career, went on to become a prominent Queensland politician, a conservative associated with the squatters. He is seen as part of the Right and therefore not considered by some as worthy of study despite his huge exploration achievements."

I have other theories. One is that he was too successful. His entry in the *Australian Dictionary of Biography* alludes to this contradiction saying of the North Australian Expedition:

It was too successful to be recognised as one of the most significant journeys led by one of the few unquestionably great Australian explorers. Modest, unromantic and resolute in following instructions, he did not dramatise his report, boasted no triumphs and sought no honours despite his admirable Aboriginal policy and meticulous organisation. He excelled as a surveyor and manager of men, horses and equipment, and invented improvements for pack saddles and pocket compasses. His seasonal knowledge and bushcraft were unparalleled and he was the first to note the sequence of weather patterns in Australia from west to east.

Another possible explanation is simply that he was an Australian and never left this country while Mitchell, Sturt and Eyre retired to social acclaim and the clubs of London. The professors and schoolmasters who established early Australian school curriculums were educated in England. Could these educators have overlooked Gregory in favour of their own countrymen?

I also believe that much Australian history taught at schools is dominated by the spectacular because it is easy to teach. And showing our origins we seem to have inherited a strong British taste for melodrama. Burke and Wills is our best known saga – a fiasco of poor

management, bad judgement and melancholy death. Leichhardt is not much better, swallowed up in the lonely outback waving his cutlass. The rest of it is a succession of men staggering into settlements half dead from starvation and scurvy, survivors of pitched battles with the blacks, eating their boots as a last resort. Is it any wonder that we celebrate the tragic failure of Gallipoli while the brilliant success of the Charge at Beersheeba, executed by Australian cavalymen riding Australian horses and lead by an Australian General, is a complete blank to all our children?

Gregory was not of this melodramatic tradition. The seasoned professional, he did not go into the bush to seek glory or die in the attempt. Careful, measured in his risk taking and with the safety of men and animals uppermost in his mind, he is as far from this tradition as it is possible to get. He is Amundsen surviving in the Antarctic while Scott killed himself and everyone else. But whom do we teach at school? Bold Robert Scott, of course. I challenge any of you to name me a teacher who tried to show you who were the good and who were the bad explorers; who were the highly skilled, which ones were the great mapmakers or produced great works of art or science.

I would suggest none of you could name such an educator. While Australians endlessly compare sporting teams and have the expertise to tell good ones from bad, there is not the wit among the educational establishment to compare Gregory, Cook and Flinders on one hand and Robert O'Hara Burke, Frank Jardine and Edmund Kennedy on the other. Are teachers just lazy or not sufficiently versed in their subject? Are they not interested in the pursuit of excellence, that characteristic so fundamental to the Enlightenment? Is it the school curriculums that are at fault?

I commend the explorer Augustus Gregory to you as someone worthy of further study and my book *Hard Country Hard Men* is a modest attempt to get this great Australian the recognition he deserves.



Photo – David Karonidis

Maxine McKew

Maxine McKew was the highest profile “female anchor” on Australian television when she hosted ABC’s *Lateline*, considered by many to be this country’s premier issues based current affairs show. These days, apart from her television appearances, Maxine McKew writes a column for *The Bulletin* researched over an interview lunch each week with a leading personality. On Monday 11 December 2000, Maxine McKew shared some of her experiences with the famous and not so famous at a lunch time function at The Sydney Institute

LUNCH WITH

MAXINE MCKEW

Maxine McKew

I must say it's nice to be the guest at lunch for a change, even though I do have to sing for my supper. Of course an invitation from the Hendersons can't be dismissed lightly. It's the closest thing in Sydney to a command performance to get the "gig" (big word at the ABC these days) at The Sydney Institute.

Of course I did wonder when Gerard rang me a while back and said in such a casual way, "Oh, come and talk to our members about your lunch column. No-one is doing quite what you're doing." I immediately thought, well that's very nice but what's the real agenda? And sure enough, when I checked in the latest Institute publication there was Gerard having a crack at me over a piece I'd done with Robert Manne. So lord knows what he's got ready to fire at me when it's time for questions.

But I'll say this for Gerard and his must-read pieces in the *Sydney Morning Herald* where, as far as I'm concerned, he's never been rigid – from time to time he's given me a whack, and at other times he's gone out of his way to say some very flattering things about my work. You should know though Gerard, it keeps us on our toes because the one thing we know is that you watch and read everything!

In the time I have, what I thought I might do is talk about my work at *The Bulletin*, about some of the issues that we journalists are confronted with at the moment, and who knows, I just might be drawn by the longest-running saga of all – the battlefield at the ABC!

First of all, where *The Bulletin* is concerned, I really have one of the best jobs in journalism.

It was Max Walsh's inspired idea. Actually, it was a bit of a steal from London's *Financial Times*. They have a regular Breakfast with FT. Anyway it was Max's reinterpretation of this idea that has delivered me two of the most enjoyable years I've ever had in journalism. After all – it's a well-known scientific fact that people are far more accommodating on a full stomach. Now in the dotcom age of click and drag journalism, where a good number of my colleagues never get up

from their screens, I see it as a wonderful indulgence to be able to sit down once a week with an engaging individual, to break bread and to talk for a couple of hours.

I'm amazed at the number of really busy people who are still happy to do this. I've broken format a couple of times, where people have said to me, "look I'd like to talk but no time for lunch", but it's pretty rare.

So I think if "Lunch with McKew" has become a bit of a talking point, a lot of it has to do with the fact, that there is a difference to the quality of the comment and conversation you can have with someone when you have a bit of time, when you can actually stop for a moment and be a bit discursive.

First of all, it's a wonderfully collaborative exercise with one of the country's best photographers, Lorrie Graham. We have a lot of fun doing this together. Quite a few guests agree to an interview knowing that Lorrie will be taking their picture.

Particularly if they're female.

I have a very recent experience of what it is to be photographed from a low angle at a press conference and to end up on the front page of the *Sydney Morning Herald* – where some snapper has gone out of his way to show the world my double chins and all the other sins of middle age. Not something Lorrie would ever do! Lorrie is herself a great talker and has secured many a good anecdote from my lunch guests.

If she were here today I'm sure she'd tell you about her adventures with Tim Fischer.

As many of you would appreciate Tim Fischer is one of our canniest of politicians. He's always understood the news business inside out and has an eye for a good photo opportunity. So when Lorrie appeared at his office in Parliament House and wanted to film him on the very top of the building near the flag pole Tim agreed but had a further suggestion.

Back inside they went and after a labyrinthine journey through parts of the building that most people would be unaware of they ended up in the Parliament House meditation room. Tim proceeded to put his feet up on the soft couch and started to read from the Bible. He commanded that Lorrie snap away. He then entertained her by telling her what the meditation room was normally used for. And you'll be astonished to hear not everyone who goes there is dying to consult the Book of Job. No, no, no. What *Private Eye* used to refer to as "Ugandan Matters" or horizontal recreation is apparently what takes place in this secret part of Parliament House.

My question is, does the Finance Department know? If not, get onto it, and charge by the hour. Who knows what the revenues could do for the surplus. A meditation-led recovery!

There was also the time of course when Lorrie spent about seven hours in Margaret Olley's studio getting drunk! Now Margaret Olley hasn't had a drink in years but she's most insistent that her guests enjoy themselves. The three of us had been sitting in what must be one of the most crowded rooms in the country. Olley's marvellous, chaotic, dusty studio in Paddington.

Olley's life is in that room. Bits of every painting she's ever painted, dried flowers, bottles, jars, chairs, and all sorts of odd looking things. You'd probably find Miss Havisham's wedding dress if you looked hard enough. So after a while you wouldn't know what you were putting into your glass - whether it was wine or paint stripper.

I'd had to leave after a couple of hours to head off to the ABC but Lorrie stayed to see in the Millennium.

You're beginning to see why journalism continues to exercise a certain fascination. It's paid voyeurism. You're actually paid to drop in on other people's lives, to poke your nose around and then wander off and say something about it. Apart from anything else, it's a marvellous way of avoiding making a decision about how to live your own life! But that's another story.

The Margaret Olley interview, by the way, was a particular favourite. There is something about interviewing people. Let's be politically correct about this. People in their senior years, because any dissembling is behind them, are no longer putting on a show.

Anyway, at one point in our interview Margaret Olley fixed me with the direct gaze that has been painted so many times and said, "Maxine, you are what you do! You are what you do." Now this outburst had been prompted by some questions I'd put to her about her good mate Jeffrey Smart.

I'd lunched with Mr Smart six months earlier and initially he was terribly patronizing. He was very snifty and that was a bit of fun. He probably treats most people who are not Jeffrey Smart like that. He is of course a shameless name dropper. Every bit of Euro trash that you can think of is his good friend but then he proceeds to tell you nasty stories about them.

As I had just read Drusilla Modjeska's marvellous book *Stravinsky's Lunch*, I was keen to get his comments about some of our female artists. Grace Cossington Smith I said? What do you think of her paintings?

"Oh all right I suppose if you like all that yellow."

I'd have to say that Mr Smart was one of the few guests I ended up disliking intensely. However, this can make for good copy. I was reliably told after publication that Edmund Capon fell off his chair laughing when he read my account of our lunch.

Needless to say when it came time to interview Margaret Olley, I was keen to get her views on the acerbic Jeffrey. They're mates after all,

but boy oh boy, did Olley unload! “Jeffrey,” she said. “Jeffrey is all about self. Of course he wouldn’t say anything nice about Cossington Smith, because it’s not about him.”

And she went on, “He professes to love Cezanne but when Edmund Capon put on his Cezanne show, Jeffrey who was in the country at the time couldn’t even be bothered to cross the street to come and see it.”

Now after this was published, I’m told that Margaret Olley went around muttering, “Oh Jeffrey will never talk to me again”. But as friends said, she always says that.

Theirs, I gather, is a pretty robust relationship.

I should point out at this stage what my approach is and it’s pretty simple. What I’m not attempting are elaborate psychological profiles or long personal histories. I leave that to writers who’ve got the luxury of 4-5000 words in *The Good Weekend*. I usually write about 1800-2000 words and it’s very much focussed on capturing the flavour and the conversation over lunch. I try to keep intrusive commentary from me to a minimum, although that varies depending on the prejudice of the day. But I aim to run a lot of direct quotes from my guests.

The piece is conversation-driven, which is why I say to my guests at the very start of the lunch, when I plonk my tape recorder on the table, everything is on the record, unless you specify otherwise. A conversation which is almost completely off the record is of no use to me, and my guests understand that.

I’ll deal first with the most frequently asked question.

Some of you may recall, there was a bit of fuss in the middle of the year over the comments made by one of my guests a chap called Della Bosca. He actually did a remarkable thing and told the truth about the inconsistencies in the ALP’s tax policy. Kim Beazley as a result, got a really bad case of post-lunch heartburn.

Well since then people keep saying, “Having trouble getting people to say yes to lunch?” “Well no”, is the answer to that one.

It’s amazing what a bit of scandal can do for one’s lunch list. In political circles at least, it’s now a test of one’s maschismo to lunch with McKew and live to tell the tale. *The Bulletin* has even considered printing T shirts, “I survived lunch with Maxine McKew”. As well they might, because that story delivered the best circulation figures to *The Bulletin* since its re-launch. It sold an extra 15,000 off the news-stands. The next closest was Fred Brenchley’s “deputy sheriff” story with the Prime Minister. That sold an extra 5,000.

I’ll come back to the comedy and drama of that particular story but I’ll make some general comments first.

It may not have been Kim Beazley’s first instinct to knee-cap John Della Bosca, but there were plenty of others who would have said, “Do it!” John Della Bosca paid a very high price for saying out loud what was

being said in some of the private forums of the party. In doing so he turned current political orthodoxy on its head which holds that it's perfectly appropriate to say one thing privately while asserting another thing publicly. That is the reason, as Hugh Mackay has remarked, that we have the sullen electorate we have, because they know this mindless double game is being played out. This is what we call political discourse.

And of course it's not exactly safe being a pesky ABC interviewer these days. Keep probing for a straight answer, for something, anything that resembles the real position as opposed to the rhetorical defence, and you're seen as some sort of "subversive nasty."

John Della Bosca spoke his mind to me over lunch for my column, because he thought he could get away with it. Not for a moment did he think that the Federal Labor leader would act decisively and demand his withdrawal from the ballot for the party presidency. Why would he think that? Kim Beazley is known for many things – but not for boldness, the swift strike.

By the time this story broke, I was holed up in a conference in a Washington hotel. But not exactly safe from the slings and arrows. Some significant members of the right-wing brotherhood of the NSW Labor Party were there as well – among them Bob Carr, Laurie Brereton and Stephen Loosley. On day one of the story they were simply slack-jawed. Day two and three, their comments were a little uglier.

I was seen as some sort of killer Spider Woman. I can say it's the only time in my life when some individuals backed away from me. So what had happened back here? Well this is purely conjecture on my part. But I think it's reasonable to say, there was swift retribution against John Della Bosca because a lot of people saw it as a time to square-off. If you're Secretary of the NSW Labor Party, then you develop a lot of enemies. And Della certainly had his, some of them right there in Kim Beazley's office.

Politicians particularly understand this. Except for one novice who kept leaning over and hitting the stop button. We got beyond this when I pointed out that she was merely saying what others in her party had already pointed out.

The rules for engagement for the Della lunch were clear from the outset. It's the same for all my guests. Everything is on the record unless otherwise specified. Now, just for the record, I've never been the sort of journalist who's played fast and loose with this rule. Apart from the importance of being known as someone who keeps their word, there's the purely pragmatic consideration – and that is if you want to go on operating in the small pond of Australia, then quite frankly you can't afford to burn people. There's a small pool of decision makers in this country and any working journalist needs to keep going back to them. Having said that, I'm not at all sure that John Della Bosca will move heaven and earth to grant me another interview. Not just yet anyway.

Every other commentator in the country has had a go at this one, including Gerard Henderson. Why was it that on a certain day in July, only weeks before the ALP's national conference which was expected to elect him as party president, did John Della Bosca apparently hit the self-destruct button?

Putting aside the exceptional rarity of the event, that a politician made news for weeks because he told the truth, in this case that the GST didn't represent the end of the world as we know it, here's what I think. John Della Bosca quite deliberately repeated to me what he'd been saying privately to his colleagues for weeks. It seemed obvious to him that Labor's resistance to a new tax and its commitment to an unspecified rollback wasn't going to win them any votes. As many have pointed out, the GST was the issue for the last election. Aside from the issues of botched implementation, the GST by itself won't be the issue for the next election. I'm convinced that John Della Bosca wanted to nudge the party into dropping what seemed to him an unsustainable and dated argument.

And interestingly, I've heard plenty of people in the ALP, people who aren't exactly aligned with John Della Bosca, saying privately – "Thank God he got that monkey off our backs." That, of course, doesn't explain why someone who's been described as a "tactical genius" ended up forfeiting the ALP presidency because of what was seen at the time as the folly of making such remarks to a journalist – over lunch! A lunch without booze. And, just for the record, I didn't administer a truth serum, or suggest a trip to the Parliament House meditation room the next time he happened to be in Canberra.

Well, the answer is there in the interview. Because, when you get beyond the shock horror of the GST comments, the most arresting, or damaging of the comments, concern Kim Beazley. That interview was scathing in its critique of the Opposition Leader's office, the lack of a focus, and whether Kim Beazley has got what it takes to make it to the Lodge.

Remember the line, "Kim hasn't got enough of the mongrel in him." Well that tells you everything you need to know.

Now I'll just conclude on a joyous seasonal note by saying a few words about the ABC – my other employer! And of course newspaper commentary of same provides me with vast amusement these days.

Last Friday in the *Australian Financial Review* we had the decade's most successful politician, John Hewson, telling his readers that Kerry O'Brien, Quentin Dempster and Maxine McKew looked like the last of the socialists. He went on to explain that our plea for public support was nothing more than a disguised attempt at protecting the "jobs for life" mentality at the ABC. Well, what a joke. I've been a contract employee ever since I rejoined the ABC in 1990. Even when I did *Lateline* I was never offered anything more secure than a twelve month

contract. Most journalists in ABC television are in exactly the same boat. So much for our fight for secure employment.

This morning we have the curmudgeonly Frank Devine, again always an amusing read. He's picked up on that other favourite, that ABC staff refuse to let the managers manage. Now there is something in this one. It is undoubtedly true that the ABC is a pretty anarchic organization – a place where every single individual thinks that he or she could run the place better than the guy who's got the gig. I'm told, by the way, that in Silicon Valley this is an attitude that is *de rigueur*.

I'll just give you two examples, close to my heart, of where I can say I'm very glad to have been part of an organization where staff have put forceful counter arguments to ABC managers and, by the way, lost. The management view always prevailed. So much for the staff take-over – and I would argue the evidence is overwhelmingly that we're the poorer for it.

For almost a year I argued for the integrity of *Lateline* to be maintained. The then head of News and Current Affairs had a brief from the board to revamp mid evening news. Fair enough. What I argued was that any ramping up of news should not be done by sacrificing what was unique about *Lateline* – its capacity to hold long debates with key players around the world. The sensible thing would have been for the head of the department to put together a working group of key current affairs and news people to come up with the best possible solution. This never happened.

Instead we had the usual leaks to the *Herald* about the axing of *Lateline*. Unhappy staff, uncertainty, paranoia. The full bit. I finally pulled the pin in total frustration because I couldn't even get an adequate hearing. I was one of the most senior of the ABC presenters and I couldn't even get in the door half the time to state my case. So much for a management take-over.

The other example I'd cite is even more important. A national disgrace in fact. That is the virtual collapse of Radio Australia. I recommend Quentin Dempster's compelling chapter on this in his book *Death Struggle*. Read it and weep.

Radio Australia's budget of \$13 million was clawed back to the point where our cheapest form of public diplomacy was virtually silenced. This was all done in the name of "greater flexibility" and "reallocation of resources" – it seems we're hearing a lot about that at the moment. And the consequences? Well at the very time that a strong independent voice needed to be heard throughout the region, at the height of Hansonism, the violence in East Timor, a complete upheaval in Indonesia – the Cox Peninsula transmitter was closed down.

As Quentin Dempster says, Radio Australia's voice was "reduced to a whisper". Now staff had a lot to say about this. But management didn't listen and yet another crook policy decision was enacted. So

much for staff dominating management! I, for one, would welcome strong, effective, enlightened management. But in my experience, the ABC has rarely been well managed. A few years at the beginning of the Hill era produced some strong reforms, but that's about it.

I have to say I know what it is to be well managed. The Packers, in many ways, run a very old fashioned, paternalistic outfit at ACP, but it works because they employ good people to manage other good people. So you never really notice that you're being managed. I know it's very different running a public sector organization, but surely some of that management ethos is transferable.

A final few words about the need for some more sensible public debate. On my last stint on the *7.30 Report* we had the ludicrous situation of Labor's Michael Lee going out of his way on national television to treat his party's education policy as some sort of guarded secret. He was more than happy to denounce David Kemp's new funding formula for independent schools but was he going to tell the rest of Australia what his alternative position was. No siree! He looked like a total ninny as he kept saying, "Yes Maxine we've got a policy but I'm not going to tell you what it is!"

More recently, full marks to the investigative efforts of *The Australian*. It's been their persistence that has led to the disclosure of what Malcolm Fraser has called the "hell-hole" of the Woomera detention centre. But for months there wasn't a skerrick of a commitment to open government to be seen, as Immigration Minister Phil Ruddock first disparaged, then finally, reluctantly, conceded that perhaps a few things needed investigating.

Now of course there will always be tension between the governing class and members of the Fourth Estate, but these days it's not hard to see evidence of real hostility. I'd suggest that if politicians could suspend their hostility for a minute and occasionally attempt to persuade and explain, instead of the dodging and weaving we're all used to, then who knows? The electorate might just respond by being a bit less feral.

I'll end by pointing out the only drawback in working for the Packers – every couple of months I annoy Allan Gyngell by ringing yet again and requesting a lunch interview with his boss, Paul Keating. Every time it's the same answer "Maxine, Paul sends his best but he doesn't like the people you work for!"



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1. Priscilla Williams, John Mundy
2. John Mundy introduces Gwynne Dyer
3. Susan Ryan, Jim Longley, Tim Mitchell
4. Glenn McNally, Elisa Gambaro
5. Gwynne Dyer, Sharan Goldhawk
6. Mark Spencer introduces Selçuk Kolay

7. Robyn Bailey and guest
8. Amy Denmeade
9. Emma Bowyer, Bryan Holliday
10. Carina Hall
11. Ella Knibs, Janet Wilkinson
12. George Thieben, Adam Szuner

Photographer: David Karonidis

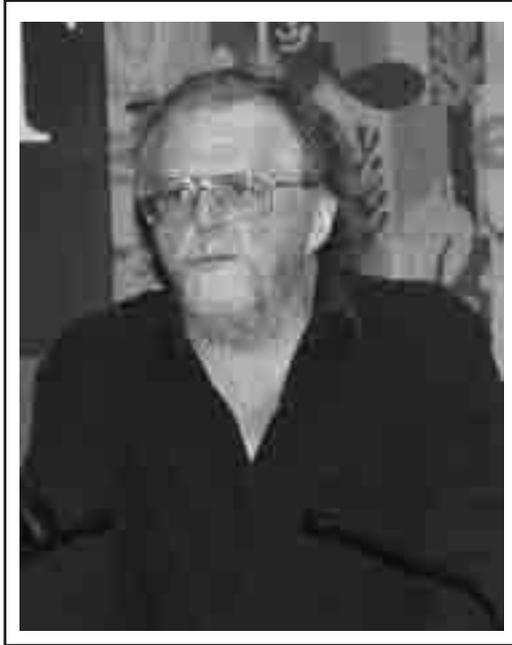


Photo – David Karonidis

Gwynne Dyer

In 2001, The Sydney Institute’s lecture series “Australia Chooses” was opened by visiting Canadian intellectual Gwynne Dyer with a timely message on where Australia might be placed in the multiracial developed world. One hundred years ago Australia introduced its White Australia Policy. At the beginning of a new century, Australia now boasts of its multicultural society. Gwynne Dyer, Canadian intellectual, documentary film producer, columnist, freelance journalist and lecturer on international affairs, has a particular interest in global change and the evolving multiracial societies in Europe and North America. For Gwynne Dyer, Australia still has a long way to go to catch the multiracial melting pots that are enriching the older Western world in the northern hemisphere. Gwynne Dyer addressed The Sydney Institute on 3 January 2001.



GLOBALISING

PEOPLE

Gwynne Dyer

Australia has just finished celebrating the centenary of Federation, and after the orgy of self-congratulation I feel a moral obligation as a visiting Canadian to rain a little bit on your parade. Canada is, after all, a place that always manages to see the downside of everything. So let me begin by telling you that, in terms of taking in immigrants, Australia is doing about as well as Belgium and Sweden. In other words, you are not exactly leading the world in the multiculturalism stakes.

Belgium has ten million people, and Sweden has eight million, so together they have approximately the same population as Australia. Last year, those two countries took in about as many immigrants as Australia did, which I suspect does not jibe very well with most Australians' view of their country as a major immigrant destination. And while you are just managing to keep up with the Swedes and the Belgians, you are well behind the Dutch and the Germans, let alone really enthusiastic countries like Switzerland, Canada or the United States.

Australians believe, with some justice, that they have moved past being a racist society. The "White Australia" image is dead, and most of its content as well, though I will be a bit too frank once again and tell you that I still hear more racist talk here than I do in equivalent social circles in other English-speaking countries. But Australians also go around congratulating themselves for being one of the world's leading multicultural societies, and I'm afraid that you aren't. There are more "visible minorities" here than there used to be, and there is less blatant racial prejudice, but I must tell you that coming to Australia still reminds me, at times, of the first time I arrived in Moscow in 1982.

I was coming to Moscow from the West of 20 years ago, which was a much less multiracial place than it is today, and yet there was something wrong in Moscow that nagged at me. Many things were manifestly wrong, of course, but there was something else that I couldn't quite put my finger on, too – and it took me three or four days to realise that the problem was that everybody was white. Even 20 years ago, there was no Western city I frequented where that was true.

To be fair, when I arrived in Australia this time, I arrived first in Perth, which must be the whitest big city in the country. Things do look up when you get to Sydney, though less than you may imagine: it is no more multiracial a place than provincial cities like Edmonton in Canada or Bristol in England. In terms of ethnic diversity, Australia is bringing up the rear among the industrialised countries. Why? Well, first of all, Australia simply takes in fewer immigrants than most other industrialised countries. My own country, Canada, with a population of about 31 million, takes around a quarter-million immigrants a year. Your population is 19 million, and yet you take under 100,000.

Even densely crowded Britain takes in many more immigrants than that per year. Indeed, even Japan, which used to set the industry standard in terms of obsessions about homogeneity, is now taking in 300,000 foreigners every year. The official line is still that they are not going to stay, but that has about as much credibility as the old German argument that all the *Gastarbeiter* would go home after a while.

There is a second measure of an immigration policy's success: not merely how many immigrants are attracted as a proportion of the existing population, but also the diversity of the countries and regions from which the immigrants are drawn.

If you look at the top countries on the planet in terms of the proportion of their population that was born elsewhere, Australia comes out quite well. Thanks largely to a policy of encouraging immigration from Europe that dates back to just after the Second World War, but also thanks to free movement across the Tasman Sea, Australia has a very high proportion of "foreign-born" in its population: just over 20 per cent, which puts it right up there with Canada and Switzerland as one of the three countries on the planet with the highest proportion of foreign-born. About 20 per cent of Australians were literally born elsewhere, and arrived in the country for the first time by plane or by ship at some point in their lives. This contrasts quite sharply with an average of only around 10 per cent foreign-born in countries like the United States, France, Germany or Britain.

But whereas the vast majority of immigrants in Canada or Switzerland – or Britain or the United States or Japan, for that matter – are actually from different cultures, different religions, different ethnic groups, entirely different parts of the world, well over half of Australia's immigration comes from either New Zealand or Britain. This does not add greatly to the diversity of the ethnic mix of Australia. In terms of the net ethnic diversity, if I may invent such a term, whether of its existing population or of its current immigrant intake, Australia is not at the head of the queue. It's not even in the middle of the queue. It's actually near the end of the queue among the developed countries.

You are doubtless aware that if you go to New York or Los Angeles, you will find every ethnic group on the planet represented in

large numbers. You may not be aware, if you haven't been there recently, that if you go to Toronto or London or even Paris, you will find exactly the same thing. In Toronto this year – and I mean the entire metropolitan area of Toronto, whose population is almost identical to that of greater Sydney, not just the central city – the proportion of “visible minorities” passed the 50 per cent mark. Even this understates the actual ethnic and cultural diversity of Toronto's population, since many other recent immigrants are “invisible minorities”: Iranians, Uruguayans, Albanians, and the like.

London, where I live, is still well over 70 per cent white in the population over the age of 30. But the situation is different in the younger age groups: around 40 per cent of the school-children in what used to be called the Inner London Education Area are now non-white. That means that the adult generation in London in 20 years time will be at least 40 per cent non-white. The ratio is lower in most of the other big cities of western Europe, but it has become perfectly commonplace to meet young Italians, Danes and even Icelanders who are black, brown or yellow.

For better or for worse – and I'm not insisting that it's either at this point – Australia is rather out of step with the rest of the industrialised world. Australia takes in proportionately fewer immigrants than most comparable places, and in terms of ethnic diversity, startlingly fewer.

But you then have to ask the question: “So what?”. Why does this matter? The answer is not a simple one, so I suggest that we begin by working our way through all the old myths about the impact and implications of immigration, both pro and con. Then, when we have cleared the ground of most of the misconceptions that generally dominate debate on these matters, perhaps we can make a realistic assessment of the value of having a diversity of ethnic groups in one's population in a globalising world.

The traditional arguments both for and against immigration largely fall to the ground when you examine them closely. The pro-immigration arguments that you will hear most nowadays are either that we need more people to do the jobs in the economy that our own over-privileged kids are no longer willing to do, or that we must bring in more people to support us in our declining years because we have an aging population.

Some 30 per cent of our population will be over 60 within 20 years, we are told. Who will look after us in the nursing force, and more importantly who will pay the taxes to cover our pensions and our ever more expensive medical care? Given our low birth rate, we must import people to look after us in our declining years, to do the menial jobs our young people refuse to do, and to pay the taxes to keep us in comfort in our lengthy retirements.

These arguments are mostly nonsense. The dirty jobs used to be done by our own kids, because we made the process of getting into a trade or a career include an apprenticeship where you had to do the dirty jobs for a while. We have changed all that now, but we could change it back if we wished. Alternatively, we could just pay people enough to persuade them to do these tasks even if they are not high-status jobs. You don't need immigration to solve that problem.

As for the aging population problem, I don't believe in that at all. At what age should people opt to retire and become dependent on others? That depends, doesn't it? It depends above all on what we define as "retirement age", and what we define as "old". These definitions have been shifting and will continue to shift. If the average age at which we think people become old and dependent moves from 60 to 70, the whole demographic problem of an "aging" population goes away.

If you look carefully at the conferences that are designed to discuss and publicise this alleged problem, you will note that the sponsors tend to be predominantly insurance companies and what the Americans call HMOs – health maintenance organisations. What are their motives? They have much to gain from persuading us to accept the notion that the elderly and dependent are going to overwhelm our social welfare programs by their sheer numbers, for if they succeed then they can sell us private medical insurance and private pensions.

Many people in the wider business community also fall in readily with the idea of a crisis caused by the growing proportion of "aged" in our societies, because it provides a (spurious) justification for bringing in lots of low-skilled immigrants who will, by their presence, contribute to the process of driving wages down and casualising the labour force. But we do not really need mass immigration to cope with an aging population, because as the population ages, its capabilities do not age at the same rate: we do not grow old as fast as we used to. Medical care and cultural factors have extended our useful lives, and the "aging problem", so often used as a justification for large-scale immigration, is essentially fraudulent.

The one pro-immigration argument of a traditional nature that I would accept is that it does make for a more interesting country. You can finally eat the food in Australia, and I would give 80 per cent of the credit for that to immigration. But it is hardly enough to justify a mass immigration program.

There are also traditional arguments against large-scale immigration. One is that when you mix too many ethnic groups together, you may import old ethnic quarrels from elsewhere. If you bring in Serbs and Croats, for example, and then there is a war back in the Balkans, you may have problems in Australian schools. But the larger worry is that multi-ethnic societies are inherently less stable than

monocultural societies – that, human nature being what it is, race riots, ghettos, and prejudice of all sorts are the inevitable consequences of too much diversity.

If it were 20 years ago, I wouldn't have a lot of evidence to offer against that proposition. Our one existing example of an extravagantly multi-ethnic society in the developed world at that time was the United States, which has from time to time burned parts of its own cities down because of the implacable ethnic and racial hostilities among its own population. But it isn't 20 years ago, and we now have a lot of evidence that other multi-ethnic societies are not liable to tumble into the American paradigm.

The Americans are the exception rather than the rule. The United States is the only industrial society that has had "race-based" slavery as a major domestic institution for over half its existence, and that history still poisons racial relations in the United States. But if you look at the countries which, over the last generation, have gone from being more or less ethnically homogeneous societies to places of extravagant diversity, places like Canada, Britain, France and Germany, there is no evidence that the same problems will arise.

There were a few race riots in England in the 1960s and 1970s, and there are nasty neo-Nazi thugs today in the formerly Communist-ruled eastern parts of Germany, but by and large the ethnic diversification of the populations of western European countries and of Canada has not led to the formation of ghettos, to an increase in racial hostility, or even to significant differences between the various ethnic elements of the younger generation in terms of educational or economic success.

You may find this hard to believe, because the reporting of these issues is remarkably misleading. For example, we are told that in France there are severe racial problems, and it is true that in some recent elections over 10 per cent of the votes have gone to Jean-Marie Le Pen's National Front and other openly racist, anti-immigrant parties. But that proves nothing except that France (like Australia, since the advent of Pauline Hanson) happens to have a political system that provides a convenient political receptacle for the votes of that irreducible minimum of the population who are incorrigibly racist and xenophobic.

Neither Britain nor Canada has such a receptacle in its party system, so the racists in these countries are under-represented in parliament – but the more important point, I would suggest, is that the racist vote never goes above around 15 per cent in any of these countries even when the receptacle is provided. The bulk of the population is remarkably colour-blind, even in the notorious suburbs of large French cities where the French white working class plus all the immigrants have been dumped into those ghastly tower blocks. They

are pretty terrible environments, and if you go there you might well get mugged. But you will be mugged by a multiracial gang. It will include three Moroccans, five white working-class French, two Algerians, a West Indian, two Turks, a Portuguese, a Senegalese and, just for good luck, somebody from the Pacific Islands. They will treat you very badly, but they will do it on a non-racial basis.

Germans, again, get a very bad press because of their allegedly negative reaction to the presence of a variety of ethnic groups in their society. But 90 per cent of the ethnic violence which is so widely reported in Germany actually occurs in former East Germany, where there are virtually no foreigners of any colour. The occasional unfortunate foreigner who wanders by may have his head kicked in by skinheads with swastikas tattooed on their biceps, but he isn't being mugged because foreigners are taking the locals' jobs away, or because he lives in a foreigners' ghetto. There are virtually no foreigners in the east. Whereas in western Germany, where the population is about eight or nine per cent foreign-born, there is in fact very little racial violence. To know them is perhaps to love them.

Indeed, both in Canada and in western Europe the younger generation is entirely at ease with the new ethnic diversity. What Americans haven't managed to attain in two centuries, they have achieved in one generation: genuine colour blindness. They date each other, they marry each other, they have mixed-race children all over the place, and nobody keeps count or takes notice.

Another classic objection to large-scale immigration, especially from non-traditional sources, is the fear that it will lead to a loss of cultural identity, even a loss of national identity. But the whole process of globalisation implies that we are all becoming something we were not. Our values are shifting, our horizons are expanding, and we are becoming in some senses part of a greater whole. We don't lose all of what we had as a result of this transformation, but truthfully we do lose some of it. National identity is mutating, because becoming part of a greater whole necessarily implies becoming less unique.

But this is a process that would be happening anyway, due to the influence of globalised media and a globalised economy, even without immigration. Besides, the speed of cultural assimilation among new immigrants in an era when children watch television from the age of two, and spend at least a dozen years in public schools, is far more rapid than before. Immigration may accelerate the process of cultural change somewhat, but it is certainly not the major factor in changing national values and perspectives either in Australia or elsewhere.

Among the conventional objections to large-scale immigration from non-traditional sources, only two warrant serious consideration. First, immigration in the modern era goes straight to the cities, because that is where the jobs are. There is already a significant split in every

country between the major urban centres and the rest of the country, because the rural areas are generally poorer than the big cities. The new immigration colour-codes that economic disparity, creating a potentially ugly divide between the rich, multi-coloured cities and the poor, old-white rural areas. It need not be a politically explosive division, but there will certainly be opportunists seeking to exploit it. In politics as in ecology, every evolutionary niche is always occupied.

Secondly, for those countries that have significant Aboriginal populations, mass immigration from non-traditional sources poses an additional problem. The “First Nations”, as Canadians call them, fear that the new immigration will erode their leverage on the majority society.

The only real leverage that indigenous people have over the majority society in any of the “new world” countries originally settled by Europeans is guilt. They don’t have the numbers that would give them national political clout, and they don’t have much money either, but they can and do appeal to the sense of guilt and obligation that is pervasive among the descendants of those European settlers who benefited from the original dispossession of the natives.

This guilt, however, is felt much more strongly by the descendants of those who seized the land long ago than by those of other ethnic groups who arrive in the twenty-first century into a relationship already long established. Indeed, the newcomers’ sense of duty towards the Aboriginal peoples in countries like Canada, the United States and Australia is notable mainly by its absence. In Canada, at least, there is something approaching panic among native groups about the transformation that is under way in the urban population, and its long-term implications for their leverage on the larger society

To complete the list of reasons not to have mass immigration, there is of course the ecological argument. Australia, they say, is an old, dry, tired continent that can barely support the weight of even 19 million people. They argue that it would be a crime to increase that number substantially just in terms of Australia’s own “carrying capacity”, quite apart from the additional burden it would place on the global environment. But while I agree that we should not expect this continent to support 50 million people, that isn’t going to happen anyway.

If we are talking about global as opposed to local pressure on the environment, then it is the rapid industrialisation of the hitherto under-developed countries that is placing the greatest load on the environment. Every year, economic growth in China puts more extra pressure on the global environment than the total pressure created by all 19 million Australians. Relatively minor changes in the current Australian lifestyle would lower the per capita pressure that Australians put on their environment enough to make room for lots more people, if you had other reasons for wanting them. And bear in mind, finally, that international

migration does not create new people who put new pressures on the ecosphere. It's just moving existing people around the planet.

In summary, most of the traditional arguments both for and against immigration to Australia turn out, on closer inspection, to be seriously defective or simply wrong. So are there any non-traditional arguments for increasing immigration that make sense?

Why should anyone be concerned that Australia, for a variety of reasons, takes in fewer immigrants than most other industrialised countries, and is acquiring a less ethnically diverse population than most other industrial countries? Well, ask yourself this question. Since economic globalisation really took off, let's say a decade ago, which industrialised countries have done best in terms of economic growth, and which have done less well?

If you plot the answers to that question against the diversity of their populations and the ambitions of their immigration policies, you get an interesting graph. The United States and Canada, which have the most ambitious immigration policies and the most diverse populations already (with much more to come) have done best in terms of growth. Western Europeans have done less well. Japan has done least well, year after year after year – but then, of course, Japan has had very little immigration in the past, and still has very little diversity.

Now obviously there are many other factors at work here as well, but is there something that we should deduce from this about the efficacy of various approaches to immigration, even in the most tentative of ways? In Ottawa, they certainly think there is.

If you go to the relevant departments of the Canadian federal government and talk to them off the record about immigration, they are filled with optimism about the long-term consequences of the extremely bold Canadian strategy of bringing in very large numbers of immigrants, and deliberately spreading the immigration net as widely as possible.

Since 1967, Canada has selected its immigrants on what is known as the “points” system. It no longer makes any difference where the prospective immigrant comes from, or what his or her religion or ethnicity is. Potential immigrants are simply awarded points for practical attributes like linguistic and educational attainments.

They get points for speaking either of Canada's national languages, English or French; for having finished high school; for post-secondary education; for possessing job skills relevant to the Canadian economy; for being healthy, young, and likely to have lots of kids — and on that basis they are given a score out of a hundred. High scorers go the head of the queue, with no distinction between those seeking to immigrate from Britain or Australia and those seeking to immigrate from India or China.

As a result the distribution of Canada's immigration, for some 35 years now, has almost perfectly mirrored the distribution of the global population. About a quarter of the world's population lives in East Asia – China, Japan and Korea – and about a quarter of Canada's immigration comes from there. A quarter of the world's population lives in the rest of Asia, from Pakistan and India down to Indonesia and the Philippines, and a quarter of Canada's immigration comes from there. Around ten per cent comes from the Middle East, ten per cent from Africa and the Caribbean, ten per cent from Latin America, and 20 per cent from Europe and the United States. It is hardly an exaggeration to say that the Canadian project is to create the world in one country.

Many senior bureaucrats in the relevant departments are very optimistic that this will give Canada a competitive edge in the new global economy – and they believe that it is going to need that edge. Their analysis runs approximately like this:

The long-established industrialised countries have had a monopoly of almost all the world's good jobs for about 150 years. We had all the manufacturing jobs, all the scientific and technical jobs, and most of the managerial and professional jobs as well. As a result most of our children were guaranteed jobs as good as their education and skills could fit them for. But now that monopoly is eroding fast, as freer trade draws much of what used to be the Third World into a globalised economy where comparative wage levels are a major factor in deciding where new investment goes. A lot of it is going elsewhere, and shifting many of the less-skilled jobs from our own industrial economies to the newly industrialising countries instead.

This is only fair, historically speaking. It is high time that they had a share of the world's good jobs. But it does mean that we in the older industrial countries have to find other ways to ensure our prosperity and the employment opportunities of our children.

The strategy for dealing with this problem is no mystery: it was pioneered by the British over a century ago. Britain was the first country to industrialise, but by the 1880s a number of rival European countries, notably Germany, Belgium and France, were beginning to swamp former British markets at home and abroad with cheap goods that benefited from their lower wage levels, particularly in the simpler end of manufacturing industry. The response of the British economy, which won it another century of relative prosperity, was to reinvent and globalise itself, becoming not merely a supplier of manufactured goods but also the world leader in what you might call high-end services.

The British practically invented the global financial services industry, from insurance to investment services. They also established a global dominance in educational and media services, from the great publishing houses to the Reuters news agency. These were areas in

which their emerging manufacturing rivals were not yet equipped to compete, and as a result Britain managed to replace much of the employment that was being lost to its emerging industrial rivals on the continent with rather better-paying jobs in the international service sector. Now the industrialised world as a whole has to contend with a similar challenge, and the strategy is still the same.

The countries that can capture a big share of the rapidly expanding global market in financial services, information services, educational services, and even entertainment services will be those that can take advantage of higher levels of education, of skills, and above all of creativity in their populations. The successful ones will be able to provide better levels of income and employment for their people for at least another generation or so, even though they are losing many of the manufacturing jobs that were once the mainstay of their economies. So how do you capture these jobs?

Your real rivals are not the former Third World countries that are inheriting many of the old manufacturing jobs. Some of these countries have sectors that can compete successfully in global services, like the Indian software industry, but by and large they are still short on the infrastructure and the critical mass of skills that would enable them to operate successfully in these highly competitive fields. Your real rivals for market share in the high-end global services sector are your old familiar rivals: the other mature, developed economies. They all have the same strategy for solving the problem of emerging-country competition in the old manufacturing sector, but they cannot all succeed to the same extent. So the question becomes: how do you capture the commanding heights in the global services sector?

Intuitively, the key to success in these activities is creativity, and most particularly creativity in a cultural sense. The whole global services sector is essentially a cultural, not a hardware phenomenon: it is by being more user-friendly, more interesting, perhaps even wittier that you beat your rivals and win market share. And what kind of population would give you a maximum of creativity in these essentially cultural sectors? Again intuitively, the answer would be a population that can bring to the task the greatest diversity of perspectives, values and experiences. The more diverse the cultural inputs, the higher the level of creativity.

Countries like Canada, the United States and Britain now contain significant collections of people from everywhere on the planet. In the next generation their children will have been educated in our country, they will speak our language, they will be us, essentially, but they will still have contacts in every city and town in the world and, more importantly, they will still have access to the cultural ideas and values of every significant ethnic group on this planet. If the task is to out-compete the world in ideas and in concepts, to seek excellence not just

in the traditional metal-bashing trades but in services, then this diversity is the seed bed of our future success. By globalising our own population, we equip ourselves to compete successfully in the global market for services.

If this analysis is correct, then the countries with the most diverse populations and the boldest immigration policies should prosper mightily as a result. In today's world those countries are primarily the English-speaking ones, and of all these Canada, with its deliberate policy of drawing immigrants from every corner of the planet and not just from its own cultural and geographical vicinity, is the most diverse. Australia is probably the least diverse except for Ireland but even the Irish will be giving you a run for your money in another decade if things go on there as they have been recently.

The strategy of diversity is now being consciously pursued not only in Ottawa but also in Washington, where a combination of the green card system and the visa lottery aims at expanding US immigration flows beyond the traditional sources and moving towards a Canadian-style global spread. Increasingly, this is also the way things are seen in countries like Britain and Germany, both of which in the last year have dropped their previous policy of banning further immigration, and have begun issuing immigration permits to the skilled from all over the planet.

So what should we conclude? We don't have an open-and-shut case that Australia must do the same thing to stay competitive. We do, however, have a *prima facie* case for considering whether Australia ought to be doing the same to stay competitive.

All of your major industrial partners and rivals in Europe and North America are moving towards this strategy. Even the Japanese are beginning to play catch-up, allowing unprecedented numbers of people to settle in the country each year (even though they still deny that they are allowing permanent immigration, and are starting from so far behind that it will take a very long time to make a difference). In a globalised world economy where the mature, high-wage economies can no longer compete in many of the traditional trades, we have to learn new ways of making our living. Diversity may be our greatest ally.

I'll add one last thing. Even if you don't fully accept the argument that cultural and ethnic diversity is a crucial economic advantage in a globalised world – and there are days when I doubt it, mainly because assimilation is now so rapid, given universal education and universal television, that we may fail to capture that advantage – there is something else to be borne in mind.

Thirty years hence, when the kids now in the schools have matured, the ruling generation in all of Western Europe and North America is going to be between 25 and 50 per cent non-European by ethnic origin. It might be a bit awkward – I say no more – if Australians

found themselves in the other category, grouped with the countries that are still stuck (as all the Third World countries will be) with only the ethnic groups they started out with.

I don't mean to suggest that there might be an active prejudice against Australians for not being more multiracial, but that is becoming one of the characteristics by which you distinguish the most developed countries from all the others. I am a member of the last adult generation of Canadians who could be called white. In fact, the phrase "white majority" is gradually falling out of use in Canada, together with the parallel phrase "visible minorities", because they no longer adequately describe the reality. And I do wonder what private thoughts and assumptions the next generation of Canadians would harbour about an Australia that had chosen, for whatever reasons, to remain overwhelmingly White.



Australian Prime Ministers discussion held at Clayton Utz



Election 2001 discussion at BT Financial Services



Marian Simms



Antony Green



David Barnett



Gary Gray

Photo – David Karonidis

With some states and the federal parliament facing elections in 2001, The Sydney Institute opened the working year by conducting a forum on the issues and seats that would determine the outcomes of these campaigns. Antony Green, election analyst for the ABC, Gary Gray, Executive Director of the Western Australian Institute for Medical Research and former ALP National President, Dr Marian Simms from the Politics School at the Australian National University and David Barnett, journalist and author of *John Howard Prime Minister* (Penguin), presented their perspectives on the year of elections ahead to a standing room only audience on Tuesday 30 January 2001.

ELECTION 2001 –

PROSPECTS FOR THE FEDERAL ELECTION

Antony Green

When it faces the electorate later this year, the Howard government will have a tough task in trying to win a third term of government. Having spent the political capital of its huge 1996 majority in selling its tax package at the 1998 election, the Coalition has very little room to move. It is probably locked into an election timetable for later this year, it has many more marginal seats than Labor, and only recorded 49.0 per cent of the national two-party preferred vote in 1998. The problem for the Howard Government is that it needs to not only maintain or improve its vote, but also win its votes in the same sorts of seats as in 1998.

Despite all the talk of the next election being decided in rural and regional Australia, the truth is Australian elections are decided in the outer suburbs of Australia's major capital cities, and also along the centre-periphery cleavage of the outer states versus the Sydney-Canberra-Melbourne axis. The Coalition's majority in 1996 was built upon these two key factors. Its re-election in 1998 was then produced by a string of narrow victories in Queensland and South Australia, and also by completely suppressing the swing back to Labor in the key mortgage-belt outer suburbs of Adelaide, Melbourne, Brisbane and Sydney.

The revolt of rural and regional Australia has exploded onto the political scene courtesy of the defeat of the Kennett government in September 1999. But the Victorian election may be aberrant, as no previous Victorian Labor government has ever achieved office by building a parliamentary majority with so few eastern suburbs seats or so many rural and regional seats.

If rural and regional Australia is in revolt, then the Howard Government must quell the uproar before the election campaign. Non-metropolitan voters are much more aware of their local member and of which level of government is paying for capital works projects. They are also much more aware of where the actions of government affect their lives. It takes time to salve the upsets of the non-metropolitan electorate, and is not something that can be achieved in a campaign.

The actual campaign will be decided in what I persist in calling the mortgage belt rather than by adopting the pseudo-sociology of the marketers and spin-doctors who now talk so much about “aspirational” voters. The key factor in these seats is economic management – can Labor be trusted to control interests rates. You can see already that this is the line the government will hammer for the rest of the year.

We will see how well such a line works in two weeks in Western Australia. Already, a discredited Victorian Labor Party is back in office, and its Western Australian cousin, while maybe not able to achieve office, may be about to make significant inroads in the outer suburbs of Perth.¹ The economic record of those two Labor Party branches is much worse than that of the Keating Government and Kim Beazley as finance minister. But nor is the Howard Government as deeply unpopular as the Keating Government in 1996, which makes Labor’s attempt to repeat the Coalition’s 1996 tactic of providing a very small target for the government is so risky. Labor still has to give the impression it stands for something.

So, let’s run through the when and where of the election campaign.

Election dates

A House of Representatives election can be called at any time by the Prime Minister requesting the Governor General to dissolve the House and issue writs for a fresh election. As terms for Territory Senators are defined by legislation rather than the Constitution, issue of writs for a House election would also see the issue of writs to elect the four Territory Senators.

However, while a House election can be called, there are constitutional restrictions on calling an early Senate election. Senators are elected for fixed six-year terms. The Senators due to retire this time around were those elected in March 1996 – their terms commencing on 1 July 1996. These terms expire in 30 June 2002, and Section 13 of the Constitution states that an election can only be held in the last year of the retiring Senators’ terms, that is after 1 July this year. The first Saturday after that is 7 July, meaning such an election could be called in the first week of June. A half Senate election must be held before mid-May 2002 to allow vote counting to be completed, but as the term of the House will have expired by then, an election will be held before that date.

A double dissolution election, for the House and both halves of the Senate, could be held before 1 July, but there are two problems. First, the government needs the trigger of a bill rejected twice by the Senate with a gap of three months between the rejections. As yet, the government does not have this trigger, and the Labor Party has gone out of its way to prevent giving the government a trigger. Secondly, a double dissolution cannot be held within six months of the expiration of the House of Representatives. This occurs three years after the first

sitting of the parliament in November 1998, which means any double dissolution trigger must be used before early May 2001.

So any election before 1 July will be for the House and the four Territory Senators, unless the government can conjure up a double dissolution trigger. If a House election were held, there would need to be a separate election for half the Senate early in 2002. The last separate half-Senate election took place in 1970 and saw a record vote for minor parties, the electorate treating the whole event like a giant by-election.

Parliament expires in early November 2001, and with a maximum campaign length of 68 days under legislation, the last possible election date is 12 January. This is an extremely unlikely date for an election, and with various school holidays, the last practical date for an election is 15 December.

One complication is the CHOGM conference in Brisbane on 6-10 October. By convention, election campaigns do not take place while the Queen is visiting Australia. As a result, the election must be over by then, and football finals make mid-September the last likely date before CHOGM. An election called after CHOGM would be for mid to late November. In summary, it comes down to whether the Prime Minister sees an advantage in calling an election before CHOGM, or whether he will wait to meet the Queen again before trying to win a third term.

However, as a student of Sir Robert Menzies, John Howard will remember that in 1963 Menzies was happy to call an early House election when he saw an opportunity to achieve a majority, even at the expense of putting House and Senate elections out of sync. The problem with this tactic today is that there are many more minor parties contesting the election today compared to 1963, when the only significant minor party was the Democratic Labor Party. Today's minor parties are not as friendly towards the Coalition.

So an election is likely in either August/early September, before the CHOGM conference, or mid-November, the election called as soon as the Queen leaves the country.

All governments lose votes

There are few hard and fast rules in the hands of election analysts, but one of the most common trends is that Australian governments tend to come to office with their highest vote, which declines over subsequent elections until eventually losing office. Since 1966, the only election in which the government of the day increased its national two-party preferred vote was the *Fightback!* Election of 1993 when the Labor government of Paul Keating was re-elected.

Of course this may offer some hope to the Howard government. If a GST could increase Paul Keating's vote in 1993, perhaps the GST

deflated the Coalition vote in 1998. There may be some room for a re-bound in Coalition vote in some seats.

However, the Coalition's ability to arrest the swing in the mortgage belt in 1998 may not be repeated in 2001. In seats like Aston, Lindsay, Robertson and Makin, young families were objectively better off in 1998 compared to the early 1990s, with the fall in interest rates, the family tax package and promised health insurance rebates improving living standards. Those voters were prepared to trust John Howard when he said they would be better off with his GST and tax package. The fate of such seats will swing on whether those same voters feel the Prime Minister has delivered on his promise, as well as the debate about whether Labor can handle the economy, code words for "Will interest rates rise under Labor?"

Redistribution details

Since the 1998 election, there have been redistributions in several states. In New South Wales, South Australia and Tasmania, redistributions have taken place to bring electoral enrolments in all seats back within quota. However, under the requirements of the Constitution and the Electoral Act, redistributions have also taken place to create new seats in both Western Australia and the Northern Territory. Boundaries have now been finalised, so the next Federal election will take place for 150 House of Representatives seats, 76 needed for either side of politics to form a majority government.

The two tables below summarise the impact of the new boundaries on the holdings of each party in parliament. The overall swing for Labor to win majority government is unchanged, seven seats on a uniform swing of 0.8 per cent. But as the last election showed, winning the right number of seats is more important than achieving the overall swing.

Impact of Redistributions

	New SeatsChange	
Liberal Party	63	-1
National Party	16	..
Country Liberal Party	1	+1
Labor Party	69	+2
Independents	1	..

Details of Seats with Changed Party Status

Details of change	Seats affected
Labor gains from Liberal Party	Macarthur (NSW), Parramatta (NSW)
Liberal gains from Labor Party	Paterson (NSW)
Abolished Labor Seats	Northern Territory
New Labor Seats	Hasluck (WA), Lingiari (NT)
New Country Liberal Seats	Solomon (NT)

New South Wales

Not since 1961 has a government been elected without a majority of the seats in New South Wales. With a third of the nation's seats, New South Wales is always a key state, and is certainly very important for determining the size of the government's majority.

New South Wales is the state where Labor traditionally does best, especially in terms of seats. Labor won 33 of the 50 seats in 1993, but then suffered a swing larger than everywhere but Queensland in 1996, losing 12 seats to the Coalition and one to Independent Peter Andren. In 1998, Labor recovered only Lowe and Paterson, though they came close to victory in Eden-Monaro and Richmond.

The battle in New South Wales will be in key regional electorates rather than Sydney. Only Lindsay and Robertson appear in danger for the government in Sydney, while regional seats such as Richmond, Eden-Monaro and Page will be easier for Labor to pick-up. Deputy Prime Minister John Anderson is also likely to come under challenge in his seat of Gwydir from Independents. The Liberal pre-selection battle in Hume between John Fahey and Alby Schultz may also generate an Independent challenge if Fahey wins the party's nod. Labor should easily win Paterson, now with a notional Liberal majority following the redistribution, and also retain both its notional gains from the redistribution, Macarthur and Parramatta.

Victoria

Until 1983, Victoria was always Labor's worst state at Federal elections. The Liberal Party's success in holding on to seats in the state at the 1969 election, or to be more correct the Labor Party's dismal failure to win seats, led Sir Henry Bolte to dub the state the "jewel in the Liberal crown".

The turning point for Labor was the 1980 election, when for the first time since the war Labor won a majority of the state's seats. At last Labor became electable in the middle class eastern suburbs of Melbourne, and in six of the seven elections since, Labor has recorded a majority of the two-party preferred vote.

But the election where Labor failed to win a majority was 1990 following on from the financial disasters of the Cain government. Labor lost 10 seats at that election, and while it has improved its vote since, Labor has been unable to re-capture a clear majority of the seats. To over-simplify, the Cain government's disasters reinforced a view in the eastern suburbs that Labor governments couldn't be trusted with money. The Kennett government polarized the class lines of Melbourne, Labor racking up huge majorities in its heartland, but made few inroads in the eastern suburbs. Labor won Bruce and Isaacs at the 1996 election, and Chisholm in 1998, victories that owe more to redistribution than changing electoral fortunes.

But now, with the Bracks Government enjoying an extended honeymoon, and the Federal Labor Party traditionally recording a higher vote than the state party, a string of Coalition eastern suburbs electorates are under threat. There are six seats on margins of 5 per cent in an arc extending around the east of Melbourne.

There are also two key regional seats. Sitting Liberal MP for Ballarat Michael Ronaldson is retiring on the back of Labor winning six local seats at the 1999 state election. The central Victorian seat of McEwen also overlaps all the semi-rural seats Labor picked up in 1999, as well as Benalla, won at a May 2000 by-election.

Labor is defending one regional seat, McMillan, but it would be a surprise if this was lost at the next election. Another seat to watch is Indi, based on Wodonga, where Liberal Lou Lieberman is retiring, and the Liberal Party has pre-selected prominent monarchist Sophie Panopolous. The National Party has reasonable chances of winning the seat.

Queensland

Labor won only 2 seats in Queensland at the 1996 election, suffering by far its largest swing in the state. Since the war, Labor has only twice recorded a majority of the two-party preferred vote in the state, in 1961 and 1990. Like all the outer states, Queensland does not have the concentration of industry seen in New South Wales and Victoria that allows Labor to have safe seats. When the electoral tide goes out for Labor in the outer states, they lose a lot of seats.

Labor gained six seats at the 1998 election. But so close was the election result that the Coalition is now left with five further seats sitting on margins of under 1 per cent. The Coalition could come close to losing government in Queensland alone.

The key contests will be in the three Brisbane seats of Moreton, Petrie and Longman, as well as regional seats such as Herbert and Hinkler. One difficult thing to work out is the impact of One Nation preferences. Labor did well with preferences in several seats, such as Wide Bay, which has cut the Coalition margin in these seats. It is difficult to know if this was just a product of the 1996 election, or represents a new fluidity in rural voting patterns in the state.

Labor's one marginal seat in the state is Dickson, held by Democrat convert Cheryl Kernot. This is yet another outer-suburban seat, Labor's victory in the seat in 1998 achieved only because of Kernot's high profile. The Labor Party will have to work hard to retain the seat.

The result of the state election will have an important impact on the federal poll in the state. A Labor victory will give the federal party great heart. A minority Labor government will also be of assistance for Labor. A majority Coalition government would see the rorts issue continue to run for the rest of the year as attempts to change the state's

electoral laws would require the cooperation of the Federal government in changing legislation, forcing Labor to address the issue.

The worst result for the Howard Government would be the Coalition in Queensland attempting to cobble together a governing agreement with the ex-One Nation independents, especially if Labor wins more seats than the Coalition. This would raise One Nation again as an issue in the seats of Sydney and Melbourne, not something the Howard Government would appreciate.

Western Australia

Labor won four Perth seats in 1998 and, with the addition of the new notionally Labor seat of Hasluck, this means that all the marginal seats in Perth are Labor-held. This means the main contest at this election will be in Kalgoorlie. The nation's largest electorate, its politics are idiosyncratic. After losing the seat to disendorsed Labor MP Graeme Campbell in 1996, the Liberal Party's Barry Haase won it in 1998 on Campbell's preferences. Labor's prospects in the seat have been damaged by the impact of native title issues on many small-scale mining operations, by the growth of individual contracts which is weakening traditional union solidarity, and by the growth of fly-in fly-out operations instead of traditional mining towns.

With the time difference, the election is almost certain to be decided by the time results are received from Western Australia.

South Australia

The last two elections have seen the Labor Party record its two worst post-war results in South Australia. With the continuing unpopularity of the state government, which is unlikely to go to the polls until after the federal election, Labor has real prospects of picking up the key Adelaide marginal seats of Makin, Adelaide and Hindmarsh. The other election seat of interest is Mayo, held by Foreign Minister Alexander Downer. He will again be under threat from the Australian Democrats.

Tasmania

After losing state government in 1998, the Tasmanian Liberal Party has fallen into steep decline. While Labor holds the Launceston-based seat of Bass with a margin of just 78 votes, Labor should hold on. The Liberal Party has pre-selected a former state cricketer and state MP for Bass, Tony Benneworth. He lost his seat at the 1998 election, and also lost a by-election countback to another Liberal candidate.

Northern Territory

Labor won the single Northern Territory electorate in 1998 by a narrow margin. It has now been split into a Darwin based electorate called Solomon with a notional Country Liberal Party majority, with

the rest of the Territory in the notionally Labor held seat of Lingiari. Both seats will see interesting contests. There is likely to be a Territory election held before the federal election. The great question to be answered is, how much more money will the Federal government promise for the Alice Springs to Darwin railway.

The battle for the Senate

The state Senators facing election are those elected in 1996. The Coalition won three of the six vacancies in each state at that election. This time, the Labor Party appears certain to win seats from the Coalition in New South Wales, Victoria and Tasmania. The Coalition is more likely to retain its third Senate seat in South and Western Australia, while Pauline Hanson stands a reasonable chance of winning a seat off the Coalition in Queensland.

The most likely outcome is both Labor and the Coalition finishing with 32 Senators, the Democrats holding the balance of power with nine seats, with Brian Harradine, Bob Brown and One Nation's Len Harris completing the numbers.

Endnote

1. On Saturday 10 February 2001, the Labor Party won the Western Australian State election.

AUSTRALIAN

ELECTIONS – RESEARCH AND DEBATE

Marian Simms

What I want to talk about is the research agenda. Academia now has more money, given to us by the Liberals yesterday and by the Labor Party the day before – so what do we do with it? What is my ideal research agenda?

I want to quickly look back to the 1960s and 1970s and say why I think a lot of really important and interesting work was done at that period. But what's happened since, and what is the legacy, if you like, of that lapse in leadership? Then maybe we can look at whose fault is it?

A number of people did terrific research in those days. People like, Don Aitkin, David Kemp, who's now more famous as a politician, Henry Mayer, who's passed to that great common room in the sky, and Murray Goot, Elizabeth Reid and Bob Connell. We had academics doing an enormous amount of research, but also engaging in public debate and discourse.

I looked at the list of names in the audience tonight and saw there were some journalists here. I want to briefly pay tribute to journalists. The work those journalists do, most recently Margo Kingston and Pamela Williams on election campaigns and prior to that Laurie Oakes and Paul Kelly over a very long period.

So what's caused our current problem and what are some of the implications of this? One of the causes is that the major political parties now spend enormous amounts of public money on research. And occasionally one gets to glimpse it. Now that's public money and it's essentially research in secret. So the best research in this country is being done by the political parties and it means the culture is now of secrecy, not of openness and debate. This is a real problem. And I'm not pointing fingers at any of the major sides in politics – they're all to blame. What this means is we don't have the level of debate, we don't have the theoretical tools, we were starting to develop. I'll give you some examples of where I think that in fact we've lost the tools, the tools have become rusty or whatever. What's more we actually persist with a sad old concept that keeps getting recycled.

My first sad old concept or rusty old research tool, if you like, is the pendulum. Everyone I know who puts up a pendulum immediately says, this isn't a very good guide to what's going to happen, but we'll keep using it nonetheless. So why do we persist with the pendulum? I think it's because we are not doing the research and having the debates that will lead to really useful research tools.

David Butler, who is now an emeritus professor at Nuffield College at Oxford, was the original inventor of the pendulum, with all due deference to Malcolm Mackerras. In a 1997 article (published in *The Politics of Retribution*, edited by Clive Bean, Scott Bennett, John Warhurst and myself), Butler actually noted that one of the problems with applying the pendulum to Australia was federalism. Developed in the United Kingdom – a unitary system – it took no account of state by state variations and state problems and issues. However, he then attempted to defend the pendulum by saying it was never meant to predict how individual seats would swing. In fact, according to Butler, it was meant to predict a final outcome because swings cancel one another out.

Just let me reiterate a point that Antony Green has already made. Antony has pointed out that states do defy the notional national average over time. So why don't we start our analysis in a federal country with a state by state model? I'll just give you a couple of quick examples from the past. Victoria – which finally came back into some notion of a notional national swing – was out of alignment from the mid 1950s through to 1972. As Gerard Henderson has written about extensively, the DLP came back into the fold in 1972 and allowed Whitlam to sneak over the line. Western Australia and Tasmania, of all the states, have defied the national swing more often than the bigger, more metropolitan states. Again, even in 1972, in the Whitlam "It's Time" landslide, the West defied the pro-ALP movement with a resounding swing of five per cent in favour of the Coalition.

More recently we all know that Sydney is different. What is it about Sydney that's different? New South Wales has effectively become the jewel in the Liberals' crown – no longer Victoria. And one could go on. And there are obviously all sorts of reasons of state culture and state political effects that mean that this has been happening persistently in this whole post-war period. One thing I will predict is that obviously state results are going to be really crucial this year. We've got some evidence showing that once a state public has vented its spleen on an unpopular premier, or on an unpopular government, they feel free then to vote for that party at a federal election. So let's have less of a pendulum, less of a notional national swing and go back to the states, where it all matters. Why do we keep persisting with the pendulum? Because it's there I guess.

The second issue I want to talk about briefly is conceptualising the electorate. We need to commence the search for new maps and models. Before this can happen it is crucial to set out the state of the debate.

I'm going to start out with a traditional model that has been around, since at least the 1960s and probably much earlier than that. This is a traditional model where it is believed that the Labor Party represents manual workers and the Liberal Party represents non-manual workers. The classic work is still Don Aitkin's book, *Stability and Change*. He did an enormous amount of work through the 1960s, which he revisited in the 1970s, with that class party link. But, what happened almost immediately was a number of people objected to his interpretative framework. For example, David Kemp at that time a professor of politics at Monash University agreed with Aitkin's findings but had a different interpretative gloss. For Kemp what was significant was not the 60 per cent of manual workers who voted Labor but the 40 per cent who do not. Political values, including the desire for upward mobility, were of great explanatory significance.

So, again, we've had this issue in Australian political commentary that over a 30 year period 40 per cent of notional blue collar workers have not been Labor supporters. So it's not a new thing as was claimed in 1996 when the blue-collar workers allegedly deserted the Labor Party. Why do we keep saying it's a new thing?

The other challenge to that class party model was writing and research done on the women's vote. Again there was some interesting work in the late 1970s and that seems to have been dropped. Some of the most interesting work that was done then was on husbands and wives. We know that households are important, if you like, as political laboratories. Ideas come out from the household. Some research showed that Labor male voters were more likely to have non-Labor wives than vice-versa. So what's going on there? Labor Party research in the 1972, "It's Time" campaign, discovered the wives of blue-collar Labor voters didn't like Margaret Whitlam. They didn't like the way she dressed. They didn't think she was appropriate. We need to investigate more closely the impact of domestic relations and private questions upon electoral politics rather than merely looking at votes in terms of occupation.

Another challenge to the class party model was the post-materialist approach, which basically says that affluent people may tend to vote on the basis of values, not economic orientation. That's been used to explain the rise of the Democrats (see John Warhurst's edited account of the Australian Democrats, *Keeping the Bastards Honest*). I puzzle therefore on reading accounts such as Mark Latham's (*Civilising Global Capital*), who claims to have discovered the fact that class and party are no longer closely linked in this country.

It seems to me, looking at some of the Labor Party debate and commentary, that one reason that class model is still presented, in some sense as the dominant one, is that it has become a code for referring to the trade union linkage. So those who say, such as Latham, that we have to get rid of the old class party map, have to be understood as providing code for saying, let's get rid of the trade union connection.

It's interesting that Liberal commentators and strategists, such as Andrew Robb (in *The Politics of Retribution*) and David Kemp (*Society and Electoral Behaviour in Australia*), have traditionally seen the trade union linkage differently. In many cases they've distinguished between a party's organisational base – whether that's trade unions for the Labor Party or small business and family organisations for the Liberals – and its voting base. They have them as having entirely different functions and effectively supported the idea of an organisational base. So they're perhaps less harsh on the trade union link than certain sectors are in the Labor Party.

So why do we keep persisting with this old model when we've known for 30 years that it often has weak explanatory power? What alternative models should we be looking for? If we turn to the columns of the newspapers such as the *Financial Review*, certain commentators say, that one must throw out all of our maps and say, we've all become individualists. Consequently with the rise of greater volatility – some commentators use the concept of the so-called “aspirational” voter. They've given up the road map and based their analysis on shopping behaviour. So it's the political equivalent, I guess, of the rampant individualism of free market ideology. It seems to me that if we just say, well, we're all separate individuals with no history, no past, no culture, this really provides no reasonable guide to people's political orientation, theories of political mobilisation, more likely voting outcomes.

So what do we know? What evidence do we have to throw some light on some of those suggestions from the newspaper columns? Can we say that there are no longer any cultural forces that affect voting? What is going on? Can we speak about the decline of the two party system, which is a different thing? It is possible to have a stable two party system without necessarily saying it has to be rooted in some sort of class or economic base.

Well we do know that the size of the major parties' share of the first preference vote has been slipping. And it slipped dramatically in the 1990s. With figures for the 1970s we were looking at around 92 per cent, the 1980s around 92 per cent – so the 1970s and 1980s are fairly stable. In 1990s we start to see a shift, when the decade average drops to around 84 per cent and that's obviously part of the decade of change culminating in the Pauline Hanson, One Nation phenomenon. My very brief footnote point on Pauline Hanson would be that it's very useful to look to history and to look at globalisation mark one, which was the

process during the Great Depression in the 1930s. The impact that had on party identification and voting behaviour was enormous, ripping the party system apart temporarily, but it then re-formed.

The percentage of seats that are classed as marginal, those vulnerable to a five per cent swing, has not increased dramatically, so we are not seeing more marginal seats. They may also be crucial to party strategists and media commentators, but we're not seeing a great number of them.

Now, finally, I want to say something about the significance of the campaign. Antony Green said we are going to spend the next eight months watching it. So what is it we are watching? Is it irrelevant? It's become really fashionable to say campaigns are entirely irrelevant. So what commentary can one make on the comment that they are irrelevant. I imagine that Gary Gray, as the former party secretary, will say, in fact, campaigns are important because it is when parties get to perform and mobilise their supporters. Why are they important? Well, they don't necessarily change outcomes. It's too easy, I think, to fall into the trap of saying that because we can't measure their impact, they don't matter. I mean there is a huge amount of American research, mainly on congressional elections, which measures the impact of television advertisements and expenditure on outcomes. For those of you who are statistics whizzes, there are some data there.

What I predict we'll find, in this particular election campaign, is that people will be dusting off their 1972 election books and going back to some of the cliches from 1972 – the notion that somehow Kim Beazley is Gough Whitlam reincarnate. The theory is that if an opposition leader has a very large number of seats and is teetering on the brink, that opposition leader will somehow simply fall over the line. We're going to see a lot of discussion about that. I want you to go away remembering Laurie Oakes' comment from the 1972 campaign. He actually said the campaign in fact was not decisive, that in fact, Gough Whitlam simply fell over line.

Well what do campaigns do? They ideally convey information to the political community. As such they deserve sustained analysis, I would say that political journalists, more or less, provide a service to the voting public and political watchers, by their continued production of their studies of election campaigns.

The two issues that one needs to watch out for are, firstly, the impact of leadership. That's very important and hugely understudied in the Australian context. The other one is negative campaigning and the Americanisation of election campaigns. It is important to ponder whether the import of "glib" and "slick" from the United States have not contributed to voter disenchantment with the political class.

CAMPAIGNS AND

ELECTIONS

Gary Gray

It's fitting that in our Centenary of Federation, an event brought about by a ballot, we should enjoy six ballots in one year – including a federal election.

A Federal election has no equivalent. No state or territory election can mimic or parallel in any way the pressure, pleasure or prize of a federal election. But campaigns and elections, although about votes, are also more than that. They are the ultimate barometer of public sentiment and the national mood. A campaign is about building an argument, it's about establishing a dialogue with voters at a range of levels – with the media and via the media, with corporate leaders, with core constituencies and with electoral target groups. It seems simple enough logic – winning elections is about holding safe seats and winning marginals.

And yet it is not so simple. In a modern economy and a fluid political environment like ours, politics is complex and relies upon messages being communicated to a disinterested audience. In this, Australia is not vastly different to wealthy political societies around the world.

In my time as a national official of the ALP we fought five federal campaigns and more than two dozen state and territory election or by-election campaigns – more than 30 contests in 14 years. All different. All the same. Many with results I wish I could change – even now! After all, this week we observed the fifth anniversary of the campaign that took John Howard to the prime minister's office.

So here we are. Months away from the first federal election of the new millennium and what do we know? The campaign is still important. Most people – 70 per cent – do not turn on to politics in any meaningful way until the election is announced. Most of them don't actually turn on until the last ten days. So, political combatants have fewer than a dozen real campaign days available. This is not to deny the salience of long term, slow burning issues like health care and economic competence and the possibility of some governments being beaten before the campaign opens – being DOA as it were.

Here are a few observations about campaigns that may shed some light on events over the next year or so.

- *Time*: From a leader's and campaign director's viewpoint, the most valuable commodity in a campaign is time. Time to think, time to be alone and to contemplate options.
- *Communications*: Political communication is best when it's emotional, relates to people, communities and national aspirations, not personal gain.
- *Campaign decision-making*: Campaign decisions are made amid so much research information and shrewd political advice that you don't get the opportunity, as campaign director, to talk to locals, shop keepers, butchers, bakers and candle stick makers. Indeed directing a Federal Campaign is a bit like landing a 747 by instruments.
- *Polling*: Polling is what illuminates the dials and instruments in the cockpit. But polling can only ever be one-dimensional. This is easily explained by a lesson learned by a major power utility recently polling people to see if they were willing to pay a premium for "green energy".

Just about every voter will declare a "concern" about the environment, indeed more than 65 per cent do. Sixty-five per cent said they would pay a premium for green energy. An excellent business opportunity. Yet a mere 7,000 in a population of 1,000,000 signed up for green energy. People don't actually like paying a premium despite what they tell pollsters.

These facts serve to demonstrate the one-dimensional nature of polling. Of course there are ways of structuring polling so that so called "opportunity cost" is considered and research can be constructed so that it fills out more of the emotional balances that drive voter intentions. But it's also possible that the science and structure of polling replaces the judgement of politics.

Modern polling suffers from several defects:

- The community suffers from poll fatigue. There are too many polls.
- Then there is the case of the One Nation Vote being under reported in public opinion polls. This was the reality in the Queensland state campaign in 1998. People even lie or at least tell pollsters what they think pollsters want to hear.
- It used to be that the less well off didn't own telephones. Now they do. Telephone penetration stands at about 95 per cent of households. But there are increasing numbers of answering machines and unlisted numbers that pollsters have to contend with.
- Then there is the 30 per cent of respondents who reject pollsters' calls. In the US this has given to the rise of internet-based polling, a trend that will take hold in Australia too.

It's almost as if there is a collective conspiracy among voters to protect the only act a consenting adult can enjoy which remains private and personal. Choosing who to vote for. All of these elements make it more difficult to predict politics and to manage politics.

Most voters say they are struggling in their daily lives. Everyone wants to be a battler!

People are cynical of the corporate slickness and presentational packaging of politics. They are sick of the processed pre-packaged, hermetically sealed politician from central casting. Voters want to see risk taking, difference and distinction. This hunger for difference is also destructive of the fabric of politics. We've all witnessed the unwholesome sight of politics as soap opera. The Clintons! Of whom I will say no more. But we have seen more than our own share of politics as soap opera. I'm not complaining about the scramble for a spot on *Burke's Backyard* – there is a place for populism. I complain that in a bid to be familiar, politicians let their guard down on purpose.

In a world where Australians are told that global forces determine all outcomes and that these are forces beyond the control of even national governments, it seems logical that voters do not feel at all sentimental about weak, look alike, sound alike politicians. And so politicians become disposable. But it's not just the weak who are disposable. In September 1999, 70 per cent of Victorians preferred Jeff Kennett as Premier and in July 1995 a similar number of Queenslanders preferred Wayne Goss. In my view one reason both lost office is because voters see politicians as disposable. In the age of the accelerated media cycle, where the 30-second sound bite gives way to millisecond thought bites, political leadership gets harder and harder and yet it becomes more and more important.

But let's go back to three of the campaigns ahead and look to the next few months. The Howard Government faces an election before the end of the year. I have circulated the pendulum, based upon Federal Parliamentary Library calculations and the poll trends as tracked by Newspoll. Look at both and contemplate this. It's not possible to be 100 per cent right about poll-based predictions because polls can only accurately describe the past!

But here are two certainties:

1. If Mr Howard is to win the federal election he needs to win votes and pick up seats. This is often regarded as an impossibility. However, Hawke picked up seats in 1987 and Keating did the same in 1993. Middle-aged governments can tap the fountain of youth.
2. The second clear certainty is that by Christmas 2001 only one of the two most experienced political leaders in the nation will be in the Federal Parliament. If he loses Kim Beazley has said

he will leave politics and it's well established that prime ministers who lose, leave. Voters end political careers with clinical ease.

So the Year of the Snake will prove to have at least one national political victim and several state victims too. Australians will be completely unemotional about it. Since enjoying my retirement from active service, I am not sure if the victim is the winner or the loser of the election.

The next federal election will be characterized by differential results across the states. Labor needs to win a handful of seats. However in New South Wales, it's been almost a decade since Labor netted even a modest harvest from the biggest state. A half a per cent swing to Labor produces three additional seats.

The government must contain Labor's lead in Victoria. In federal election terms the Coalition have not won over 50 per cent of the two party preferred vote in Victoria since 1990. Even in the wipe out of 1996, Labor returned a majority in Victoria. However the government would need a half a per cent swing to win just one seat in Victoria, that of McMillan. Think about that – half a per cent to Labor in New South Wales produces three seats, half a per cent to the Coalition in Victoria produces one seat. It seems on the balance of the pendulum, Labor has an easy task.

The public polls have Labor leading in most vote drivers: health, education, environment – but the Coalition holds a strong lead on the critical economic management issues. And so, a slowing economy is not good news for Mr Howard and Mr Costello, unless they can successfully argue the need for “more of the same” – imagine how bad it would be if those Labor chaps were in charge!

At this stage, Newspoll has the federal government travelling well in Queensland. This is vital to the Prime Minister's chances. A one per cent swing against the federal Coalition in Queensland would see five seats go to Labor, a one per cent swing to the Coalition in Queensland produces only one seat – Dickson.

I draw your attention to the election pendulum. The pendulum is of course a flawed tool. It presumes uniform swings across all seats, and the current pendulum is based on the extraordinary election result in 1998, where 23 per cent of voters did not vote for a major party. So, implicit in the pendulum are assumptions about two party preferred votes in some seats.

There could be significant implications of a collapse in One Nation support in seats like Wide Bay and Longman.

With momentum on his side, the Prime Minister will be looking to the next few months with a keen eye. I expect an election as early as July. That's the earliest time that a half Senate and House of Representative election can be called. Considering the elections in WA

on 10 February and in Queensland on 17 February, One Nation can be expected to poll strongly in provincial centres.

In Queensland their vote will increase as the distance from the GPO in Brisbane increases. Queensland has one issue: Premier Beattie's handling of allegations of Labor rorts and corruption. In 1998 the Queensland election was characterised by the battle with One Nation. As a result of the high vote of One Nation we saw less than 20 per cent of seats determined on primary votes alone. In 1995 the Nationals won 29 seats, all but three on primaries. In 1998 they won 23 seats, but only one on primaries.

Of Labor's 44 seats in 1998 only 15 were won on primary. Of the 89 seats in the Queensland Assembly, only 16 seats were won on primaries. Since then a redistribution has taken place. By-elections, new parties and splits in the One Nation Party have occurred, making it simply impossible to do anything but guess about who notionally holds which seat. We can only speculate about the shape of a Queensland pendulum. Queensland electoral officials will have a difficult job picking which preferences to throw on election night. It may even be late February before we know the result in Queensland. However, in my view the most unlikely result is a Borbidge Government, even with minor party support.

The election cycle in 2001 presents, as do all elections, the opportunity for thoughtful consideration by all voting Australians of the issues that face us all. It's also the time when our parties listen most closely to voters' opinions. Winning elections is most fundamentally about winning the confidence of voters and their support. It's not a bad thing that 2001 presents politicians, parties and the media with a chance to just stop and listen.

ELECTION 2001

David Barnett

Let me begin by talking about myself. I'm 69 years old. I write a column for my local paper in Yass, *The Tribune*, because I enjoy it. I write occasional other pieces, when somebody asks me. I was writing obituaries for my friends for a while last year, but mercifully that seems to have stopped.

When I was sacked by the *Financial Review's* then new editor, Colleen Ryan, at the televised request of the ABC's *Media Watch* presenter Richard Ackland, I gave up my office in the Canberra Press Gallery, and for the last couple of years I have been a full-time farmer. So what am I doing here, an old warhorse out to pasture?

A couple of years back, I could claim to be the oldest reporter in Australia, with a weekly comment piece which generated more letters than any other contributor. And now we are getting close to it. I was, and indeed am, a conservative columnist. In Yass, they think I'm marvellous. The editor told me the other day that he had been buttonholed by a reader who disagreed with what I had said. We were both amazed. It was the first time it had happened. Reg Wood and I of course talk to readers, people like me with suntans that stop at the neck and the wrist.

Back in the Press Gallery, mixing with the chattering classes, nobody agreed with what I wrote. I was a tomato in a field of cabbages. The media is dominated by the Left, just as are our universities, united not only by their love for the ALP, but also by their determination to suffer no dissenting views, in the medieval tradition of the Left. So that's why I was hauled out of the paddock. Because there wasn't anybody else. And that's why I came, because there wasn't anyone else. As Michelle Grattan observed to an interviewer when it was fashionable to write earnest articles about the Press Gallery, if Barnett didn't exist (as countervailing opinion, she meant) he would have to be invented. But he wasn't.

So we are heading into this election year with the media solidly against the Coalition government. T'was ever thus, you might say, and

you would be right. But it is so, and that is just as significant a hurdle this year, as in the past.

Now let me tell you a little more about myself. Being 69, I was naturally aged between eight and 13 during the Second World War and, just as chronologically, 18 when Bob Menzies became prime minister. I hated him. I had, when I was about 11 years old, read a biography of Stalin, published by Victor Gollancz, in the yellow jacket of the Left Book Club. I was deeply inspired by the nobility of this man, as a result, and endeavoured for a while to learn Russian. I admired the fortitude of the Russian people under the leadership of this heroic figure at Stalingrad and Leningrad, and their prowess under Georgy Zhukov and his colleagues in the final drive to Berlin.

I regarded the Bill to ban the Communist Party as a betrayal of the principles for which the allies had fought, and for which so many people had died. To me Menzies seemed to be an enemy of democracy. My intellectual journey from communism at the age of 11 came to a halt, and did not resume until 1957, when I was witness in Cyprus to the support of the British Labour Party and the Left for terrorism and fascism.

Furthermore, Ming was also a banner of books. When it came to free speech, he was catholic in his approach. The notable instances were *Lady Chatterly's Lover*, and the even more unreadable Joycean *Ulysses*. There were already enough young ladies telling me "No" without the prime minister joining the chorus. I could never have voted for him, and I knew no contemporary who would have. I discerned no support for the Coalition in my admittedly Bohemian circle. He alienated a generation.

Now let me relate this to our country today. Ming was politically cunning, but I have never encountered anybody who thought he had any idea how to manage an economy. He was not as destructive of it as the ALP under Curtin, Chifley, Hawke and Keating. But I don't believe he knew what he was doing. Times were prosperous because the ratio of resources to people was then still high, and because he liberated mineral resources for exploitation.

John Howard, by contrast, does know what he is doing. He has dragged this country back to prosperity, despite being fought every inch of the way by the ALP, the blithely ignorant Democrats and the media. But he is a banner. I used to believe John Howard was the best prime minister we have ever had. Now I fear that he is the only good prime minister. But the confidence in his own judgement, which has sustained him through all the years that prime ministers must spend in waiting, has its drawbacks when he moves away from the economy, into areas of personal freedom.

He wiped out his landslide majority when he told the citizens of this country that they could not own twentieth century firearms. He pushed a great many people around, a high proportion of them conservative blue collar workers and bushies. Nor have they forgiven

him. As the president of the Australian Sporting Shooting Association, Bill Shelton, said in an editorial in the society's journal (attacking John Howard for "basking in reflected glory" at the victory of an Olympic shooter) "with 14 coalition MP's on margins of less than two per cent, I can hardly wait for the next election."

And that's not all. John Howard promised to ban X-rated videos, an article of trade undreamt of when Ming was busying himself with Mr Mellors. He was talked out of that by arithmetic, the fact that the ACT video distributors have a mailing list of 650,000, and by the polls which show that people watch them. But he appointed people to the Office of Film and Literature Classification who are giving fewer and fewer erotic videos the X classification which enables them to be sold in Australia from the ACT and the NT. He is still pushing people around.

As a result, the X rated video industry has cranked up its political operation. It is now using American techniques to identify candidate attitudes in marginal seats. It is in a position to advise subscribers who to vote for, by including how-to-vote cards and electoral advice in material which roughly five per cent of the voters in every electorate in the country receive, either in the form of catalogues or purchases.

The coalition could lose the next election without ever knowing why, for reasons which are completely irrelevant to the good governance of this country, because the prime minister no longer believes a government has no business in the bedrooms of the nation, which was the view he took in 1997, before Senator Harradine began to flex his muscles.

It never seems to have occurred to the Libs that they should stand for individual freedom as well as economic libertarianism. The ALP does stand, much of the time, for social libertarianism, thus effectively masking economic repression, and has been well-rewarded.

Now I would like to talk about fun. If I might generalise, ALP leaders are more likely to have a sense of fun than Coalition leaders. The media love the ALP for that stuff. I know there are exceptions: John Curtin and Tim Fischer spring to mind. However, if you don't generalise you don't say anything. And indubitably there is a zest to ALP governments, operating in a favourable media climate, which is lacking in the Coalition. Stunts are few and far between, and so are clever phrases: tomatoes in a field of cabbages, the effervescing economy bubbling out of the glass, good old Bondy. What has my side ever said: life wasn't meant to be easy, and Australia therefore is also at war.

On election night, the Coalition have three parties: the inner group, the middle group, and the rest, milling around outside, which is where the press are sent. The ALP have one big bash. I did my best to do something about this, but it wasn't easy. Is this important? Very much so, and I remind you of the Olympics, when John Howard turned up whenever he could. Where's the prime minister, said a

commentator during a close fought contest. We always seem to win when he's here. So John Howard had become popular, genuinely liked, as a bloke, the way people liked Chifley, in a way in which previous conservative leaders did not. This might be because, as an old boy of Canterbury High School, he shares with Bob Hawke the distinction of being one of the only two prime ministers to come out of the public education system, that I have been able to find.

Does this matter? I think so. Marginally perhaps, but in our television age, electorates do tend to regard politics as entertainment. Some of you may have read the *Financial Review's* retrospective on prime ministers since federation, when a group of historians were asked who were the good and bad prime ministers. Their judgements were completely superficial: who was a good orator. Who drank too much. None of these professors talked about what our leaders had done for their country, or sought to rank them in those terms.

So if professors can get in the paper for talking about vision instead of living standards, then surely the rest of us are entitled to get bored with the same old face. Time to switch from *Number 96* to *The Box*, or from Bob Hawke to Paul Keating, regardless of redeeming merit, whether artistic or political.

In summary, we have an effective government which has protected us from international economic vicissitudes. That has never happened before. We have never had it so good. We have a likeable competent prime minister, who is comfortable in the job, and with whom we feel comfortable. However, you cannot push people around, whether it be gun ownership, the right to watch blue movies, even the right to ask a doctor to hasten the end of a terminal illness.

It would be utterly tragic should the only good government we have ever had be turfed out at the next election. The prospect of a return of the ratbags, and the bankruptcies, unemployment and credit squeezes, is too terrible altogether. But it could happen, not all that improbably, and quite unnecessarily.



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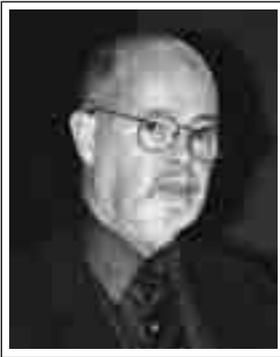


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1. Tony Horton, Gordon Ramsay
2. Tricia Hecker
3. Robert Maher, Lindsay Tanner
4. Nick Rushworth
5. Janette Parkinson, Geoffrey Miller
6. Vreien Serju, Shevaun Sykes,
Pradnya Commur, Nicole Griffin

7. Jennifer Harris, Louise Callan
8. Sandra Power, Mac Halliday
9. Mae Gannon, Fiona Cashman
10. Gary Tipping, Margaret Derbyshire
11. Geoff Hughes, Greg Rosen
12. Janet Wilson, Lynette Skeoch

Photographer: David Karonidis



Phillip Knightley



Virginia Ginnane

Photo – David Karonidis

For the second seminar in the “Australia Chooses” forum for 2001, The Sydney Institute hosted a discussion on Australian egalitarianism. Writers and part time expats Virginia Ginnane and Phillip Knightley addressed a diverse audience of local Sydneysiders on Tuesday 6 February 2001. They reflected on why, over decades, some Australians have taken flight abroad, and examined the shifts and maturing in Australians’ understanding of themselves as belonging to the country of the “fair go”.

Australia Chooses

EGALITARIANISM

THEN AND NOW

Virginia Ginnane

There was a time in Australia's past when people of exceptional talent had to leave our shores. Egalitarianism in the 1950s and 1960s strove to give everyone a fair go, but it failed to accommodate some of those whose talents were different to, or let's face it, above the rest.

For some, the memory of the need to leave has not been dimmed by time. Barry Humphries recalls, "The reason I left Australia was because I couldn't stand it any longer." He sailed to Venice in 1959 after playing Estragon in *Waiting for Godot* at Sydney's Philip Street Revue Theatre, in Australia's first ever production of a Samuel Beckett play. In 1969, Humphries introduced Mrs Edna Everage to the British stage at the Fortune Theatre in his one-man *Just a Show*. Such a modest little title, but Edna and the rest of Humphries' coterie of satirical characters would change forever the image of Australia abroad. Whether we liked it or not.

Sir Les Patterson, squatting on the loo, mischievously waving the Southern Cross may not have endeared himself to all *Good Weekend* readers when Polly Borland's image hit the cover in May last year, but the character will only endure as long as the models exist for him to style his satire. And Sir Les is alive and well. So all you aspiring diplomats out there, clean your ties and wipe your chins!

It wasn't to be presented at the Court of St James's that caused multi-award winning theatre and film director, Michael Blakemore to leave Australia in 1950, but to study at RADA. "When I was starting out, you really had to make that trip to England, if only to lay a few ghosts to rest," Blakemore explained. "In Australia we lived in a copy-cat society that looked to Britain for everything – institutions and cultural sustenance..."

For many of a former generation going to England was going home. When the late Bruce Gyngell, former Chairman of Channel Nine International moved to the UK in 1971, to become Managing Director of the commercial television station ATV, the relationship between Australia and its mother country was quite different.

Gyngell recalled a card from his mother awaiting his arrival in his London hotel. “It said simply ‘Welcome home darling’, even though my mother was then a Sydney resident and had never visited the UK.”

Carmen Callil, who arrived in London in 1960, with no Anglo-Saxon ties, and founded the legendary Virago Press in 1972, has no doubts about why she had to get out of Australia. “It was post-war, very Catholic and it was hell.”

Sir Kit McMahon, former Chairman of Midland Bank and Deputy Governor of the Bank of England, experienced the same need to abandon his country when he left for the UK in 1951. “I felt I had escaped from a crude, intrusive populism, a tyranny of majority opinion and I liked the feeling.”

Samantha Bond, who became a “Page Three” girl in London’s tabloid press and one of the sixties “glamour girls” photographed by David Bailey and others, sailed from Australia in 1966. Bond remembers that, “There was not very much happening in Australia. For a young girl it was dead. If I’d stayed there I would probably have married a truck driver and had eight kids and I’d probably be very happy!” In 1977 she formed her own model agency Images, which soon became Samantha Bond Management, discovering models such as Emma Noble, wife of ex-PM’s son James Major.

Australia was tough on those looking for intellectual enrichment. The doyen of the babes with brains, Germaine Greer defected after completing a BA (Hons) at Melbourne University and an MA (Hons) at Sydney University. Seven years later after gaining a PhD from Cambridge, *The Female Eunuch* was published. And it’s hardly Australia she could thank for support. “One of the problems in Australia,” she told me, “is this petulant anti-intellectual bias – people don’t actually want you to be clever.”

Indeed Donald Horne claimed in *The Lucky Country* in 1964 that “to appear ordinary, just like everybody else, is sometimes a necessary condition for success in Australia”. Horne continued: “The demand for mindlessness can be so pervasive that able men deliberately stumble around with the rest lest they appear too clever, and therefore too “impractical”. Within Australian institutions there is a great deal more subtlety in personal relations than the image of the simple unsophisticated Australian allows for. Much energy is wasted pretending to be stupid...”

If this was Australia at the top in the 1960s, the pull to the UK must have been irresistible. It was for Dame Bridget Ogilvie. Having completed a Bachelor of Rural Science at the University of Armidale (NSW), Dame Bridget left Australia in 1960 as a Commonwealth Scholar. She qualified as a Doctor of Philosophy at the University of Cambridge in 1964 and from 1991 to 1998 she held the influential post of Director of The Wellcome Trust. She explains her efforts to return

home to work. "I tried to go back to Australia a couple of times, actually, but male chauvinism drove me away. It was impossible for women to make progress [in Australia] in those days in the academic world. My dear father always said that we have to remember that Australia was very close to its pioneering roots in my day and it was really a reflection of that. But I have no bitterness about it. I've done very well!" she laughs uproariously.

For many of those who were denied the opportunity to express themselves in their own country, the UK offered them the chance to be their own person there, albeit as an outsider.

For Dame Bridget the transition was comfortable. Where Australia's so-called egalitarian society couldn't make space for a fellow countrywoman, the paradox was reversed in the UK. She explains: "I've always thought how strange it is in this class-ridden country, that they are totally accepting of outsiders; they accept you at your own valuation." But not everyone experienced this easy acceptance.

Egalitarianism has never been a feature of the UK entertainment industry. Leo McKern was forced to get rid of his broad Australian accent to attract work as an actor when he went to England to work in theatre in 1946. He explains that "it wasn't until the *Summer of the Seventeenth Doll* [1955] came to England that there was such a thing as Australian theatre, and such a thing as Australians in Australian plays."

Famous for playing the quintessentially British role, *Rumpole of the Bailey*, the accent was clearly convincing. Although he tried twice to return to live in Australia, pressures of work caused McKern to return to the UK.

When Rolf Harris first tried to break into TV in London after leaving Perth in 1952 to study art, he was advised that if he wanted to make it, the Aussie accent had to go. So it did, briefly. "At first I was busy trying to be British, trying to conform to fit in with everybody else. Then I had my first record, a number one hit, 'Tie Me Kangaroo Down, Sport', singing in my own unashamedly Australian accent and I remember thinking, 'Well that's a shock, I can actually be myself, be Australian and be a success!' I came back [to the UK] a couple of years later, armed with that knowledge and suddenly I wasn't busy trying to pretend to be somebody else. It made such a difference."

But what of egalitarianism now in Australia? How do we respond now to those whose exceptional talent has made a considerable impact promoting the image of Australia internationally? Greer claims she'd never been offered an Australian honour and never will be, in spite of being offered an honour in the English honours list and refusing it.

Blakemore finds that his harshest critics are in Australia. "Australia has always been tough on its talent," he says. "And it is certainly ambiguous about its expatriates. I've had more hostile or indifferent reviews in Australia than anywhere else in the world."

Contemporary musician and writer Nick Cave would sympathise. Having achieved considerable success in the UK and Europe, since he left Melbourne for London in 1980, Cave claims it took 20 years for the Australian record industry to recognise his work. "They awarded me an up-and-coming songwriter of the year [award], or something like that. By that stage it was all too late and I didn't attend the ceremony."

Australia continues to be accused of failing to support local talent or even undermining it. Jewellery and accessory designer, Sarah Harmarnee is very open about the anger she feels towards the fashion industry in Australia. "Apart from a few people, I find that the Australian mentality riles me. As a creative person it's very difficult to express yourself there, particularly in the realms of fashion, because fashion in Australia is pure plagiarism from Europe. Unless you're copying, they don't want to know you. They gave me a really hard time about what I did when I was there. As soon as you express any interest in leaving Australia, they say 'What's wrong with Australia?' It's like it's a personal insult. I think it's such a disappointment, because there is such potential there."

These responses would suggest a threatened and defensive nation, but the news is not all bad. Artist Tony Clark who has see-sawed back and forth between the UK and Australia since 1960 found studying the History of Art in England rather inhibiting but applauds the "healthy do-it-yourself attitude" prevalent in Australia.

"Something I enjoy about Australia" says Clark "is that it encourages you to have a go. Whereas I've found that in Europe generally, the attitude is not 'Have a go', but 'Back off'." he laughs.

Of the 47 expats I interviewed for the Polly Borland book, most are proud to be Australian, many would like to return to live here if they could, but their career or their family keep them in the UK. Some intend to return to Australia in retirement, some are actively making that a reality.

Bill Muirhead, Advertising Executive and Founding Partner M&C Saatchi, hopes to be buried in his hometown of Kapunda in South Australia. But not prematurely.

Many long for our high skies and clear light, but they know they are also hooked on the layered charms, the secret rules and symbolic courtesies which characterise English society. Blakemore articulates his quandary. "Australia is the place that the Brits long to visit because they see it as much like home, plus endless sunshine and prawns. But of course, there is a sting in the tail. "Australia's hedonistic advantages can never quite compensate for the complexity and sheer density of European life. There is such a thing as a prawn too far. Maybe that is what has kept me here. Although I've never felt anything other than Australian."

There are many lingering concerns about the changes taking place and not taking place in Australia. Most interviewees were shocked by the republic referendum result, many were angry. Designer Marc Newson saw the referendum as symbolising a coming of age, but accused Australia of finally towing the line. "It smacks of the things I dislike about Australia. The cultural cringe, the inferiority. I just wish they could get a grip and assume their identity!"

The issue of native title and rights of the indigenous people arouses passion. Germaine Greer implores Australia to realise its Aboriginality: "The Aborigines need their sovereignty to be recognised and they need a treaty." Photographer Polly Borland feels as if she has blood on her hands.

Writer and poet, Herb Wharton is a little more pragmatic, if not ingenious. "We'd make the Queen an honorary Aborigine, then she'd be an Australian citizen. We could then be a republic and she'd still be our head of state."

Some lament they have been in England too long, left it too late to return although they acknowledge that if they had the choice again starting out again in this era of global communications, they would not have needed to leave Australia permanently. But that can only be conjecture. Greer said she couldn't see herself making a living in Australia. Callil believes it's still an uphill struggle for Australian writers because of the distance.

But things are changing, technology and transport enable us to change hemispheres within hours now, not weeks. The epic sea journey to the mother country often determined a choice for life and this is no longer the case. And heh, Australia's pretty cool now.

Blakemore again: "That is why we left, because we had this feeling that the really interesting things were happening elsewhere, that we were missing out on the party. It's the jumbo jet that has changed things. Australia has learnt to throw a party of her own, and most of her citizens, I'm glad to say, are taking up the invitation."

Some of the smart young international set, not entirely convinced Australia throws the only good parties, are still opting to be based outside Australia. Singer Natalie Imbruglia can't give up "the edge" London offers. Torn between the two countries, for quality of life she would live in Australia, but for her career, it's "the melting pot" of London that sustains her. And now she can have both.

Actor Noah Taylor enjoys the freedom of being an outsider in London and the distance it allows him to observe things "a little bit more objectively". But composer Barrington Pheloung yearns to return to live and work in Australia and believes the new technologies can allow this to happen.

Hell, we Australians should be able to live where we like and excel in our chosen field and be embraced, not judged, by our countrymen and women whenever we're ready to return. And this is happening.

If we've replaced the cultural cringe with the Sydney strut as poet Peter Porter quotes Robert Hughes as claiming, then let's use the new confidence for positive change. Not for over-gilding, like the bloke who reportedly called out to the Union Jack waving Pom at a sports event "Can't you afford the rest of the flag, mate?"

The Olympics revealed us to be a proud and assured nation with a warm heart, which turned even hardened hacks into romantics. Our multicultural community proves that we are a tolerant nation. We need to use that energy to establish a new egalitarianism which no longer presumes that everyone shares the same aspirations, an egalitarianism that is less parochial, more global.

The new egalitarianism is no longer driven by common prosperity, but recognises and celebrates all the exceptional and individually different people we are now and are determined to become. As Patrick White warned in *The Age* in 1983 "Australia will never acquire an national identity until enough individual Australians acquire identities of their own."

EGALITARIAN

AUSTRALIA – THEN AND NOW

Phillip Knightley

It's my belief that Australia is a very different country. It's different from the way it is perceived by the rest of the world. It is different from the way Australians themselves perceive it. One of the themes of my book is an attempt to explain how Australia is different and what made it so.

Part of the trouble is that since English is an international language these days and Australians speak English, then any English-speaking person coming here will immediately understand what is going on. Wrong.

In London in the 1950s I got to know a journalist called Rex Lopez. He had been born in Gibraltar but brought up and educated in Britain. He worked in the London bureau of a group of Australian newspapers. He had worked with Australians all his adult life. He married an Australian and emigrated to Sydney where he joined the *Sydney Daily Mirror*.

On his first day at work, the chief of staff asked Lopez if he thought he could handle the news tips telephone. This was where readers would telephone with a news tip in return for a small payment. Lopez said of course he could. He had mixed with Australians for years. He spoke like an Australian. He could understand Australians perfectly. So Lopez went into the news tips telephone booth and the phone rang and when Lopez picked it up a man shouted: "Willi willi at Woy Woy" and hung up.

We all talk about Australian egalitarianism but, like Lopez (who never told anyone about his first telephone call in Australia for years afterwards), I am not sure we understand it.

The dictionary definition of egalitarianism lets us down a bit. "Holding the principle of equal rights, etc for all persons". Note that it doesn't say the principle that everyone is born equal or that it involves actively working for equal rights. It just says "holding the principle". Since this is something that would be hard to disagree with,

egalitarianism has obviously come to mean something more when used in its Australian context.

I want to argue that it has come to mean a state of mind that has developed more importance in Australia than in most other countries. We talk about it more, argue about it more and defend it more vigorously than other peoples. I can assure you that on my many visits to the Soviet Union before the collapse of communism, egalitarianism was not a hot topic on the streets of Moscow. I can't remember ever discussing it in Britain, either, unless with other Australians. Even in the home of the word, France, unless you were discussing the revolution, egalitarianism never came up.

Why, therefore, its emphasis in Australia?

Most historians now agree that Britain did not intend the colony in NSW to be a gulag for its outcasts. Many thought that it might produce tea, coffee, tobacco, silk and spices – a sort of India Down Under. Such a place would not, of course, have been an egalitarian society. It would have had all the social classifications that marked out eighteenth and nineteenth century Britain and India. Doing the “placement” at an official dinner in Calcutta was a nightmare with no fewer than 61 orders of precedence.

In contrast, convict Australia was very egalitarian – all the convicts were equal in that they all had nothing. In fact the authorities used this as a means of control by offering those prisoners prepared to inform on their fellows extra food, money and tobacco – a chance to leave egalitarianism behind, to be a dobber instead of a cobber. True class differences existed then and do so now, although not in the infinite divisions that still exist in Britain. George Orwell is said to have pondered long and hard over whether he was upper, lower middle class or lower, upper middle class. Most Australians, if forced to do so, would place themselves in one of three classes – upper, middle or working class. But again, these differences, unlike Britain, are defined not so much by what school you went to, what accent you have, or what work you do, but by how much you earn.

It seems to me that the origins of this attitude go back to those early years in Australia when there grew a sense that since this appeared a land of great wealth and that since its inhabitants had the opportunity to start a new society, then everyone should have the chance to share that wealth in a fair and equitable manner. That remains the case. The amount that the Australian government spends on the welfare of its citizens climbs year after year no matter which political party is in power. It represented 44.3 per cent of the total budget in the financial year 1999/2000 and 44.7 per cent in 2000/2001. Few countries look after all their people as well as Australia does.

The Australian climate must have been a factor in the growth of early egalitarianism – no matter how rich or powerful you were, there

was no escaping from it, or, when it was in its more moderate mode, any inequality in enjoying it. I was fortunate enough over the recent holiday period to be invited for a twilight cruise on Sydney Harbour. We motored slowly around the harbour beaches, sipping Australian wine, eating a light supper and watching the sun as it set behind the bridge. "I wonder what ordinary Australians are doing," someone said. "There they are over there," our host replied, pointing to dozens of families picnicking on the grass or the beach, enjoying exactly what we were – without the \$1,000 a day bill for maintaining an expensive motor yacht. Australia's gardens, beaches, mountains, rivers are open to all. That's one aspect of Australian egalitarianism that distinguishes this country from many other countries – beaches in France, for example, are often private and ordinary citizens are excluded.

War and sport have been and remain, for Australians, egalitarian. The risk and the glory are there for all. Although I notice one aspect of military egalitarianism today that non-Australians might find hard to understand. Watching the Australian Navy rehearsing for Australia Day on the wharves at Woolloomooloo recently, I heard the officer commanding the parade explaining the reasons for the orders he was about to give. I remembered D.H. Lawrence writing in *Kangaroo*: "There was no giving of orders here; or if orders were given, they would not be received as such. A man in one position might make a suggestion to a man in another position and this latter might or might not accept the suggestion ..." It would appear that my naval officer was working to the theory that he had a better chance of getting his orders obeyed to the letter if his men understood the reasons for them.

This sort of egalitarianism can be dangerous to societies where automatic respect for authority is ingrained from an early age. Some years ago I met in Sydney a Spanish doctor, Jesus Arroyo. Arroyo lived in Switzerland but had been awarded a scholarship to do some post-graduate study in Australia. Since he was here for two years he brought his family with him and put his daughters into Australian schools. Soon after he returned to Geneva, he was called to the headmistress's office and told that his ten-year-old daughter was being suspended forthwith for "disruptive behaviour and setting a bad example to other students". It turned out that the daughter's teacher had been excluding a foreign pupil from class activities. Finally Arroyo's daughter had stood up in class and told the teacher, "That's not fair." The headmistress pointed out to Dr. Arroyo that irrespective of the merits of the charge, the authority of the teacher and discipline in the school was at stake. When he said his daughter had been in an Australian school for the previous two years, the headmistress said, "Ah." Then she asked what sort of society was Australia where pupils were apparently taught that equality and fairness were more important than deference to authority?

Of course, egalitarianism has a negative side. It's my belief that it is a factor in both the tall poppy syndrome and the vicious gossip about politicians that circulates constantly in Australia. The thinking goes something like this: if we are all equal and he/she has done so well in life, then he/she must have had an opportunity that I did not. I could do that job equally well, so why haven't I got it. Nepotism or corruption must be involved. You'll remember Paul Keating's complaint when he was Treasurer that Bankstown was full of blokes who couldn't manage a piggy bank who thought that they could do a better job of being Treasurer than he could. And did not hesitate to tell him so.

And, coming fresh to Australia at frequent intervals, over the years one of the aspects that strikes me is the rumour mill about anyone prominent in public life. Taxi drivers will name the bagman collecting corrupt payments for prominent politicians. At parties the sex life of anyone in the public eye is dissected in detail. If you believed only half of what you hear, hardly anyone in Australia is even reasonably honest or sexually normal. And it's the flip side of egalitarianism again that makes it difficult for anyone in Australian public life to spend anything other than modest amounts on travel or entertainment because of the attitude: "If I have to fly economy class and stay in cheap hotels why should anyone in public service have it better?"

But despite this, I am convinced that Australian egalitarianism has been and remains a good thing, an essential part of the Australian character. Most Australians believe two things – that their kids will be better off than their parents have been, and that if those kids set their minds to it there is nothing in Australia that they cannot achieve. When the author Matthew Condon told his father that he was going to be a writer, his father did not say, "Isn't that a bit ambitious", or "Better stick to something safe." He said, "Good, but make certain you write a bestseller." And he continually reminds Matt, "When are you going to write a bestseller?"

If I had told my father – who had weathered the Depression and whose trade was signwriting that I was going to be a foreign correspondent for a Fleet Street newspaper and one day write a few books, he would not have laughed at my impertinence. He would have said in his understated Australian way, "Good on you." If you are young in Australia then the world is your oyster in a way that I have not seen anywhere else.

Okay, if I feel this way why did I leave Australia back in 1954 and settle in London. I won't go into all the reasons that seemed so compelling at the time but when I was asked to speak at the Royal Festival Hall last July as part of the celebrations in London to mark the signing of the act that created Federation, I did a lot of

introspective thinking about whether or not I had made the right decision all those years ago.

I said, "I realise that I swapped a sunny, happy optimistic country with an eye on the future for a dull pessimistic nation heavy with melancholy. It has taken me until now to see that I might have made a mistake, that back in 1954 I unwittingly gave up a chance to play some small part in the making of modern Australia, one of the most exciting social experiments going on in the world today."

This brought me a lot of stick, especially from the Brits living in Australia, who do not like to read criticism of the Old Country, even though – in a mirror image of me – they show no signs of packing up and returning. But one commentator sympathised with my soul-searching. Nicolas Rothwell wrote: "These words echo with a dreadful wisdom, like the words murmured at the end of all great illusion-ridden affairs. As if he were Charles Swann, who looks back on his own story, and realises he has given the best years of his life to "a woman who was not my type", Knightley is here admitting to himself that the golden prize may have always been lying where he failed to glimpse it – right before his eyes. Generations come and go, the era of expatriation passes – but Australia with its hazy undiscovered future, remains."

I think it would be a pity if that "hazy undiscovered future" did not find room for the idealistic values that have always been so important to Australians – egalitarianism, mateship, solidarity and a fair go. True they are not easy to define – they are more a state of mind than actual principles. But every Australian understands them even if he cannot describe them.

Winning a place in the Australian cricket team must be one of the most competitive activities in the country. Yet when a British journalist asked the talented West Australian batsman Justin Langer what it was like to be in a team with all these other highly-competitive cricketers, Langer replied with a sentence that tells us more about egalitarianism, mateship and solidarity – more about being an Australian – than any amount of analysis or pontificating from people like me.

"What's it really like being in the Australian team?" the journalist said. And Langer replied, "Like playing backyard cricket with ten brothers."

I am aware of the growing divide between the rich and middle income groups and the poorest sections of society in Australia and that, although this is more pronounced in the United States and Britain, Australia is now not far behind. This is disturbing but it is being addressed. Politicians, unions, academics, sociologists are all worried about the social ravages caused by this inequality. Their concerns may be self-serving – for instance, no politician wants to thin out whole social sections of his supporters.

But I remain optimistic. Australian society will not tolerate the destruction of its hard-fought for egalitarianism because Australians have two admirable qualities – commonsense and essential decency.



Photo – David Karonidis

Lindsay Tanner

Globalisation has left Australians divided. The takeover of large Australian companies and the fact that many of Australia's most respected major companies are moving their head offices off shore has left many fearing that Australia is facing marginalisation in economic forums. According to Lindsay Tanner, Shadow Minister for Finance and Consumer Affairs, this is a trend that can be slowed if not turned around. In another "Australia Chooses" seminar, Lindsay Tanner addressed The Sydney Institute on Monday 12 February 2001.



POWERHOUSE OR *BRANCH OFFICE? AUSTRALIA'S CHOICE.*

Lindsay Tanner

While many Australians are patting themselves on the back for a decade of high economic growth, our nation is drifting towards international economic irrelevance. Public debate is cluttered by lesser issues. Our capacity to adapt to change is hampered by inadequate leadership in government and key sections of civil society.

Australia is undergoing a rapid economic transformation. We can negotiate the terms on which this transformation occurs, but we cannot prevent it.

The proportion of economic activity which is inherently global, or dependent upon inherently global activity, is growing rapidly. More and more Australians enjoy global employment opportunities. Sections of the Sydney real estate market are effectively global. Major Australian companies routinely operate globally.

As the barriers to movement of people and money continue to tumble, behaviour is changing, both in Australia and elsewhere. Yet much of our public discourse has failed to adapt to the pace and extent of these changes. Australia is therefore not well positioned to adapt to the further changes which are coming or to cope with the looming economic slowdown. The sudden plunge in the value of the Australian dollar in 2000 is a foretaste of the problems we will face if we do not change course.

Many of Australia's most respected major companies are moving head office and management functions overseas. Whether through dual listing, moving top management or outright relocation, companies such as Brambles, Pioneer, BHP, Lend Lease, CSL and National Australia Bank are all heading down this path in a variety of ways. Over the next few years this trend may become a stampede, and generate considerable public outcry.

Australian corporate icons are moving headquarters and listings overseas for simple reasons. Australian domestic markets are small, and efficiency gains through mergers and acquisitions are inhibited by competition laws. Many large Australian companies earn much of their

income from overseas: four of our top ten companies receive a majority of their profits or turnover from overseas. Australian capital markets are relatively small, hampering major companies efforts to raise capital at the lowest possible cost. In short, many major Australian companies are outgrowing their Australian origins. Once an Australian company becomes a multinational of some size and consequence, its Australian base becomes a significant problem because of our small size and relative isolation. Few national companies are headquartered in Tasmania, for precisely the same reasons. It is only because of the peculiarities of the media industry that News Ltd. remains nominally headquartered in Australia, and that situation could also change.

Anyone who doubts the seriousness and immediacy of this prospect should take a quick look at New Zealand. Because of its small size, isolation and narrow economic base, New Zealand is slipping off the world economic radar screen. The market capitalisation of the New Zealand stock exchange is now about half of the value of Telstra. This trend will eventually force New Zealand to seek economic and political union with Australia.

The most damaging aspect of the triumph of the branch office phenomenon in New Zealand is the rapid decline in the presence of professional and business services firms. Investment banks, accounting firms, law firms and financial institutions no longer need to maintain a major presence in New Zealand, and have scaled back their operations accordingly. Only a few weeks ago major investment bank Merrill Lynch announced that it is closing its New Zealand operations. Similar trends can be seen in smaller Australian capital cities.

Financial, business and property services firms are a major source of employment in western economies. They provide an important means of cross-fertilisation with the public service, universities and other private sector firms. They help to sustain a wide range of associated economic activities.

If more and more of Australia's major companies move offshore, a great deal of this associated economic activity and employment is likely to move with them. Although we are much larger than New Zealand, we are still only about 1.2 per cent of the global economy. This ensures that we remain on the world's economic radar screen for now, just. Yet we are perilously close to drifting out of the frame, and ending up in a similar situation to New Zealand. If this eventuates the outcome will be lower growth, fewer employment opportunities and less control over economic decisions.

It is no longer economically logical for large companies in key sectors to remain overwhelmingly domestically oriented, even in economies substantially larger than Australia's. Although our size and location make it inevitable that we will be a branch office economy in

some sectors, our existing approach threatens to make us a branch office economy in most major sectors.

From the moment the Howard Government took office Australia has turned its back on Asia. John Howard's first major international foray was to visit Indonesia to tell the Indonesians that Australians are not Asians. In spite of some positive actions such as support for embattled Asian currencies during the recent Asian economic crisis, at best the Howard Government's approach to economic integration with Asia has been half-hearted. At its worst, it has been patronising, insulting and confronting. Applauding Pauline Hanson's initial outbursts as a victory for free speech sent a very clear message to our Asian neighbours.

The rapid changes in global economic structures mean that economic integration with Asia is absolutely imperative for Australia's future. Asia offers the prospect of scale, markets and capital which can sustain Australian-based multinational companies. Our corporate icons on the verge of moving overseas are all linked to Europe or North America. If the bulk of their foreign activities were in Asia they would be much more likely to remain headquartered in Australia. Asia can provide economic context and critical mass for Australian companies. If we do not integrate our economy with Asia, our companies of the future will see success as synonymous with departure. Australia can either be a powerhouse in Asia or a branch office of Europe and North America.

John Howard likes to see himself as the reincarnation of Sir Robert Menzies, but he is turning his back on a key component of the Menzies legacy. Had Howard been Prime Minister in 1950 when the Colombo Plan was signed he would have rejected it as a Labor conspiracy concocted by cosmopolitan elites out of touch with ordinary Australians. Had he been in office in 1957 when Sir John McEwen concluded the landmark trade deal with Japan he would have dismissed it as an insult to Australian war veterans.

The Howard Government's attitude to immigration is a central component of this rejection of our region. Immediately after his appointment as Industry Minister, Senator Nick Minchin made a speech to the annual dinner of the Australian Chamber of Commerce and Industry devoted entirely to explaining the Government's low immigration stance. His only coherent explanation was the frank observation that there is no constituency for higher immigration in the Australian community. For a newly-appointed Industry Minister this speech was absolutely extraordinary.

Australia is already suffering the early stages of a serious brain drain problem. Talented young people in inherently global industries like science, education, communications and finance are leaving in ever-increasing numbers. We cannot prevent this, but we can

ameliorate it by replenishing our talent pool through stronger immigration policies.

The government's failure to reform and enhance our higher education system is also a key component of the brain drain problem. Universities are no longer factories churning out professional and managerial workers for the domestic economy. They are at the heart of vital clusters of economic activity, both in metropolitan and regional Australia. Yet the Howard Government regards universities as enemy territory, to be starved of resources and occasionally bombarded with quick-fix market solutions from the twilight zone of 1980s think-tanks. Recent measures to restore some funding to the Australian Research Council and expand university places in some disciplines are welcome, but they do not go to the heart of the funding problems which confront higher education. Nor do they entail much in the way of genuine policy innovation.

The decline in education funding over the past five years is barely more than a niche political issue, when it should be regarded as a national scandal. Looming shortages of appropriately skilled teachers in absolutely critical areas such as mathematics and information technology do not seem to excite great public interest. Declining retention rates in our schools and the reduction in labor market assistance for low-skilled workers do not dominate our political discourse. Diminishing investment in both public and private research and development excites much less public interest than work-for-the-dole.

The Howard Government's outlook is dominated by issues of the old economy. At the beginning of 1997 now Deputy Prime Minister John Anderson announced that Australia's economic future lies in improving the quality of our commodity exports. This piece of astonishing stupidity passed largely unremarked. Commodity exports will continue to be an important component of Australia's engagement with the global economy, but the big growth industries of the past twenty years have been sectors such as tourism, education, advanced manufacturing and business services. This trend is only going to accelerate.

The Howard Government has focused its attention on matters such as very fast train projects, rural road funding and welfare reform, issues which are important but not as central to Australia's economic future. On those issues which are fundamental, it has failed badly. By deciding to shackle the emergence of digital television in order to protect established television stations it has retarded Australia's opportunities in one of the key sectors where our prospects are strong. By trying to censor the Internet it has signalled that Australia does not want to be a key player in the global information economy. Even the government's recent innovation initiatives are merely a half-hearted response to Kim Beazley's Knowledge Nation campaign.

This inability to come to terms with emerging new realities is not restricted to the Howard Government.

The leadership of the Australian business community is still dominated by establishment figures of a bygone era. Over the past two decades an extraordinary array of new manufacturing and services businesses has emerged in Australia. As yet, however, they have virtually no voice in the established structures of business representation. These companies are middle-sized, dynamic, export-oriented, and rarely involved in mainstream political debate. They represent our economic future. Yet the dominant figures in business organisations and major boardrooms tend to reflect our economy of twenty years ago. The quality of business input into public debate is declining accordingly.

There are some leaders of major corporations who are thinking creatively about the future, pursuing best practice and building international operations. Yet they often appear reluctant to lift their eyes from their desks and contribute to important national debates. This allows narrow self interest to unduly dominate the message of business lobby groups, as evident in recent business attacks on the Australian Competition and Consumer Commission, the National Competition Council and the Reserve Bank. The Business Council of Australia deserves some credit for occasional innovative thinking, but by and large the public face of Australia's business community is dominated by people and issues of the past.

The Australian news media manifests similar weaknesses. Any vacuous one-liner from Tony Abbott about dole-bludgers automatically generates acres of newsprint. Much of the quality content in newspapers is lifted straight from English and American publications. Issues which are fundamental to our future prosperity are widely neglected, as public discourse is dominated by inherently domestic issues like welfare reform, very fast trains and the GST. Over the Christmas period, when perhaps some serious reflection might be called for, quality newspapers run series of feature articles in which individual journalists tell us about their favourite holidays or personal heroes.

A certain weariness permeates other major intellectual institutions. Our universities seem to be mired in introspection and intellectual exhaustion. Think tanks remain largely on the margins of public debate.

State governments are contributing to Australia's economic drift by engaging in internecine contests for investment based on secret tax deals with individual companies. While the education and research institutions which lie at the core of Australia's economic future are starved of funds, individual states erode their tax bases through secret deals which generate a limited number of jobs, sometimes in sectors

which are not central to our economic future. Competition and diversity amongst the states is a good thing, but not to the point where it arbitrarily discriminates against particular sectors in favour of others, undermines the tax base, diminishes public accountability and distorts the allocation of scarce public resources. Deals of this kind may be justified in very specific circumstances involving exporting companies, but not when the activity concerned is purely domestic in nature.

State governments cannibalising themselves in pursuit of footloose capital also threaten to undermine a century of fiscal equalisation between the states. Complaints from Melbourne and Sydney about subsidising the services of poorer states are not new, but they are growing. Sections of the Sydney business community appear to be preparing a concerted attack on these arrangements, arguing that they retard Sydney's ability to compete as a global city.

Public discourse in Australia is largely still stuck in *The End of Certainty* debates. Many Australian opinion leaders recognise that our traditional reliance upon commodities as the basis for our high living standards is coming to an end and that an alternative is required, but seem unable to move beyond that point to any coherent position which can take us forward.

We cannot stop the sweeping changes arising from globalisation and technological change, but we can choose how we position ourselves in order to adapt to these changes and take up the opportunities they offer. At present Australia is drifting aimlessly, sometimes getting it right by accident but generally failing to prepare ourselves for the new global economic framework.

However distressing it may be, we cannot stop major companies or talented individuals going overseas, nor should we try. Australia can, however, alter the configuration of economic fundamentals which influence such behaviour. Our focus must be positive, aimed at making things happen, not stopping them from happening.

In order to retain global economic relevance Australia needs to be the place where the action is in a number of sectors. If Australia is identified throughout the world as one of the dominant global centres for particular kinds of economic activity, people and capital will flow to those activities. If we are strong in a number of sectors we will stay on the global economic radar screen.

Governments should not seek to nominate particular sectors, but should ensure that their policies are likely to assist those sectors where we are strong, rather than prop up those where we are weak. Examples of sectors where Australia's international prospects are strong include education, health services, media, entertainment and information, medical research, logistics, financial and legal services, tourism, mining and high-tech manufacturing. If Australia is a key place to be in industries such as these, the occasional departure of a major company

or a talented young person will be much less damaging to the Australian economy. Our aim should be to ensure that a new Australian company is emerging to take the place of one which is moving offshore after reaching its maximum potential in Australia. For every young person who leaves our shores for greater opportunities elsewhere we should aim to attract a young person from another country to pursue opportunities here. As well as seeking to minimise our brain drain to the United States and Europe, we should concentrate on ensuring that we also enjoy a brain gain from other countries. We should also be creating opportunities for those who have left Australia in their youth to return, bringing with them the skills, experience and contacts they have gained from overseas.

The generic requirements for a solid Australian presence in the emerging global economic framework are these:

- rapid expansion of effective internet access to the vast majority of households, accompanied by appropriate training strategies to enable virtually all Australians to operate online
- ensuring that our regulatory regime encourages innovation and investment in the media and communications sectors
- renewed focus on immigration as a means of attracting an increasing injection of new talent, skills and money into our economy
- vigorous pursuit of economic integration with Asia and the creation of regional frameworks within which Australia can develop as a dominant regional economic player
- absolute emphasis on education, training, skills development and research as the cornerstone of economic and industry development policy, particularly through renewed commitment to investment in quality in our schools and training institutions
- transformation of our education system through the use of online technologies
- continued refinement of business tax arrangements to ensure that they are not a major cause of businesses moving overseas
- establishment of formal mechanisms for dialogue between government and emerging new businesses

In many instances these themes will be linked. Expanding Internet access to enable online course delivery is a critical part of revitalising our education sector. Attracting Asian students to Australia through scholarships and immigration opportunities is a potential means of enhancing particular clusters of economic strength.

In a political climate shaped by John Howard and spiced by Pauline Hanson, some of these themes are politically difficult. They need not be. When the powers of leadership are employed to lead rather than pander to the lowest common denominator instincts, the

results can be surprising. Australia desperately needs the leadership that only a Beazley Government can provide.

The Australian economy is no longer a static, self-contained entity connected by various discrete links with the outside world. It is now immersed in that world, a dynamic centre through which people, capital, companies and ideas will increasingly flow. The nature and dynamics of that flow will determine the living standards we enjoy into the future. If we focus on shaping it to our own ends our longer-term future is exceptionally bright. If we continue to neglect these issues and focus our attention largely on matters that are essentially peripheral or internal, the rest of the world will shape our future for us.

The Howard Government reflects a broad complacency and intellectual malaise in Australian society. Australia is gradually drifting into the international second division. We need to revitalise our national leadership and institutions before this drift becomes irreversible.

**GUEST SPEAKERS
AT THE SYDNEY INSTITUTE
OCTOBER 2000 – JANUARY 2001**

Prof David Menashri

(Head, Dept of Middle Eastern & African History, Tel Aviv Uni)
Iran – What Chance Reform?

Michael Sexton SC

(Solicitor General for New South Wales)
Uncertain Justice: Inside Australia's Legal System

Selçuk Kolay

(Director of the Rahmi Koç Museum, Istanbul)
Finding the AE2

Cheryl Kernot MP

(Shadow Minister for Employment & Training)
Does it Work Any More? The Changing Nature of Work

Neal Blewett, Anne Henderson, Helen Irving & Paul Kelly with Gerard Henderson

(Contributors, *Australian Prime Ministers*, [New Holland])
Australian Prime Ministers – A Discussion

Gillian Appleton

(Author *Diamond Cuts: An Affectionate Memoir of Jim McClelland*
(Macmillan))
Jim McClelland: What Made Him Tick?

Dr Ernest Drucker

(Professor of Epidemiology & Social Medicine, Albert Einstein College
of Medicine, New York)
International Drug Treaties: The Need for Reform

Kieran Kelly

(Author *Hard Country Hard Men: In the Footsteps of Gregory*)
The Explorer Augustus Charles Gregory and Australian History

Maxine McKew

(ABC Presenter)
Lunch with Maxine McKew

Gwynne Dyer

(Author, international journalist and documentary film maker)
Globalising People

Antony Green (Election Analyst, ABC)

Gary Gray (Exec Director, WA Institute for Medical Research,
former ALP National President)

Dr Marian Simms (Politics School, Arts Faculty – ANU)

David Barnett (Author, *John Howard Prime Minister* [Penguin])
Election 2001

Virginia Ginnane (Author of *Polly Borland Australians*
[National Portrait Gallery UK])

Phillip Knightley (Author of *Australia – A Biography of a Nation*
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AUSTRALIA'S POPULATION - THE OPTIONS

Barry Jones - former ALP president
Meredith Hellicar - CEO, Corrs Chambers Westgarth
Kevin Andrews MP - Liberal Member for Menzies
Dr Katharine Betts - Associate Professor, Social & Behavioural Sciences, Swinburne



TOPIC : *Australia's population - The Options*

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TIME : 5.00 for 5.30pm

VENUE : BT Training Room, Room 401, Level 4, 2 Chifley Square, Sydney



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