

# Speech at the Dinner to Celebrate the Tenth Anniversary of The Australia Institute

4<sup>th</sup> August 2004

Members' Dining Room, Old Parliament House, Canberra

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It's truly heart-warming to see you all gathered here tonight. Let me point out in the audience the Reverend Alan Wright who invited me to speak at an event in Ballarat ten years ago. He was the very first person to join the Institute, our Number 1 ticket holder so to speak, and he has travelled from Melbourne to help us celebrate.

When I returned from Indonesia in 1993 to begin to set up a new progressive think tank, I rang Hugh Stretton in Adelaide to ask if he'd be willing to join the Board. "It shouldn't be necessary to set up a progressive think tank", he replied, "academics should be doing the job."

Of course, Hugh knew that the universities were failing in their role of challenging conventional wisdom, and his reaction was one of frustration. Some years later the Institute took up this very theme in our study of academic freedom, which sparked an extraordinary outpouring of complaints about what was happening on our campuses. You might remember the headlines in January 2001 and the following months about soft marking for full fee-paying students and declining standards.

The universities study, co-authored by Pam Kinnear, taught me some important lessons about think tanks. One is that if you're going to take on powerful forces be prepared to defend yourself from vigorous retaliation. For some weeks we were under siege, including criticisms from *The Australian*, which seemed to be miffed that it had missed the biggest higher ed story of the year.

The universities and the Government were outraged at our report, not because we questioned the quality of university teaching but because we had jeopardised the \$3 billion education export industry. Their tempers worsened when the story ran prominently in the *South China Morning Post* and the *Hindu Times*.

The Government even instructed its embassies throughout Asia to issue a media release denying the allegations and the Australian Vice-

Chancellor's Committee wrote a letter to my Board complaining bitterly about our report. I'm glad to say the Board told them to bugger off. At this point I would like to acknowledge that I have been blessed with a superlative Board, currently chaired by Mary Crooks, that has always supported me, even on the odd occasion when I have overstepped the mark, like when I said "Fuck Treasury" on *Four Corners*.

Of course within months we were completely vindicated by the flood of stories and scandals and the universities changed their tune. No longer did they deny soft marking and grade inflation but said they would do everything to root it out.

At the same time our lease at the ANU was due for renewal and I spent a few nervous weeks wondering whether the VC would be imprudent enough to kick us off the campus. Of course, Ian Chubb is much more sensible, and much more strategic, than that.

Usually when we are doing a research project we have to consider the political ramifications of what we are doing. How should we frame our arguments and present our conclusions? How will various groups react? Should we try to deal with the counter-arguments in advance?

This political judgement thing is very tricky. Since the Institute is not, by design, well-connected politically and doesn't engage in lobbying, if we to have an influence then it must be through the media and public debate. If you are going to make an impact and be noticed you have to operate right at the edge.

During the feverish time of GST negotiations we were arguing, on the basis of our modelling, that the proposed diesel price cuts for trucks would mean more air pollution in our cities. There were plenty of studies, backed by pediatricians, showing that more urban air pollution is associated with more respiratory illness and higher mortality amongst infants.

Reprising the famous campaign against Nestlé's promotion of formula milk in developing countries, I dreamt up a media release that could be titled "GST Kills Babies", but we thought better of it and consigned it to the bin.

We have made only one exception to the rule of remaining at arms length from political parties. After discussions with Board members, I accepted an invitation to provide technical advice to the Australian Democrats on the environmental implications of the GST Package. A year or so before

negotiations began, we had done detailed modelling of the implications of the proposed fuel price changes for greenhouse gas emissions and particulate pollution.

I lasted four days with the Democrats before I bailed out, fearing that my reputation would be tarnished by the deal I could see coming. Like the US FTA it was clear that one side had made a decision to strike a deal no matter what. We lost a few friends in the Democrats, but I am very glad to say that Natasha, who could see what was going on, was not one of them.

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The coin in which think tanks trade is credibility. There are a thousand opinions out there – if you have the energy you can read them all in the blogosphere – so why should people pay attention to anything we say? Credibility is a currency hard to accumulate but very easy to squander. People don't necessarily agree with us but they know that our position will be well-argued and backed by evidence. So we always follow academic research standards.

But occasionally we get it wrong. During the waterfront dispute we did a piece of analysis, based on highly respectable international data, that seemed to show that, contrary to Peter Reith's claim, a crane rate of 25 lifts an hour was simply not possible at Australian wharfs and the prevailing rate of around 18 was as good as could be expected.

When we put out our report it was the first and only time the Institute was the subject of a media frenzy. You'll remember that it was a time when all the big boys were engaged in a fierce willy waving competition. I went on *Today Tonight* and, carried away by the tabloid TV environment, ended up saying that Peter Reith had gone into the dispute with testosterone pumping, but had come out with pizzle rot.

But three years later it became clear that crane rates of 25 an hour were possible, although I'm pleased to say that no-one has yet called us to account.

We have made some powerful enemies at times – including the coal industry, the aluminium industry, the internet industry and the private health funds. Chief lobbyist for the latter, Russell Schneider, launched a vitriolic attack on Julie Smith, the author of our discussion paper exposing the extent of middle-class welfare represented by the private health insurance rebate.

When challenged over the attack by a journalist Schneider said: “My father always said ‘don’t ever pick a fight - but make sure you finish it’ and ‘don’t throw the first punch - but make sure you throw the last one’.” We suggested this was another reason for more women in public life; they are more likely to have left the school yard. Of course, it was the Australian public health system that was king hit by the private health funds.

Russell Schneider is one of that class of heavy-hitting industry lobbyists whose office buildings surround Parliament House. Every few years they play musical chairs and end up as the executive director of the lobby group next door. I think of these blokes as a form of charismatic megafauna inhabiting a particular ecological niche, one in which they thrive. I am planning a new research project examining the influence of lobbyists on government, but it’s too much to hope that we can initiate an extinction event.

Right-wing commentators occupy another niche, and have periodically emerged from their caves to go after us. Piers Ackerman once devoted his column to us calling the Institute a “secretive left-wing think tank that doesn’t publish a list of its supporters or sponsors, and doesn’t intend to”, and P. P. McGuinness took up the same theme describing us “a shadowy leftist think tank”. I pointed out to both of their editors that if they had cared to ring I would have told them anything they needed to know.

Whenever someone from the conservative side gives us a serve, our supporters tell us we must be doing something right. In fact, of all Australian think tanks, the Australia Institute is the most open about its finances and operation, and everything else. Despite wracking my brains I can’t think of anything about the funding or operation of the Institute that would embarrass us if it appeared in newsprint.

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Here is the second law of think tanks: when you are under siege it is your supporters who keep you alive. Sometimes we feel that nothing we do really makes any difference and, especially in these dark times when the forces of conservatism reign supreme, I frequently wonder whether it would be much easier to stop reading the newspapers, turn off ‘PM’ and go to live in Bellingen.

Like many of you here, when you care about society and what happens to the weak and vulnerable, you become a current affairs junkie. In recent times, there is no other addiction that consistently makes you feel so

miserable with virtually nothing to lift your mood except occasionally watching with guilty pleasure when a corrupt businessmen or a shonky politician comes unstuck.

But mostly the cause of your outrage goes unpunished. John Howard vilifies people fleeing persecution, accusing desperate parents of throwing their children to the sharks, and gets away with it; he tells us lies to take us to war and is not held to account; he introduces a draconian system of breaching welfare recipients and no-one really cares. But if he were caught fiddling his travel expenses by a few hundred dollars he would be out on his ear. Explain that to me.

So policy junkies like us travel through daily life unable to stop ourselves tuning in to the latest depressing news. Frequently feeling outraged is surely bad for one's health, but if we didn't feel outraged we would not try to bring about change.

But we keep at it because of our supporters – all those people who join up to the Institute, and the others who ring and email and write letters saying “We so glad you are doing what you are doing, keep it up”. That makes us believe that it's worth it.

Being independent types, we sometimes test our supporters' faith with the research we do. Our work on the effects of internet porn on children – in which Michael Flood took the lead – didn't look like our sort of issue and raised many eye-brows.

But it is important for a think tank like ours to be a little unpredictable. As Michael Kirby said at the launch of the Institute a little over ten years ago:

“... an Institute deserving the name of “The Australia Institute” should welcome to its ranks heterodox opinions. Only if it does so will it earn community and political respect. Only then will it be useful to the country whose name it proudly claims in its title.”

Incidentally, choosing a name for the new think tank was a challenge. We considered names like the Australian Institute of Public Policy and The Canberra Institute, but they were all misleading, boring or already taken. I remember one day John Langmore and I were crossing Northbourne Avenue and I suddenly thought: What about The Australia Institute? I put it to John. It was not very descriptive but it was audacious – we could trump the Sydney Institute and the Melbourne Institute – so I rushed over to ASIC and grabbed it.

We like to think of ourselves as hard to categorise. Journalists often ask if the Institute can be described as left-wing and I reply: Well, what do you mean by left wing? To the extent that we have an Institute worldview, it has evolved markedly over the last decade. I like to think that we form and change our views on the basis of the evidence.

But breaking the mould can lead to strange bedfellows (if I can mix my metaphors). For example, our work on children's exposure to pornography received praise from George Pell in his *Sunday Telegraph* column. Because we are mostly in strong disagreement with his views, we felt a little uncomfortable, so it was almost a relief when he criticised us earlier this year for saying that private schools should not be allowed to expel gay students. He declared that Catholic schools have a "right" to discriminate against gay kids.

I have to say that in that fraught public debate over kids and porn it was reassuring to receive messages of support from a number of older feminists.

One of the frustrations in our game is that you can almost never point to some change for which you are clearly responsible; you never really know whether you are having any influence. Often we put an issue into the public domain then get lost in the debate as others join in. For instance, fifteen months ago we published a paper pointing out that US drug companies had targeted the free trade negotiations as a way of undermining the PBS, a scheme they had described as "insidious". Apart from a few newspaper stories no-one took any interest for at least nine months, by which time it was too late. If some key people had paid more attention fewer tears would have been shed this week over the FTA.

Even more frustrating are the pieces of research that you think will have a big impact but flop. This year we have published two major reports on the relationship between NGOs and the Howard Government raising issues vital to the future of democracy in Australia, and they have attracted virtually no media attention at all.

Yet last week a brief web paper by Richard Denniss pointing out that Australians spend more on their pets than we do on foreign aid attracted a dozen newspaper reports, including a huge page 3 story in the *Sydney Morning Herald* with a picture of Fifi the Shih Tzu sitting on a \$2000 canine chaise lounge. It seems that newspaper editors will do almost anything to be able to use the phrase 'pampered pooches'. Richard then followed up with twenty radio interviews.

It seems that guilt about spending \$100 a kilo on dried pigs ears as a treat for our dogs is more important, or at least more interesting, than the suppression of dissenting voices in a democracy. But hey, when I get too despondent about the world I have been known to watch *Australian Idol*.

Not that we were complaining about the coverage for the pet story. Things were a bit quiet, and our recent work has been very earnest, so I asked Richard to think about a new angle on our previous work on luxury fever. Richard is tremendously intellectually creative and always has a bunch of ideas like that turning over in his mind. He's a great boon to the Institute.

The pet food story of course had a serious point about overconsumption in Australia. Our Newspoll survey in late 2002 showed that two thirds of Australians say they can't afford to buy everything they really need (including half of the richest 20%) yet they happily spend \$40 on breath freshener and his-and-hers cologne for their dogs.

Overconsumption, consumerism and the emptiness of modern life has emerged as the big theme of the Institute; understanding the sicknesses of affluence provides the grounds for a new political philosophy for progressive people, one that focuses on the preoccupations of the majority without losing sight of the traditional social democratic concern for the poor and dispossessed.

We knew we were getting somewhere with this new agenda when Michael Egan, at his budget press briefing last year, blurted out – apropos of nothing – that in his view our work on overconsumption and growth fetishism is “silly, dangerous, left-wing crap”.

Occasionally we do see an impact from our work. One was our intervention in the debate over the privatisation of ACTEW, the local electricity and water supplier. Using the best techniques of financial analysis, and calling on some of the best economists around, we showed that flogging off the utility would be contrary to the interests of the owners – the citizens of Canberra. Our analysis swayed the independents in the Legislative Assembly and Kate Carnell, who'd launched a pretty vicious campaign attacking our credibility, lost.

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When John Langmore and I started discussing the formation of a progressive think tank over a decade ago we soon found that we could attract a lot of moral support but virtually no money. I suppose it was a

bold venture that would in all likelihood fail. I personally never worried about failure, even when in the early years we lived off the smell of an oily rag. Supporters of the Institute should send a vote of thanks to my partner-in-life Janenne who tolerated, indeed backed, the venture despite the dramatic plunge in the family finances.

Another pillar of early support was Max Neutze, who chaired the Board for the first five years before succumbing to cancer. Max had no peer as a font of wisdom, tolerance and compassion. He was a saintly man who is sorely missed.

For our first couple of years Hugh Saddler let us have a spare room on the cheap in his offices in West Deakin, and Hugh has been a stalwart supporter and invaluable Board member ever since. That building later burnt down, fortunately after we and Hugh had left, and a firm of private eyes had moved in.

But it was a struggle. After three or so years it became clear that the even fumes from the oily rag were drying up and I wrote to the Board saying we were in trouble. It was then out of the blue and with perfect timing that the Poola Foundation came to the rescue.

I know they will be embarrassed by me saying this but we owe an enormous debt of gratitude to Mark Wootton and Eve Kantor who had the vision and the political savvy to understanding that it is above all ideas that bring about social change and that, in the dark days of the neoliberal revolution, Australia was in desperate need of new ideas from the progressive side of the fence.

It is as a result of the philanthropy of the Poola and associated foundations that the Australia Institute has thrived and had the impact it has. Mark and Eve and the other Kantors are truly unique amongst Australian philanthropists.

Let me also mention our wonderful office manager Leigh Thomas, whose dedication is above and beyond the call of duty. Her commitment and professionalism is an invaluable asset to me and the Institute.

Finally let me acknowledge the superb contributions of many volunteers, both those who have helped in the office and those researchers who have worked for the Institute gratis, some of whom are here tonight – Jacqui Rees, Spencer Zifcak, Christie Breakspear, Philip Toyne, Bruce Chapman, John Nevile – and one other I must mention who is not here, Noel Semple.



So on our 10<sup>th</sup> anniversary, to all of you here tonight, and to all of our members and supporters, I want to express our deepest thanks for your support; it truly has sustained us.

In Jeff Fenech's immortal words: "I love youse all".