

THE AUSTRALIA INSTITUTE

Speeches at the public launch of The Australia Institute,
Brassey Hotel, Canberra, May 4th, 1994

"Trash" Fights Back

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Chair's Address

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Discussion Paper Number 1

July 1994

"TRASH" FIGHTS BACK

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A NEW INSTITUTE FOR AUSTRALIA

Not another new Institute! When I was asked to involve myself in the launch of this new Institute I was at once attracted and deterred. I was attracted by the bold title. The definite article. The claim to our nation's name. And the word "Institute" is itself definitely up market. Not a modest "Association", "League" or "Union", this. Not a Foundation redolent with cash. An "Institute". Where brave thoughts would be thought and bold ideas nurtured.

Well, what could make me cautious? First, we are living in an age of institutes. There is the National Institute for Law, Ethics and Public Affairs at Griffith University. There is the Institute for Values Research at the University of New South Wales. Indeed, virtually every University worth its salt must now have a think tank institute or two. Add to them the Evatt Foundation and the societies of left and right in politics and you could be forgiven for thinking that Australia was in the midst of a seething renewal of intellectual vitality. But before getting carried away, it is as well to remember that the Director of the *Institute* of Criminology in this city recently resigned over budget cuts. The Australia Institute is very much dependent for its survival on the money it can raise, in hard times, from government, the private sector and individuals.

Secondly, I was a little fearful that The Australia Institute might represent the "last fling" of the aging flower children of the 1960s: with starry eyed idealism instead of economic rationalism as their badge. Now, diversity is the protectress of freedom. I was reassured by the names of the Foundation Directors that the Institute would disdain a predictable "Party" or ideological line. Everyone is entitled to their personal political views. But 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.

I have called these remarks "Trash fights back". "Trash" is a strong word in our language which we reserve, when applied to people, to those who are as repulsive as garbage. I have seen this arresting word used three times in recent days. I am here to speak for the trash. And to urge this new national institute to do likewise.

"TRASHING" THE UNEMPLOYED

In the *Newsletter* of the Institute for Values Research, I read a quote by a Mrs "MW" of Victoria, recycled from the December 1993 Discussion Paper of the Prime Minister's Committee on Employment Opportunities. This is what this fellow citizen of ours wrote to the Committee and through her to the Federal Parliament on this very day:

"I write this with great difficulty. I am in many instances breaking the silences of a lifetime. I do so not to attract pity, or air complaints. My hope is that I can convey, to some extent, much that I have become expert in - not allowing the world to see. Mine has been a life of achievement. It has also been harsh and often traumatic. I believe I have earned, in many ways, that which I am now asking - the right to adequate employment. Do not condemn me, and those like me to destitution. The silence surrounding our plight must be broken. Someone must gather the courage to speak. ... I find myself after trying so hard to earn security, dignity and independence facing destitution. This is the face of the new poor. Australia cannot 'TRASH' such a large pool of talent, skill, hard-work and commitment without devastating long-term consequences. Nor can those who 'have' avert their gaze any longer without guilt. It could, and might, be them."¹

We have sustained prolonged high unemployment in this country. It hovers, as it has for such a long time, at an official level of 11%. But everyone knows that the real figure is significantly higher than that. The government's task force has put forward recommendations to reduce this steady loss of economic and personal potential. But the director of another Institute - the National Institute of Labour Studies - has described the proposed initiatives as "conservative and unconvincing". According to Professor Sloane, they will present the prospect of 14% unemployment before the year 2000 if that is all the government does.² The implicit hope of the strategies to date has been that overall economic growth of Australia will be sufficiently strong to more than replace the continuing displacement resulting from economic restructuring. Professor Sloane declares that this is "an act of faith". It is unlikely to be fulfilled. She says that its failure will have considerable importance "both politically and economically".³

Of course, it is not easy to say what should be done. Australia is not alone, in a global economy which is suffering a recurrent *fin de siècle* recession. My long-ago economics degree scarcely qualifies me to offer advice or even an opinion. But it is sobering to read the view of Emeritus Professor John Nevile, a Director of The Australia Institute, that there is a "general consensus amongst economists" that, based on the experience of the late 1970s and 1980s, nothing significant will happen to reduce current unemployment figures in Australia during the 1990s without national growth above 3.5%. Many who predict that this growth rate is coming place great store on the hoped-for growth of a new manufacturing sector. I pray that they are right. But Professor Nevile points to the recent KPMG report of February 1994 which suggests that our manufacturing sector is not yet equipped to lead an export driven economy. Such growth in manufacturing as we have enjoyed has been mainly in the domestic market. Earnings from new exports have merely paid the interest on this country's huge borrowings. According to Professor Nevile:

*"... The character of unemployment has changed. The long-term unemployed are not likely to get jobs even in the hoped for boom for the rest of the decade. These conditions totally undercut the Green Paper's forecasts, as well as its philosophical emphasis on 'job readiness' for jobs that do not exist."*⁴

Economists are, by and large, a gloomy lot. Politicians, on the other hand, are paid to be optimistic. But if Professor Nevile is even partly right, the answer to "Mrs MW" is that it is likely that Australia will indeed continue to "trash" many of its large pool of unemployed and under-employed talent. To the rational lay person, this seems astonishing when we observe the run-down of public services and the many, many things to which the unemployed "trash" could - at least in large numbers - be devoted.

We may, according to some, be ready to throw off the Union Jack of the old Empire from our flag. But we seem to have become colonies of a new imperialism. It is an imperialism of international economists who have distained Keynes and Galbraith and delivered a pretty poor social substitute. These economists rule. Their "governors" are at Moodys. Their merest edict is uttered in eerie monosyllabic injunctions: "AAA" and the colonies smile. Take away the merest "A" and colonists tremble.

As in all empires, there is much that is good in ours. We would certainly never dream of exchanging it for the bad old ways of the late and unlamented "evil" empire of the command economies. But what I hope this Institute will tell governments in Australia of all persuasions, Oppositions, universities and citizens is the self-evident truth: Economics is not all. There are vital social and spiritual values which must mollify the operation of the market. It will be for the Institute to develop this self-evident verity into practical policies - backed up by sound research and hard thinking. I believe that all of the political parties in Australia thirst for a better way ahead, to assure the restoration of the "fair go" society in Australia. So let us answer Mrs MW, who writes for so many - perhaps a half a million long-term unemployed. We are determined not to "trash" you. We have a new Australian resolve and a new Australia Institute which will play its part to restore meaning and definition to the lives of those whom the economic rationalists have effectively discarded to a "trash" heap of economically hopeless cases. The unemployed are not "trash" whom we must pay fortnightly to preserve their silence and not to upset too much the "haves" and those who worship at the alter of our proud economic imperium.

DRUGGIES, SEX WORKERS, LESBIANS, POOFS AND OTHER "TRASH"

Three weeks ago I launched a new Legal Centre for people suffering from HIV/AIDS in Melbourne. I took the occasion to urge legal reform on the unheeding politicians of the Apple Isle. Combating sexual ignorance and alienation and unsafe drug use are vital parts of the strategy to fight the spread of AIDS. Within days of my speech, the United Nations Human Rights Committee handed down its decision on the complaint that Tasmania's laws

offend the privacy and equal justice promises of the *International Covenant on Civil and Political Rights* which Australia has ratified.

My concern in these matters derived, in part, from the time I served on the Global Commission on AIDS. The struggle against AIDS, in which Australia has done better than most countries, requires radical rethinking of our social and legal strategies on drug use, sex workers and human sexuality. I was propelled into my remarks by a profound depression I felt on my return from India where even highly intelligent people would rather talk of the enemy without (Pakistan) than mobilise national resources to fight the very real enemy within (HIV/AIDS). Strategies to combat this terrible challenge to humanity, which will probably see 100 million infected by the year 2000, must be imaginative. They must be based on sound data. Politicians must be stimulated by independent bodies of courage and integrity with an agenda longer than the two year time frame which tends to mark our Australian national "celebrations of democracy". Courage has been shown in the turn around on laws and policies on sexual orientation and on drug use. The provision of sterile syringes to drug users is the most vivid case in point. But more courage is needed and further hard decisions have to be made.

In the course of my remarks in Melbourne, I said that I often asked myself why the law required me to impose such heavy criminal penalties, often on otherwise peaceful citizens feeding a habit or dependence on drugs or young disco dancers indulging in recreational use of drugs such as "Ecstasy". Yet that is what our laws require. Should they be changed?

There was the usual hate mail for these remarks. One from a woman in Melbourne could not believe that I could have such heterodox ideas without being "a drug user yourself". She decried the homosexuals who "crucified innocence". She condemned the husbands of good Victorian women who had been "stolen away" by gays.

"What a disgrace that all the government has offered to this trash is condoms and ignorance. Condoms were never considered safe for birth control, Mr Kirby, and here you are promoting them for deadly cruel disease spread mainly by homosexual and bisexual behaviour".

The Attorney-General for Tasmania greeted the international report by expressing surprise that the United Nations stood for what he described as "the human right to sodomy". Whilst such attitudes abound in Australia, there is plenty of work for the civilised opinion and strategic research of The Australia Institute to do. The source of such hatreds and irrational loathing must be tracked down. Governments of all persuasions must be supported with research and conclusions that promote completely fresh approaches to abiding problems of long standing: such as drug use, sexual abuse, discrimination, sexual crimes, sexual and other stereotypes. So-called leaders of intellectual opinion must be willing to speak up against hatred and ignorance. Otherwise, the much vaunted "fair go" society of Australia is shallow indeed and equal opportunity and human rights are but pipe dreams. The Institute should stake out a place in these debates. Let it not, like so many politicians, be devoted to economics only.

THE "WHITE TRASH" OF ASIA?

Then, if this were not enough, Australians were regaled at the end of April 1994 with lectures given by the former Prime Minister of Singapore, Mr Lee Kuan Yew. Reportedly, he warned of the risk that, unless we watched out, we would be the "white trash of Asia".⁵ If he did not actually use the "T" word, he was certainly not too subtle in implying it. According to Mr Lee, Singapore is what it is, in part, because of the lunging, running administration of the rattan to seventeen year old youths leaving them with scars what will last their whole life. If that is the price of Mr Lee's "law and order" we in the Australian sunshine may prefer to remain "white - and increasingly not-so-white - trash".⁶

The same Mr Lee told everyone who would listen that the efforts of Singapore to treat men and women as equals had been one terrible mistake. Men would often not marry graduate women for fear of "a loss of face". Mr Lee urged that Singapore should now go into reverse on gender equality. It should follow Japan's approach to such issues where men take about 80% of the university places and women concentrated on developing skills for the home. These remarks show just how different is the Confucian ethic of Mr Lee's mini-state and the ethic of equal opportunity to which Australians, at least most of them, aspire.

Mr Lee then urged that Australians should be "weaned from welfare dependency and become self-reliant and competitive".⁷ We should join the peoples of East Asia in what he called "life's marathons". He condemned what he saw in Australia as "deep-seated problems of work ethic, productivity, enterprise, bloody-minded unions protecting unproductive work practices, feather-bedding and inflexibility in wages".⁸

No doubt some of this criticism is valid. But we will not solve it in Mr Lee's fashion. We will do so in a democratic way. We will not harass and lock up the Opposition leaders. We will not ban publications which disagree with the Prime Minister's or ruling party's perspectives. We will not bring back the rattan. We will not even threaten a breach of diplomatic relations for Mr Lee's "recalcitrance" in criticising us in this way. For ours is a culture of diversity and basic tolerance of diverse opinions and respect for human rights. That has its price. But we should constantly sustain our society's commitment to robust differences of opinion. We should support its leaders with the stimulus of good data and bright ideas. That is the essence of the society which The Australia Institute will serve and stimulate. The Institute should support wholeheartedly our push to Asia and the Pacific, where our geography and our future lies. But it should remind our leaders that there are spiritual and cultural values in this country which are different from those of its neighbours and which, indeed, make us valuable emissaries into the region for the abiding values which most of us hold dear.

CONCLUSIONS: "TRASH" FIGHTS BACK

And so we launch this new Institute with its bold name and even bolder vision. There is plenty for it to do to promote diverse, high quality analysis, advocacy and informed debate

about the issues for the future of Australia when that future is uncertain and undergoing change.

I know from the participants in the Institute that it will take the keenest interest in the environmental issues of the country and the region.⁹ Our population is growing at 2% a year. It will double in thirty years. In that time we must therefore make room for, feed, clothe and house an extra 17 million Australians. Our cities will invariably become more crowded.¹⁰ The demands on our fragile environment will increase. We must have the policies to meet such challenges. There is where the Institute comes in.

I trust the Institute will also give high priority to the process of reconciliation with the Aboriginal and Torres Strait Islander people of Australia. There is no more important issue for Australia. Just in health terms, Aboriginal life expectancy is 20 years lower than that of the rest of us. Infant deaths are four times higher than for non-Aboriginal children. Representation in prisons of Aboriginal Australians is a scandal to our country. 1730 per 100,000 of their population. Informed and practical contribution to the process of accord is a worthy task for an Institute bearing this name. I am sure that it will be welcomed by responsible politicians of all parties.

The Institute should fight back for the so-called "trash" of Australia. The long-term unemployed are *not* trash. They have just been forgotten by most of us. Let them have more than a week of our national attention span. Drug users, sex workers, lesbians and gays and other minorities are not "trash". They are part of the great fabric of our diverse, continental country. We have accepted the banner of tolerant multicultural diversity in place of the previous commitment to "White Australia". We are now a model for the world. We are the alternative to the many Bosnias, the many Burundis and the many Burmas.¹¹ We are not the "white trash" of Asia. We are neighbours to Asia and we carry lessons to Asia and the Pacific just as we are now attentive to lessons which they offer us and which have a place in our land. Our environment is not trash, unless we make it so. The Aboriginal and Torres Strait Islanders are the special people of this land which will not be at peace until its indigenous people are reconciled with the rest of us.

To carry these and other messages to the political, economic, academic and other leaders of Australia, and to its citizens, The Australia Institute faces a worthy challenge. It has a noble goal. May it never forget the neglected, the despised, the under-privileged, the disadvantaged. May it prove itself to be worthy of its name. Wherever needed, let it speak up for the "trash".

FOOTNOTES

- * The Hon Justice Michael Kirby AC CMG. President of the New South Wales Court of Appeal. Chairman of the Executive of the International Commission of Jurists. Personal views.
1. Australia, Prime Minister's Committee on Employment Opportunities, Discussion Paper, *Restoring Full Employment* (AGPS, December 1993) quoted in Institute for Values Research, *Values* [Autumn 1994], 12.
 2. *Sydney Morning Herald*, 19 April 1994, 4.
 3. *Ibid.*
 4. J Nevile, Working Paper on *Economic Justice in Australia*, cited in *Values*, above, 6.
 5. See *Sydney Morning Herald*, 23 April 1994, 12.
 6. *The Age*, 25 April 1994, 2.
 7. See *Herald-Sun* (Melbourne) 19 April 1994, 8.
 8. *Ibid.*
 9. C. Hamilton *The Mystic Economist*, Willow Park Press, 1994. See review *ANU Reporter*, 13 April 1994, 5.
 10. See Dr Lex Blakey, "Cities", in *Ockham's Razor*, Australian Broadcasting Corporation, 1 May 1994.
 11. Cf. B. Stavropoulos, "In Multiculturalism Lies Australia's Key to Greatness" in *Sydney Morning Herald*, 28 April 1994, 13.

CHAIR'S ADDRESS AT THE LAUNCHING

Max Neutze

First I would like to add my welcome to those you have already received. It is encouraging to see so much interest in what we believe will be an important new voice in research and policy analysis.

As the Institute's brochure states, those involved in it have, from their different viewpoints, been concerned about recent influences on public and private decision making. I want to tell you about some of my concerns.

First, I have become increasingly concerned about the emphasis on the individual in almost all matters of policy analysis. Andrew Hopkins, in a recent edition of *Bogong*, a local conservation journal, stressed the importance of the community in which we live. When we value our community, we will be concerned about the well being of those in it who are less fortunate, about those of different races and different ethnic background. A commitment to community is needed if its members are to respect each other and thus be able to live safely and without the threat of violence.

The market allocates resources according to the preferences of individuals, weighted by their buying power. It distributes wealth in proportion to the personal and financial resources of individuals and takes no account of needs. It encourages each of us to strive for the most for ourselves, rather than the greater good of the community to which we belong.

Second, I have become increasingly convinced that asking ethical questions is more important than asking economic questions in many areas of policy. I first became aware of this in debates about immigration policy and multiculturalism. Debates about the economic impact of migration seem to be not only inconclusive but to miss the main point. The main question was whether Australia had an obligation to take in refugees, for example, because they - the migrants - would be better off here, and because it was incumbent on us as good citizens of the world to accept them. Similarly, multiculturalism was mainly a question about whether we were a tolerant and accepting society and valued all who were members of it.

For me, though, environmental questions have placed ethical issues in very stark focus. As an economist I have compared the myopia implicit in discounting with our responsibility to future generations. I have even been attracted by the views of colleagues such as Richard Sylvan who deny that only human values should count in making decisions and assert that different species have a right to exist. There seems to me to be something wrong with giving much weight to cost benefit analysis of development proposals which would destroy a plant or animal species which has evolved over millions of years.

Only the staunchest advocates of the free market claim that the distribution of income it produces will be just using any reasonable definition of justice. Whether we define social justice by needs or deserts and how we assess either are primarily ethical questions.

Third, I am concerned about what my colleague, Peter Self, in the title of a recent book, called "Government by the Market". Governments seem to have lost much of their sovereignty in recent years. Local governments are reluctant to insist on responsible development standards for fear of driving investors to another municipality; state governments hesitate to require adequate environmental standards for fear of investment funds moving to another state.

With the freeing up of international capital markets, national governments hesitate to introduce taxation and redistributive measures because of the fear of an international flight of capital. This has been emphasised by the weight some governments have given to the effect of policy proposals on credit ratings and foreign exchange rates. Moodys seem to have a veto on some of the decisions of Australian governments. And that is made even worse because foreign exchange dealers' decisions about whether to buy or sell a currency are driven more by rumours than by careful analysis.

Perhaps we can understand something of the frustration of developing countries whose economic policies over many years have been dictated by the IMF and the World Bank.

Fourth, I am depressed by the huge swings in fashion in the prevailing economic orthodoxy and the great influence this seems to have on governments. The first volume of Alan Martin's biography of Robert Menzies has reminded me of the similarities between economic orthodoxy in the depressions of the thirties and the nineties. In both, governments were urged to restrict their spending at times of massive unemployment and neglect of government services. John Langmore, one of the founders of this Institute, and John Quiggin have been rightly criticising those views.

One particularly strong cycle in fashion has been between periods when government is believed to be able to solve problems and periods when it is seen to be a cause of problems. There are of course severe limits to what governments can achieve. It was inevitable that there would be a reaction from the heady days after the war when Keynesian policies seemed to have unemployment and inflation under control, and Galbraith convinced us of the need for more government spending. That reaction came with stagflation and the failure of radical social policies such as comprehensive urban renewal to live up to their expectations. But the pendulum seems to have swung too far. Perhaps we should read Hugh Stretton again.

Finally, I am encouraged by the recent moves we have made to redress some of the injustices we have inflicted on Aboriginal people; the most acute social justice problem in Australia. Again the questions are mainly ethical. Europeans invaded and dispossessed Aborigines, and their descendants still suffer from the loss of their land and by being forced to live in a country and society which is governed by European laws and in which standards of living are determined by our markets. The Mabo decision and subsequent legislation has, as the Prime Minister stated, provided us with an opportunity to begin to right the wrong, but much remains to be achieved.

Much of the tenor of my remarks has been critical of the influence of private markets and the definitions of economic efficiency that derive from them. Of course I recognise the great value of the institution that is the market for goods and services. My current research is leading me to advocate a much stronger role for pricing in the financing of urban water,

sewerage, drainage and roads. Nobody who observed the collapse of the monolithic systems of resource allocation in the former communist countries could fail to appreciate the role of markets.

I am, however, strongly opposed to the ideological view that competition and free markets are the solution to all of our problems. We should be pragmatic and use markets and competition where they work well, and charge for publicly provided goods and services where that produces socially desirable results, such as discouraging excessive use of water and roads. In other circumstances, such as education, the charging of users seems to produce few beneficial results.

The Australia Institute is committed to explore all of these issues and in doing so to contribute to a more just, sustainable and peaceful society. I hope you will all join us in this endeavour.
