

Comfortable, relaxed and drugged to the eye-balls

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Institute notes

The ABS's National Health Survey released late last year included an astonishing but unremarked fact. Nearly one in five Australian adults reported that in the two weeks prior to the survey they had used medication to improve their mental well-being. Using additional, unpublished data, Clive Hamilton investigates this phenomenon in more detail.

Social problems are frequently turned into private travails by being medicalised. In *Growth Fetish*, I illustrate this phenomenon by noting the extraordinary rise in prescription of Ritalin to control Attention Deficit Hyperactivity Disorder, especially among teenage boys. Another example is the growth of medical and surgical procedures to deal with obesity. The medicalisation of the problem not only provides work for doctors and markets for drug companies but also allows us to avoid conceding that perhaps we have created an 'obesogenic' environment.

Social problems are frequently turned into private travails by being medicalised.

In the same way that unemployment has been reinterpreted in terms of the failings of individuals, social pathologies are interpreted and dealt with as personal disorders. After all, we are all supposed to be happy. The economists and the politicians have been promising for decades that expansion of material wealth will create a better society.

Australia today, like all rich countries, is obsessed with economic growth and higher incomes. But if we are, in real

terms, three times richer than Australians in the 1950s why is our society characterised by an epidemic of mental disorders and an extraordinary dependency on ingested substances?

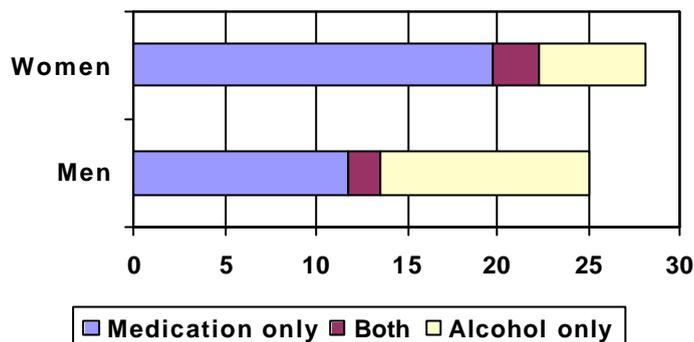
Some new evidence

The National Health Survey asked respondents about their level of psychological distress and found that, using the Kessler 10 scale, 13% experience very high or high levels of psychological distress while an additional 23% reported moderate levels.

It then asked about consumption of medication for 'mental well-being'. A total of 18.1% reported that they had used such medications in the previous two weeks, mainly sleeping tablets (4.1%), anti-depressants (4.7%), vitamin and mineral supplements such as Vitamin B for stress (7.8%), and natural medications such as St John's Wort for anxiety and depression (5.4%).

But prescribed or natural medicines are not the only substances Australians take in order to counter (however ineffectively) psychological distress. Alcohol and illicit drugs, when used to excess, also serve as psychological props. To obtain a fuller picture, the Institute asked the ABS to provide data on 'high risk' alcohol use. When we add together

Chart 1 Medication and alcohol use for mental well-being, by sex (%)



high-risk alcohol use and medications taken for mental well-being, we find that 27% of Australians over 18 rely on substances to cope with life.

There are significant gender differences in patterns of substance use (see Chart 1). As a generalization men are more likely to seek refuge in alcohol while women are more likely to turn to pills.

When the data are broken down by age group, it is apparent that young people are less likely to turn to legal substances to deal with the vicissitudes of daily life with 23% of 18-34 year-olds doing so compared to 28-29% for older Australians (see Chart 2). This calls into question the comforting myth that old age ushers in a time of psychological calm.

In recent years, illicit drugs appear increasingly to have replaced alcohol as a social risk.

The data show very little variation by state and very little variation by income group, although both low-income and high-income people report slightly higher levels of substance use for mental well-being than those in the middle.

Of course, these figures take no account of a third major source of pharmaceutical response to mental distress, illicit drugs. Most people who take illicit drugs do so only occasionally

and for recreation, but some rely on them as a means of coping with life. Without them they would suffer psychological distress.

This is most apparent in the case of addictive drugs (notably heroin) but also for that minority of heavy marijuana users who cannot get by without the daily bong. In recent years, illicit drugs appear increasingly to have replaced alcohol as a social risk. A third of drivers killed on Victorian roads test positive to illicit drugs (especially opiates and speed), more than the proportion that have alcohol in their blood. And most experts believe that more than half of prison inmates are incarcerated for crimes linked to drugs.

The data do not allow us to separate out 'therapeutic' from recreational use of illicit drugs. Nor do they allow us to distinguish those who use illicit

drugs only from those who use them in combination with alcohol or medications such as anti-depressants.

We do know that illicit drug use is very widespread in Australia, with 17% of those over 14 having used an illicit drug in the last 12 months (20% for males and 14% for females) and nearly two in five having used them at sometime in their lives. The lower reliance of young people on medications and alcohol is offset by their heavier use of illicit drugs. Among 20-29 year-olds 36% have used illicit drugs over the previous 12 months, compared to only 8% for those over 40.

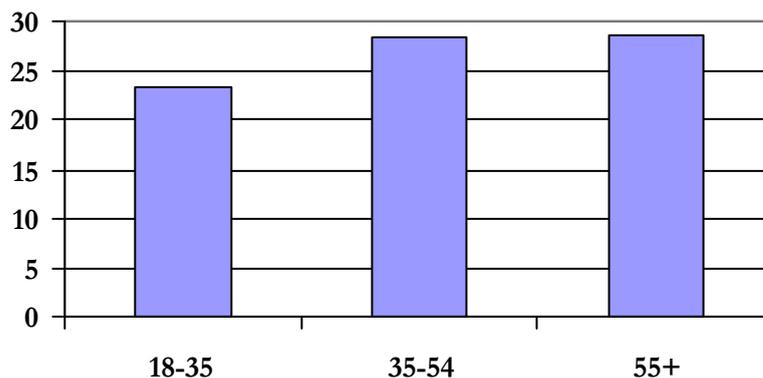
Only a minority of illicit drug users may be said to take the drug to enhance their mental well-being (or, more likely, to prevent falling into varying forms of despair). It seems reasonable to conclude that if 27% of Australian adults take medications or alcohol for mental well-being then adding illicit drug use would take the total to perhaps one third of the population.

The drugged culture

We do not have enough evidence to draw robust conclusions about trends in psychological disorders. In a 1998 survey, the ABS reported that nearly one in five adult Australians had had a mental disorder at some time in the previous twelve months and around the same proportion are expected to have a major depressive episode at some time in their lives. According to the World Health

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Chart 2 Medication and alcohol use for mental well-being, by age (%)



Reflections on the porn wars

Public discussion of the Australia Institute's two reports on youth and pornography has quickly been consumed by well-rehearsed political agendas and dogged by misreading and misrepresentation. Michael Flood, one of the authors, comments on the reactions.

The Institute's reports arrived in a cultural landscape already preoccupied with anxieties about children and sex and debates over pornography and censorship. Our reports were intended to spell out concern about children's exposure to pornography, particularly accidental and unwanted exposure on the Internet and particularly to violent and extreme materials, and the potentially harmful effects of this exposure.

...our evidence about children's exposure to pornography has fed an ongoing moral panic about children and sexuality...

On the one hand, the reports have made a constructive contribution to community discussions of young people's sexual development and the merits or otherwise of particular forms of sexually explicit representation.

On the other hand, our evidence about children's exposure to pornography has fed an ongoing moral panic about children and sexuality which is not particularly helpful in fostering young people's sexual and interpersonal well-being, and it has been put to use by advocates of moral conservative agendas. Both have occurred despite the contradiction between these and the reports' actual content.

Mainstream media reports simply assumed that children's exposure to sexually explicit materials is dangerous and should be stopped. I was troubled to see how little public discussion was concerned with why one might be concerned about children's exposure to pornography. Consideration of pornography's possible effects was pushed aside by an overwhelming focus on how to prevent children from encountering pornography.

Surveying kids

Our reports noted that there is very little evidence with which to assess the possible impact on children of exposure (whether deliberate or accidental) to pornography, and that assessments of any impact depend on one's ethical or political framework. However, given the substantial research evidence among adults, and a small number of studies among children, we identified several classes of possible effects among children. Exposure to pornography may lead to increased attitudinal support for and likelihood of practising sexually aggressive and violent behaviour. It may also lead to emotional disturbance associated with premature or inadvertent exposure to sexually explicit content and exposure to non-mainstream sexual behaviours.

It was unfortunate in one sense that the Newspoll survey used in the report focused on 16 and 17-year-olds, as such individuals legally can have sex (at least with members of the other sex in most states). It does seem contradictory that young people can have sex at 16 but cannot look at pictures of people having sex until they are 18. We would have liked to survey younger individuals (e.g. 10 to 15 years), but this was not possible for ethical reasons. However, younger individuals are very likely to encounter pornography just as the older youth in our survey did, particularly given the lack of age-related barriers to exposure on the Internet. American research corroborates this.

The provision to youth of appropriate and engaging materials on sexuality is valuable in its own right.

Our reports' support for the provision of information on sexuality and sexual

health to children and young people was largely lost in the ensuing public discussion. Children and young people are sexual beings and deserve good sexual information. The provision to youth of appropriate and engaging materials on

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sexuality is valuable in its own right, as well as for its role in minimising youth's accidental exposure to pornography. In fact, the Internet is one of the best media through which to provide sexual health information to young people, and I have been directly involved in this in my former position as a sexuality educator with Sexual Health and Family Planning ACT.

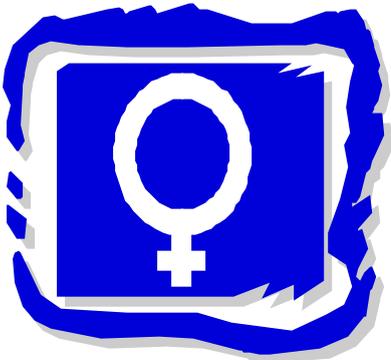
Technological fix-alls

Another common problem in the responses to our reports was a leap to find technological means of preventing children from seeing pornography. This is only one of the possible ways in which we can minimise the harms associated with exposure. Most public discussion focused on the mandatory filtering of Internet content by Australian Internet Service Providers (ISPs), only one of the strategies we recommended. Far less attention was devoted to another strategy that could have been just as controversial, the incorporation of pornography education into school curricula. Our report argued in fact that social and educational strategies are the most effective ones.

Some commentators mistakenly assumed that we wish to limit adults' access to pornography. Instead, we proposed extending the existing system of regulation and classification for X-rated videos to the Internet, allowing adults

to view pornographic materials hosted on Australian ISPs (which they cannot do at present). But we stressed that this system should involve measures to limit minors' exposure (both accidental and deliberate) to X-rated materials – just as the system for the sale or hire of X-rated videos does.

Mandatory ISP-based filtering is strongly opposed by cyber-libertarian groups such as Electronic Frontiers Australia. Our reports acknowledged the problem of filters overblocking legitimate content. But more widely, I am sympathetic to the concern that Internet filtering and regulation will be used by the conservative Federal Government to extend an already repressive censorship regime.



Historically, censorship has limited the sexual freedoms of women, lesbians and gays and other sexual minorities, and it would be appalling if our reports were used to exacerbate this. However, we should not conflate censorship with critique: one can criticise the content and conditions of production of pornography, while agreeing that it should continue to circulate.

Sexual ethics

Some simplistic media reporting lent itself to the perception that our studies were critical of the sexual diversity evident in pornography. I was very disappointed to see this misreading as I have long argued for the acknowledgement and celebration of sexual pluralism. Our reports discuss defences of gay and lesbian pornographies in terms of their anti-heterosexist roles, acknowledge the positive role that pornography has played for same-sex-attracted young people, and reject the fallacious argument that homosexual imagery 'recruits' chil-

dren into homosexuality.

We defined pornography simply as 'sexually explicit media that are primarily intended to sexually arouse the audience', rather than as a necessarily pejorative category. But we also argued that some pornography is more troubling than other pornography because of its content or the kinds of values and beliefs it encourages. The reports criticise genres of pornography which depict and eroticise non-consenting sexual acts, as well as expressing concern about aspects of mainstream heterosexual pornography.

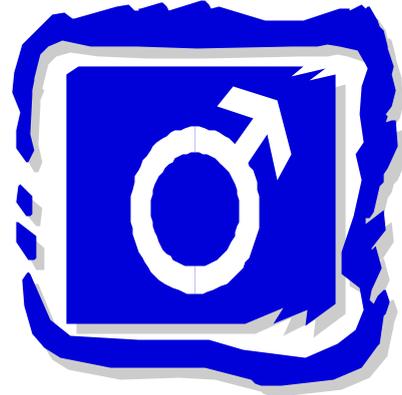
At stake in these issues is a broader question: what does a progressive sexual ethics look like? Even a minimalist ethics of consent would involve concern about violent practices depicted in some pornography. Many libertarian commentators are reluctant to go beyond this, and I share their concern that moral and ethical frameworks regarding sex too often are conservative, rigid and repressive.

What does a progressive sexual ethics look like?

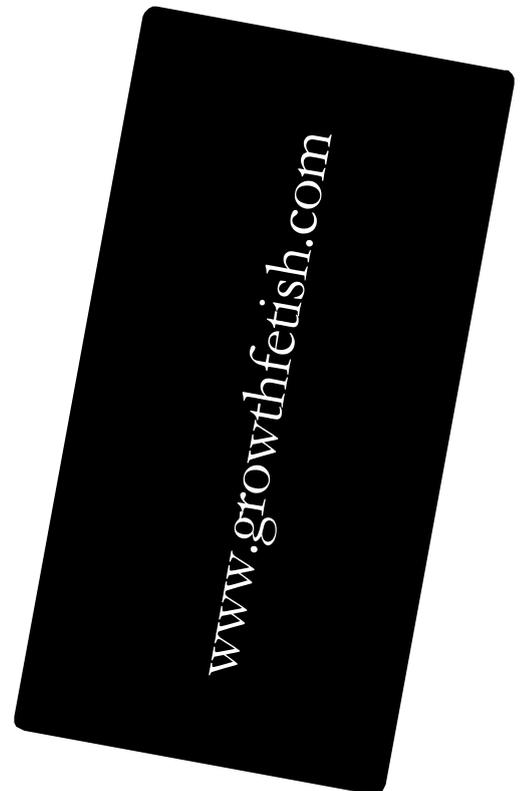
Yet consent is not enough: adults may desire and consent to practices which are troubling in terms of the wider relations of domination and submission they enact. A more substantive sexual ethics would include a concern with the qualitative and interpersonal dimensions of sex. Clive Hamilton explored some of these wider issues in his piece in the Sydney Morning Herald of 26 May ("Pornography's unholy alliance"). But I do not agree with his argument for a parallel between the casual and impersonal sex documented by Catherine Millet or routine in pornography and the social conditions fostered by consumer capitalism. I see no problem per se with impersonal and indiscriminate sex, and indeed, such encounters can be deeply intimate.

In forging a progressive sexual ethics, we should be wary of imposing overly narrow sexual orthodoxies. On pornography, I support a position which is both

anti-sexist and anti-censorship: which both criticises aspects of pornography, and defends its availability. A progres-



sive sexual ethics will take up the challenge that has been at the heart of feminist agendas on sexuality, of balancing an emphasis on sexual pleasure and an emphasis on sexual danger. It is critical to acknowledge both: to defend sexual speech, sexual pleasure and the expression of diverse sexualities, and to be critical of unjust and sexist power relations and the cultural discourses which express and sustain them. ■



Playing dirty on trade

The Institute's discussion paper *Trading in Our Health System? The Impact of the Australia-US Free Trade Agreement on the Pharmaceutical Benefits Scheme* released in May immediately attracted denials from the Government that the Pharmaceutical Benefits Scheme is under threat. But that's not the position of the US drug companies. Richard Denniss, one of the report's authors, comments.

Back when free trade agreements (FTAs) were all about reducing tariffs and quotas, most people could safely ignore the negotiation process unless they were employed in the manufacturing industry. While the possibility of job losses in protected industries was always a threat, the consequences of reduced 'trade barriers' were at least predictable and understandable. This is no longer the case.

In recent years, the definition of a 'trade barrier' has been broadened substantially. This is particularly the case in the current Australia-US FTA negotiations. While the Australian Government has talked repeatedly about the need to achieve greater access to the US agricultural markets, the US negotiators have focussed their attention on laws and regulations that help define Australian society.

For example, the US has expressed concern about Australia's local content legislation for television. Rather than being seen as an expression of Australia's desire to ensure that television programs reflect, to some extent, Australian culture, US negotiators have suggested that the objective of such laws is to reduce the size of the export market for US sitcoms.

The effectiveness of the PBS in achieving low prices has been described by the US drug companies as 'insidious'.

Another Australian policy that has concerned the US trade negotiators is our laws on the labelling of products containing genetically modified (GM)

ingredients. Once again, rather than being seen as an expression of Australian consumers' desire to make informed decisions, US negotiators have interpreted such labelling laws as a barrier to the export of GM crops.

Trading cheap drugs

The Institute's discussion paper examined the potential for an Australia-US FTA to have an adverse effect on the Australian Pharmaceutical Benefits Scheme (PBS). The PBS was established in 1948 in response to concerns about the capacity of average Australians to benefit from new 'wonder drugs' such as penicillin. In order to ensure such access, the Australian Government currently provides subsidies of more than \$4 billion dollars per year as a means of reducing the price paid by individuals for essential pharmaceuticals.

A less well-known element of the PBS is of equal importance to the operation of the scheme. While the price paid by individuals for pharmaceuticals is capped by the 'co-payment', the price paid by the Australian Government when it is purchasing pharmaceuticals on our behalf is uncapped. In order to minimise the total cost of the Australian pharmaceutical bill to the government, the PBS relies heavily on the government's monopsony (single buyer) buying power. The PBS combines this bargaining power with the advice of medical experts to ensure that Australians pay the lowest prices in the developed world for new drugs.

The effectiveness of the PBS in achieving low prices has been described by the US drug companies as 'insidious'. In fact, in setting out their case for why the PBS should be considered a 'trade barrier' the US Trade Representative expressed

concern that US pharmaceutical companies must 'justify the listing and price of an innovative drug through economic and therapeutic studies that show a clinical advantage over its main comparator.'

It is ironic that the US should express such concerns. While the existence of 'perfect information' is used to justify the conclusion that free trade benefits all, the US trade negotiators are concerned that the Australian government collects too much information about the benefits of a new drug before agreeing to purchase it.



The US drug companies estimate that the price control components of the PBS costs them (and saves Australian consumers) around \$1 billion per year. If the cost of pharmaceuticals were to rise by \$1 billion, and this cost were to be passed on to consumers in the form of higher co-payments, then co-payments would need to almost double. That is, if the cost of pharmaceuticals were to rise by the amount suggested by the US drug companies themselves, the price of a non-concession co-payment would need to increase by 90 per cent and the price of a concessional co-payment would need to rise by 104 per cent.

The paper suggests that the \$1 billion increase suggested by the US drug companies may, in fact, be conservative. The increase in the cost of pharmaceuticals may be closer to \$2.4 billion. If this were the case then co-payments for those without concession cards would need to rise from the current \$23.10 to \$72.88, an increase of more than 200 per cent.

Copy cats

The Australian PBS has been effective in reducing the prices paid by Australians for pharmaceuticals for decades. However, in recent years other countries, and even some American states, have begun to explore the use of systems similar to Australia's. It appears that US pharmaceutical companies are becoming increasingly concerned that more buyers around the world will begin to make informed decisions about the worth of drugs and use the bargaining power of governments to counter the bargaining power of the drug companies.

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The Australian Government has repeatedly attempted to dismiss concerns that the US is 'going after' the PBS. A careful reading of the Department of Foreign Affairs and Trade's own web site suggests that such concerns are well founded. While there is no doubt that the US drug companies are highly supportive of the \$4 billion subsidy element of the PBS, there is also no doubt that they are highly concerned with the price control element.

The national interest will not be served by trading off affordable access to medicine by all Australians for improved access to the US agricultural market for small elements of the Australian farming industry. ■

What does 'left wing' mean?

In the course of the Government's attack on the ABC during last month's Senate Estimates hearings, Senator Santoro asked ABC chief Russell Balding why the ABC did not describe the Australia Institute as 'left wing'.

From its inception the Institute has frequently attracted the tag 'left wing' or 'left-leaning' from journalists looking for a simple way of characterising it. It is a tag the Institute has discouraged, not only because tagging is likely to spark preconceptions through which our work is interpreted, but also because it is, in an important sense, inaccurate.

While there is not much dispute about the meaning of 'right wing' (although there are differing shades of right-wing opinion), it is not at all clear what 'left wing' means nowadays. It would have been of interest had Mr Balding asked the Queensland Liberal senator what he meant by 'left wing'. Thirty or forty years ago 'left wing' meant socialist in its varying shades, and that implied a belief in common ownership of all or some of a nation's means of production.

The ALP still retains a call for 'the democratic socialisation of industry, production, distribution and exchange', a declaration amended to include the so-called Blackburn gloss, 'to the extent necessary to eliminate exploitation'. Tony Blair persuaded the British Labour Party to jettison its socialist objective but the ALP retains it, if only for sentimental reasons.

While declaring its commitment to social justice, the Institute has taken the view that we need to move beyond the ideologies of the past. Our commitment to social justice and good public policy has led the Institute to support the retention in public ownership of certain public enterprises or activities, but only where the benefits

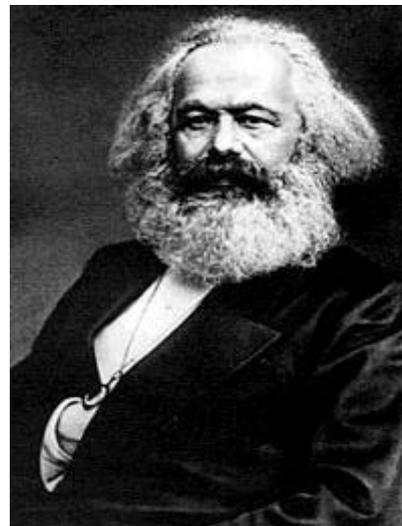
of doing so can be shown to outweigh the costs.

The closest the Institute has come to defining a broad position can be found in its initiating statement of philosophy. Expressing a deep concern about the priority given to a narrow definition of economic efficiency over community, environmental and ethical concerns, the Institute's purpose is 'to help create a vision of a more just, sustainable and peaceful Australian society'.

'to help create a vision of a more just, sustainable and peaceful Australian society'.

Is such a goal left wing? Perhaps the political landscape has shifted so far to the right over the last two decades that even a statement as moderate as this can be seen to be of the left. The Institute has been critical of the left, most notably in my analysis of the left's 'deprivation model' set out in *Growth Fetish*. This analysis has drawn support and criticism from the 'left', as well as a sympathetic ear from some who would once have been regarded as being on the right.

Clive Hamilton ■



A Tim Tam Tax

The Institute has supported the AMA's call for a fat tax but has argued that such price incentives provide only one element of a far-reaching strategy to tackle obesity. Obesity is a major public health issue, but it should be understood as a manifestation of a society that actively promotes overconsumption.

Nutritionists describe obesity in terms of energy imbalance, usually caused by excessive calorie consumption and insufficient physical activity. In a previous era it might have been described, perhaps more usefully, in terms of gluttony and sloth.

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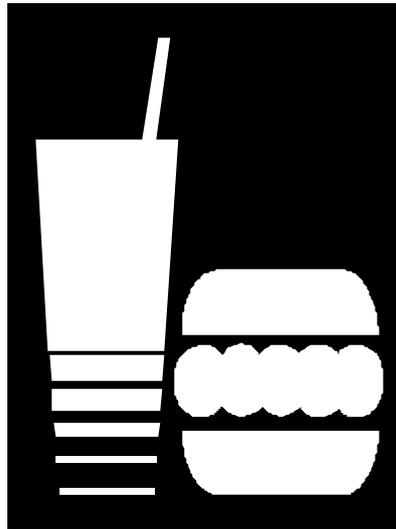
As with other excesses, promotion of gluttony – a form of overconsumption that directly affects the body – is a product of the consumer society. Food manufacturers compete fiercely to win market share by engineering foods that appeal to the palate. The result is that most of the foods offered today in supermarkets and fast-food outlets are laced with fat, sugar and salt. This fierce competition does not simply persuade consumers to change from one product to another: it also means that consumers eat more.

Although genetic and metabolic factors play a role, the principal causes of the spread of obesity are behavioural and socio-cultural. Some people are better able to resist the temptations offered by food manufacturers. The overwhelming majority of obese people overeat for psychological reasons, just as other people indulge in overconsumption of cars, clothes and houses for psychological reasons.

The so-called epidemic of obesity has occurred only in the last 20 or, at most,

30 years. The North American Association for the Study of Obesity insists that 'we must begin to view obesity as a medical problem'. Of course, medical problems are ones sorted out between patient and doctor and are best cured by drugs and surgery, especially drugs, so that the pharmaceutical industry can expand to undo the effects of the food industry.

So if it is serious about the obesity problem the Australian Government will need to go much further than a Tim Tam tax. The food industry has a commercial interest in making us fatter, and we could start by putting health warnings on unhealthy packaged foods such as sugar-filled breakfast cereals. A recent survey by the Australian Consumers Association found that some breakfast cereals marketed at children are nearly 40 per cent pure sugar.



We take for granted that cigarette manufacturers should warn their customers about the health impacts of consuming their products; why shouldn't processed food manufacturers face similar controls? And is it not well past the time that advertising of unhealthy foods was prohibited during children's viewing hours? After all, we protect the emotional health of children by banning violent and explicit sexual images on television when they are

watching. Isn't their physical health just as important?

While the AMA has called for a 'fat tax' recent changes to the Australian taxation system have actually increased the incentive to consume fatty and high calorie foods. With the introduction of the GST the previous sales tax on processed foods of 22 per cent was reduced to the GST rate of 10 per cent. Many fresh foods are exempt from the GST but they were also exempt from sales tax.

Governments at all levels need to act if the looming public health crisis is to be averted. The Commonwealth Government needs to implement tough labelling and advertising laws, state governments need to become more prescriptive about the kinds of foods and drinks that can be sold in schools, and local governments need to take seriously the issue of fast food restaurant location, particularly their proximity to schools and entertainment venues. ■

The Australia Institute

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Discarding the UN

A front-page headline in *The Australian* revealed much about our present political malaise – ‘We Can Do Without the UN, Howard Declares’. The newspaper was referring to the Government’s attitude to war with Iraq but, as Spencer Zifcak argues, it may just as well have described the official position in relation to the UN Human Rights Treaty system.

In my recent report *The New Anti-Internationalism* prepared for the Australia Institute, I took the opportunity to examine Australia’s relationship with the UN human rights committees in some detail. Under the Howard Government, this relationship has deteriorated significantly.

For the last five years, Australia’s human rights record has been under critical scrutiny by all six UN human rights treaty committees and associated UN rapporteurs. The committees, which monitor national performance with international human rights treaty obligations, have levelled criticisms at Australia on three principal grounds.

First, unlike every other comparable Western nation, Australia does not have a constitutional or statutory charter of rights with remedies to match. Second, national governments, including the present one, are criticised for not having taken sufficient action to ensure that the comparative disadvantage of and discrimination against its indigenous peoples is addressed. Third, the Government’s treatment of people seeking asylum has also been a matter of significant concern.

The Howard Government’s response to consistent and concerted international criticism by the UN, however, has been particularly severe. It has rejected all adverse comment categorically and has instead called for a complete overhaul of the UN human rights treaty system itself. To encourage this overhaul, the Government announced a series of measures which together represent a significant retreat from its international treaty obligations.

Among others, these measures included the withdrawal of automatic consent to requests by UN human rights agencies to visit Australia to assess domestic compliance with international treaties,

and a refusal to ratify the Optional Protocol on the Elimination of All Forms of Discrimination Against Women (CEDAW).

To be fair, the Howard Government has taken some positive steps to encourage UN reform. It has been successful in having an Australian elected to the UN Human Rights Committee and has organised annual workshops in Geneva to discuss ways in which UN committee procedures might be streamlined and improved. In comparison with instances of official rebuke, non-cooperation and disengagement, however, these measures while constructive in themselves are relatively insignificant.

A number of recent examples suffice to bolster the point. The Government delayed for more than two years the visit of the UN Working Group on

Arbitrary Detention which wished to examine conditions in immigration detention facilities. The Group was finally permitted to visit in 2002 in association with the envoy from the UN High Commissioner for Human Rights, Justice Bhagwati, whose visit was similarly delayed for months. The reasoned and critical reports of both were rejected out of hand by the Government late last year.



1. Australia does not have a constitutional or statutory charter of rights with remedies to match.

2. National governments, including the present one, are criticised for not having taken sufficient action to ensure that the comparative disadvantage of, and discrimination against, indigenous peoples is addressed.

3. The Government’s treatment of people seeking asylum has been a matter of significant concern.

Australia failed to ratify a significant amendment to the Optional Protocol on the Convention against Torture in July 2002. The amendment would have permitted UN representatives to visit member states’ prisons and detention centres without first requesting permission. The only other countries to vote against the amendment were China, Cuba, Egypt, Japan, Libya, Nigeria and Sudan, not company Australia is normally accustomed to keeping.

The ‘Pacific Solution’ has been a conscious attempt to evade Australia’s responsibilities under the International Convention on the Status of Refugees.

The regrettable pattern is clear. UN criticism of Australia’s human rights performance is to be cast aside in favour of the Howard Government’s reassertion of the nation’s sovereign, democratic right to do as it pleases.

Political cynicism

All this begs the question, however, of why the Government seems to think it advantageous to adopt such a strident approach. After all, considerable political risks should attach to withdrawing from international human rights commitments and institutions. In fact, no such danger appears to have materialised. How then might this be explained? There are, I think, three different but interrelated answers.

There has been a disengagement at many different levels from countries and cultures that do not resemble our own.

The most straightforward explanation would be that the UN's criticisms have been misguided and consequently that the Government has been right to reject them. Such a view, however, cannot reasonably be maintained in the face of the intensification of international, legal criticism of Australia's human rights performance.

It may be that the dynamics of domestic political disagreement hold the key. The Government's criticism of the UN can be seen as yet another example of wedge politics. To attack the UN over human

rights is calculated to alienate the socially progressive wing of the Labor opposition while appealing to its blue-collar affiliates who can be expected to be unimpressed by 'foreign' condemnation.

However, it seems to me that the pervasive sense of economic and physical insecurity felt by many Australians in the face of the global tide of events constitutes the most persuasive explanation. The deep distrust of economic globalisation felt in many parts of rural and suburban Australia has made it attractive for the Government to adopt an anti-international stance.

Unwilling, however, to shake loose from the extensive web of international economic treaties to which it is a party, and having only a limited capacity to influence the global economic forces that press in at every point, the Government has chosen skilfully to displace domestic concern about the loss of economic sovereignty on to international agencies promoting a global social democratic agenda of which the UN human rights system is one. Economic globalisation remains unchecked while political or social interference from international organisations is rejected.

This political development has been accelerated dramatically by the perceived

threat of international terrorism. In the post September 11 world, it is not to the UN but to the US that many Australian eyes have turned. In response, the Howard Government has aligned itself ever more closely with the US and Britain, and loosened the ties forged so assiduously by the Keating Government with neighbouring nations in East Asia.

There has been a disengagement at many different levels from countries and cultures that do not resemble our own. A new unilateralism is abroad, one that is deeply popular here because it returns Australians to a more secure and comfortable identification with nations and peoples 'like us'.

In this political environment, then, the Howard Government safely makes hay with multilateral organisations like the UN which seek to constrain Australia's sovereign, Caucasian discretion. In rejecting what is foreign and re-embracing what is familiar, the Government has struck a golden electorachord. Our country's reputation as a leader in the human rights sphere has been badly damaged as a result.

Spencer Zifcak is Associate Professor of Law and Legal Studies at La Trobe University in Melbourne and a Vice-President of the Australian Section of the International Commission of Jurists. ■



Some Reviewer's Comments

Ross Gittins: "...you'll find [it] either exhilarating or deeply threatening".

Rev. Tim Costello: "Every now and then a book that is perfect in timing and tone hits my desk. *Growth Fetish* is that book. It is powerful and potentially transformative".

Natasha Stott Despoja: "This book reveals the undelivered reality of economic growth and the hollow mantras of the Third Way. *Growth Fetish* provides a much needed road map to a new politics in a post-growth world".

Tim Flannery: "Whatever you choose to do, though, and wherever you go, you will benefit from keeping a copy of *Growth Fetish* tucked up your sleeve".

www.growthfetish.com

Wanted:

More information on GM crops

Technological advances have the opportunity to deliver substantial benefits to society but they can also be the cause of new risks. While genetically modified (GM) crops, and food products produced from those crops, are now widespread in the US, most other countries, including Australia, have been far more cautious in considering the potential costs and benefits of their introduction.

At a time when the scientific evidence concerning both the agricultural benefits and the ecological risks of GM food crops remains uncertain, some within the agriculture industry and Government are basing their calls for the relaxation of existing restrictions on GM food crops on economic arguments.

...existing economic analyses rely on a range of optimistic assumptions.

The Institute has recently completed an analysis of the economic evaluations of the potential impact of increased reliance on GM crops conducted by the Productivity Commission, ABARE and the University of Melbourne.

Several problems were found with these analyses. Despite the existence, both in Australia and internationally, of empirical evidence demonstrating growing consumer concern surrounding GM food crops – resistance is so great that some African nations have tried to reject GM food aid - economic evaluations of the introduction of GM crops typically assume this consumer resistance will rapidly decline. Such an assumption is central for any economic analysis because, if the large European and Asian consumer markets continue to reject GM crops, Australia's capacity to export will be adversely affected.

Another problem with the existing analyses is the lack of data on the



potential costs associated with the separation of GM and non-GM crops. For example, harvesting, transport and storage equipment will need to be duplicated or sterilised between uses. While little effort has been put into collecting such information, those seeking to model the costs and benefits of increased reliance on GM crops should not confuse the absence of data with the absence of a likely economic cost.

The Institute's report considers that the existing economic analyses rely on a range of optimistic assumptions and ignore important potential costs in order to reach the conclusions that early adoption

of GM crops is beneficial to the Australian economy. It recommends further economic analyses of a wider range of possible scenarios and a careful consideration of the results before irreversible decisions are made.

Given that the benefits of early adoption of GM food crops are probably small and the potential costs of increasing reliance on GM crops are probably high, particularly if consumer resistance in Australia's major export markets continues, the report concludes that the precautionary principle should be adopted.

Steve Rix

GM Quotes

'Biotech food helps nourish the world's hungry population, offers tremendous opportunities for better health and nutrition and protects the environment by reducing soil erosion and pesticide use'. US Trade Representative Bob Zoellick, 2003.

'Most research into GM technology is undertaken by a small number of companies based in affluent counties, and is mostly focussed on improvements that will benefit consumers in wealthy counties'. Productivity Commission, 2002.

'Perhaps the biggest issue raised by these results is how to explain the rapid adoption of GE crops when farm financial impacts appear to be mixed or even negative'. US Department of Agriculture, 2002.

'We have suffered a great deal of damage to our trade markets because agribusiness pushed a product on U.S. farmers that people of the world rightfully refused to accept'. Missouri Farmer Bill Christison, 2003.

The politics of green taxes

In recent speeches, Richard Denniss and Clive Hamilton have argued that there is a certain naivete in the policy community evidenced by the belief that if only we can come up with the perfect policy instrument then government will see the light and implement it. This belief is closely related to the push for what is known as ‘evidence-based policy’; it owes a great deal to the Enlightenment view of the world that ‘science’ can solve our problems.

At certain points the public, the media and, at times, political parties when in Opposition, still hold the view that the evidence matters. But frequently for a government in power the evidence is a nuisance, indeed a political threat, and politicians will take measures to suppress it, undermine it, or explain it away. The amazing case of the vanishing WMDs in Iraq is a graphic illustration.

In the late 1980s and early 1990s there was a huge flowering of interest in ‘economic instruments’ as a market-friendly way of tackling environmental problems while avoiding the inefficiencies of regulation. Regulation was then referred to tendentiously as ‘command and control’, as if any form of government regulation was akin to Stalinism.

The interest in economic instruments was driven not so much by their putative efficiency but by neoliberal ideology. Governments under the influence of neoliberalism became convinced that they could accept ‘market conforming’ policies as against regulatory approaches that had fallen out of favour, essentially because businesses complained about them.

With the help of economists, environmentalists shifted the emphasis of their demands to argue in favour of economic instruments and developed a series of proposals built around licence fees, deposits, taxes and tradeable permits.

Confronted with proposals to tackle environmental problems using carefully crafted economic policy tools, the politicians who previously said “Give us the economic tools and we will do the job” suddenly went cold on the idea. They found other reasons for failing to act. We heard a great deal of evasion and sophistry, but at its root the reluctance

to act is explained by that old favourite, political lobbying.

So the big question is not: “Can we come up with good taxes that can be shown to be of economic and environmental benefit?”. The big question is: “Why in the face of overwhelming evidence that environmental taxes would be of economic and environmental benefit has so little progress been made?”.

Environmental tax reform is now a political rather than an economic problem. The economics of environmental protection are relatively simple. When negative ‘externalities’ exist, the market price will be lower than the socially efficient price. The imposition of a tax equal to the size of the externality will bring the market outcome into line with the economically efficient outcome.

The big question is: “Why in the face of overwhelming evidence that environmental taxes would be of economic and environmental benefit has so little progress been made?”

The methodological difficulty is not determining whether a tax should be implemented but in determining the size of the tax that should be implemented. Every day that the tax remains set at zero is an additional day further away from the efficient outcome.

Rather than spending years considering complex questions about the value of a human life and how to incorporate the risk adjusted cost of a reduction in species diversity into the analysis, efficient policy making should begin

implementing a ‘small’ tax which increases steadily over time. The debate about the size of the tax should be conducted while the tax is moving closer towards its optimal value.

While there is no doubt that many environmental problems are highly complex and will require a detailed policy formulation process, for most of the major environmental problems the policy direction required for achieving increased sustainability is straight forward and the administrative difficulties of implementation quite small.

For over 20 years there have been inquiries into the need for a greater reliance on ecological taxes to help achieve necessary environmental changes. Apart from a few notable exceptions, Australia has failed to implement such a reform agenda.

The economic rationalist’s only strong argument against taxation is its capacity to harm ‘incentives’, be they incentives to work, incentives to invest or incentives to innovate. But in the area of environmental tax reform, this argument is powerless. The stated objective of environmental tax reform is to reduce the incentive for people to invest in environmentally harmful areas of production.

A focus solely on the economics of environmental tax reform is unlikely to achieve necessary change. The politics of environmental tax reform, in particular the desire by many to maintain the status quo, is of equal importance. Economics may be concerned with the efficient distribution of resources, but politics is concerned with the distribution of real resources. Economics has provided enough policy work to keep policy makers busy for a decade. Getting them to act is the next big challenge. ■

Institute notes

New Publications

The New Anti-Internationalism: Australia and the United Nations Human Rights Treaty System, by Spencer Zifcak, Discussion Paper 54, April 2003

Trading in our Health System? The impact of the Australia-US Free Trade Agreement on the Pharmaceutical Benefits Scheme, by Dr K Lokuge and Richard Denniss, Discussion Paper 55, May 2003

Growth Fetish, by Clive Hamilton. (Allen & Unwin, Sydney, 2003)

Forthcoming Publications

- HECS debts and fertility
- Labour market flexibility and annual leave
- Images of the body
- Further analysis of overconsumption and downshifting
- Border adjustments for greenhouse taxes
- Geosequestration: the answer to climate change?

Welcome Michael

The Australia Institute is pleased to welcome Michael Flood who will take up a position as a researcher in July. We are already well acquainted with Michael who, with Clive Hamilton, researched and wrote the two pornography papers earlier in the year and we are looking forward to seeing him working full time at the Institute.

Drugged to the eyeballs, from page 3

Organization the burden of psychiatric disorders in rich countries has been greatly underestimated. Major depression is expected to leap from being the fourth most burdensome disease in the world in 1990 to second in 2020.

What do we make of the fact that around a third of adult Australians depend on drugs or other substances to get them through the day? It is a fact that stands in stark contrast to our imagined identity as a carefree and friendly nation of people who take life in their stride. A large section of the population appears to go through life in a substance-induced haze designed to cope with or shut out the stresses of modern life.

This fact also clashes with the grand picture painted by the marketers depicting rows of smiling customers who have found bliss by consuming this brand of shampoo or that brand of car. For decades we have all been

striving for the good life. Now that most of us have it, a large proportion of the population seems to be dependent on medications and other substances to avoid falling into a more or less permanent state of anxiety, depression and despair.

When our political leaders talk of 'families doing it tough' and 'struggling Australians' they can't be talking about material deprivation. While in no sense dismissing the genuine hardship experienced by 10-20% at the bottom, after decades of economic growth most Australians are doing very well.

Subliminally, the rhetoric of struggle may be appealing to the psychological distress that is so widespread and deep-rooted in this affluent land of ours. It is hard to avoid the conclusion that the epidemic of psychological disorders is the price we have had to pay for two decades of economic reform and its relentless promotion of market values. ■

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