





## Goals And Aim

The Centre for Independent Studies (CIS) is Australasia's leading public policy research institute or think tank. Founded in 1976 by Greg Lindsay, the Centre's major concern is with the principles and institutions underlying a free and open society, with a particular focus on Australia and New Zealand.

### Our goals

- An economy based on free markets
- Democratic government under the rule of law
- An autonomous and free civil society

### Activities

- Research
- Publishing
- Lectures, seminars and conferences
- Liberty & Society student program

### Funding and independence

CIS is funded by private sector donations—from individuals, companies, and charitable trusts—as well as subscriptions, book sales, and events registrations.

Independent in our name means:

- We are politically non-partisan
- Research is not directed by our supporters

## From the Executive Director

As 2011 came to an end, much of the world was in the grip of fear of the future. The irony is that this fear was essentially caused by trying to secure the future through the mechanism of social democracy. As I and many of my colleagues have been saying for some time, that experiment has been a failure. The financial, social and cultural cost will be enormous. The political ramifications are already being played out, particularly in Europe. We in Australia are not immune to the contagion seeping through the markets. It's already laid Japan low, and if you believe the pundits this contagion will engulf China and the United States. It may hit us with a force we have never experienced.

What we don't need is governments that carry on as if nothing is happening. Spend, tax and wipe out the productive sectors of the economy. That's the scenario we are now witnessing. The political classes have this otherworldly view of how to foster prosperity. Of course, without some grand scheme to deliver the plan, what are they but ordinary people with no more capacity to deliver than anyone else. Typically, the results of such plans imperil the whole society. Sure, tax the miners, tax carbon, and all will be well. No, it's a variation of the same addiction—but it's not just the politicians on the government drug. It's everyone. Time to say no! Simple. What we need is some of the old-fashioned verities of thrift—and looking after yourself and those for whom you are responsible.

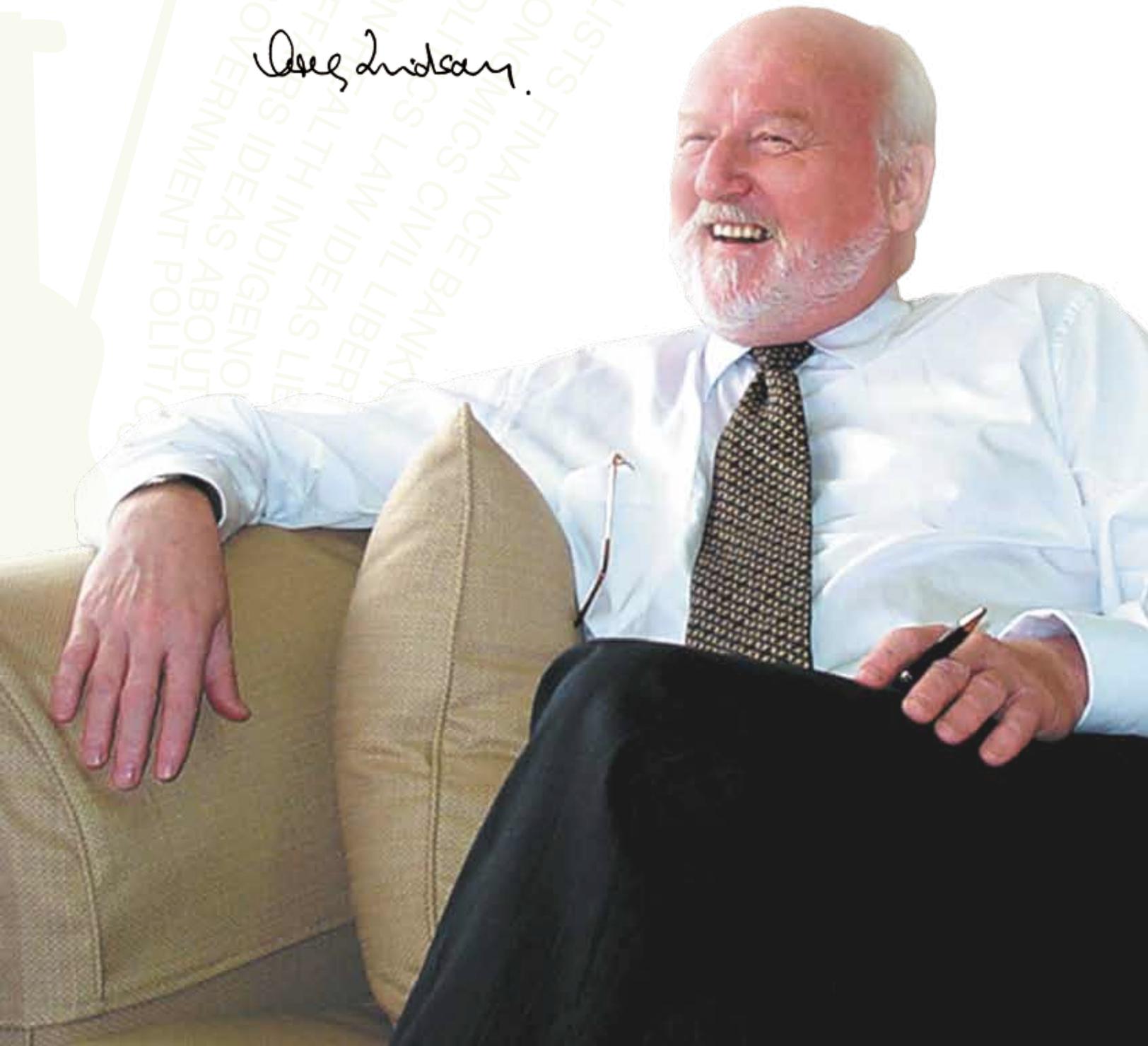
Throughout 2011, in hundreds of articles, talks, interviews, news items and op-eds (as outlined in this issue of *PréCIS*), CIS consistently argued for a rebalancing of the relationship between individuals and the state. There are limits to state action, and the economic and political crises we are witnessing make the need to understand this even more pressing. Australia may have managed things quite well in recent times, often because of sound institutions, but I am not confident this will always be the case. Saner voices like those of the research team at CIS will be needed even more in the coming years.

Last year, we upgraded the Centre's online presence through various forums such as a new blog titled *incise* ([www.incise.org.au](http://www.incise.org.au)), Facebook, Twitter (@CISOZ), and the filming and uploading of all our events. If you follow us on Twitter or Facebook, you will be informed of our latest publications and events as we roll them out. Further, we have nearly finished the online archiving of all our publications, including *Policy* magazine, dating back to 1977. In 2012, we expect to live-stream our events, which will enable anyone, anywhere to see our events as they happen.

The year 2011 saw some retirements from the Board and the election of new directors. I would like to thank Gordon Cairns, Robert de Crespigny, Don Turkington, and Lucy Turnbull for their commitment to our work over the years, and welcome Rohan Mead, Gary Weiss, Christopher White, and Alison Watkins to the Board.

As in years past, the Centre has been robustly productive in the range of issues covered and the quality of its output. This issue of Précis, our annual review issue, attests to that. None of this would be possible without the support of those who are committed to this organisation with an unrivalled dedication to free society and a vigorous independence in its work. I thank you all for that and assure you that as 2012 progresses, all of us at the Centre will carry on the good fight in defence of freedom.

*Greg Ingham*



## 35 Years of CIS

The Centre for Independent Studies is pleased and proud to have completed 35 years of intellectual work advocating and promoting social and economic freedom.

The Centre was established in 1976 by Greg Lindsay at a time when Australia's economy was highly regulated and protected. Greg was disturbed about the paucity of ideas within the political sphere regarding how to bring about economic reform. With so few intellectuals arguing the case for economic liberalisation, Greg decided to do something about it.

From a shed in the family backyard, CIS has grown into a 'powerhouse of intellectual generation.' It has produced more than 400 publications and nearly 1,500 opinion pieces, and has widespread presence in the radio, television and online media. Over the years, the Centre has held many seminars, lectures and other events to reflect its work, and brought together renowned experts to discuss these ideas. Premier events such as the John Bonython Lecture and Consilium have featured some of the world's top thinkers and opinion shapers, including Rupert Murdoch, Francis Fukuyama, P.J. O'Rourke, and Niall Ferguson.

The Centre's work has significantly altered the social, economic and political discourse in Australasia. CIS contributed greatly to the economic reforms of the 1980s and 1990s that



The great thing about CIS is that it's been an uncorrupted advocate, repeatedly of free market values and free market principles.

— John Howard AC

CIS was the first and the most important of the new private sector think tanks which challenged the old ideas and sought to produce new research outside the confines of either government or the academy.

— Paul Kelly



made Australia prosperous, and continues to prosecute the case for further economic reforms. In the last 10 years, the Centre has advocated the idea of moving people from welfare to work, which was seen as controversial but is now mainstream thinking on all sides of politics. We have diagnosed the causes of Indigenous poverty and suggested solutions that have brought governments to account in the way they create and evaluate programs which are meant to improve the lives of Indigenous people. Our research on Asia and China-US relations has received worldwide media coverage.

Of course, none of this would have been possible without the generosity of the individuals, corporations and foundations that have supported the Centre over the past 35 years. The wealth of financial and intellectual support has been extraordinary and appreciated by all of us who continue to work to keep the Centre as the leading independent public policy research and educational institute in Australia and New Zealand.

To celebrate our achievements, the Centre produced a short documentary, which is available on our website, [cis.org.au](http://cis.org.au).



The original office—a shed—where the CIS began in 1976.

The current CIS library in St Leonards, Sydney.



## Event Highlights

In 2011 a diverse range of topics was covered by the CIS events program.

### Men Behaving Badly: Straddling Blackfella & Whitefella Laws

In a moving event on 23 March, Warlpiri woman **Bess Nungarrayi Price**, Indigenous activist and chair of the Northern Territory Indigenous Affairs Advisory Council, spoke for CIS at the Macquarie Bank Auditorium just days before she was publicly insulted for her views by a fellow Indigenous scholar and activist. Her common-sense remarks on ABC TV's Q&A program attracted a media storm through social media platform Twitter. CIS was able to provide a forum (and a civil environment) for Bess to speak openly about her experiences in remote communities and views of the problems faced by Aborigines straddling two cultures.

### Private Lunch Addresses for 2011

CIS regularly hosts high profile speakers at invitation-only business lunches. The 2011 series commenced in March with the Minister for Trade, **The Hon. Dr Craig Emerson MP**, addressing a distinguished audience on open markets, trade and human progress. Later that month, **Professor James Allan**, a Canadian lawyer and professor at the University of Queensland, spoke on the job of judges in democratic societies. Not long after the devastating Christchurch earthquake, *Demographia* founder and Christchurch resident **Hugh Pavletich** addressed the subject of housing affordability, and the unsurprising news that Sydney ranks as one of the most unaffordable property markets in the world. In May, **The Hon. Malcolm Turnbull MP**, Member for Wentworth and Shadow Minister for Communications and Broadband, gave a comprehensive overview and critique of the National Broadband Network (NBN) at a lunch address.

CIS was honoured to welcome **Czech President Václav Klaus** for an informal morning tea reception on 25 July 2011 to meet research scholars and staff. President Klaus is well known for his commitment to liberty and is a strong voice in the fight for reason and transparency in the environmental debate.



Meegan Cornforth



Alanna Elliott

### The 2011 Meet the Researcher Series

In February, Research Fellow **Sara Hudson** presented her research on alcohol restrictions in Indigenous communities in the first *Meet the Researcher* lecture of 2011, pondering the philosophical dilemma of a liberal supporting interventionist practices. The talk was well attended, with government officials from Canberra and alcohol and drug experts attending the lecture. National Indigenous Television filmed the event and showcased highlights on its news; Sara was interviewed on ABC National Radio's program *Life Matters*.

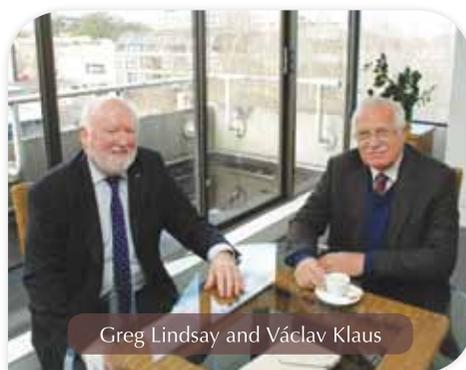
The *Meet the Researcher* series also featured Research Fellow **Jessica Brown** talking about Indonesia's role in Southeast Asia; **Rebecca Gill** discussing water policy in Australia; **Dr Jeremy Sammut** discussing the great Medicare misspend; and **Dr Stephen Kirchner** presenting his findings on the economic implications of population growth.

The June instalment of *Meet the Researcher* saw us capitalise on our growing technology capabilities with UK-based **Professor Peter Saunders** speaking live via Skype to the CIS audience in Sydney. Peter gave his critique on the hugely influential book *The Spirit Level*, exposing some of the fallacies in its arguments and weaknesses in its evidence. The continuing evolution of new technologies, which removes the need for speakers to be physically present at the venue, is opening up a world of possibilities for events. Skype was also used for an event with new Visiting Fellow **Brendan O'Neill**, British journalist and editor of the popular online journal *spiked*. Brendan delved into the differences between nanny statism and governmental 'nudging,' which is on the rise in the United Kingdom.

Long-standing CIS researcher **Jennifer Buckingham** drew on her extensive research into the Australian school system to discuss the importance of school choice in delivering quality education for all, while Research Fellow **Adam Creighton** looked into possible superannuation reforms.



Bess Price



Greg Lindsay and Václav Klaus

### Glass Half Full: Reasons for Rational Optimism

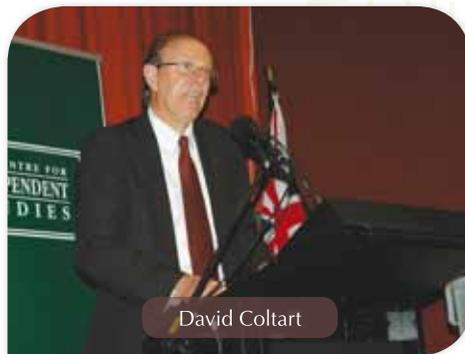
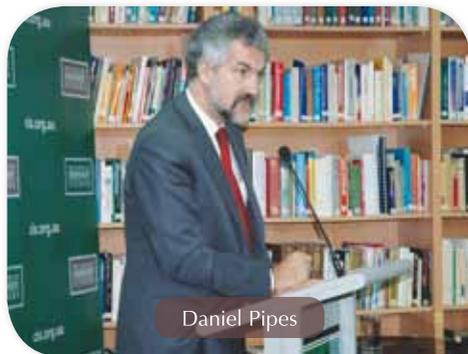
The 'rational optimist' **Matt Ridley** presented a lecture at a private breakfast talk for CIS in June. He discussed positivity as featured in his book, *The Rational Optimist: How Prosperity Evolves*. Matt posits that things aren't nearly as bad as we think they are and that we are, in fact, healthier, wealthier, happier, cleverer, freer, and kinder than ever before. This interesting take on the world was well received by an invited audience, and CIS plans to have more breakfast events in the future.

### Sideshow: Dumbing Down Democracy—book talk and signing

At a sell-out event in July, former Finance Minister **Lindsay Tanner** discussed the painful truth about Australian politics and the media in his new book, *Sideshow: Dumbing Down Democracy*. Tanner's firsthand experience at dealing with the media machine was an engaging subject matter, and a thoughtful Q&A session ensued, along with vigorous book sales.

### The Annual Acton Lecture on Religion & Freedom

The Acton address for 2011 was delivered by **David Coltart**, prominent Zimbabwean politician, human rights lawyer, and pro-democracy activist. Senator Coltart is Zimbabwe's



Minister for Education, Sport, Arts, and Culture and a committed and active Christian. He was a founding member of the Movement for Democratic Change, now in an uneasy but determined coalition with long-reigning President Robert Mugabe. David's address on religious influence in politics took place at the Parliament of NSW theatre and proved a fitting addition to this CIS lecture series.

### The Annual Big Ideas Forum

The big idea under the CIS microscope in 2011 was the ever-growing trend of political correctness and its tendency to stifle free speech. *You Can't Say That! Freedom of Speech and the Invisible Muzzle* featured **Dr Janet Albrechtsen**, columnist with *The Australian*; constitutional and bill-of-rights scholar **Professor James Allan**; controversial British journalist **Brendan O'Neill**; and former German politician and central banker **Dr Thilo Sarrazin**.

### Paul Wolfowitz Lunch

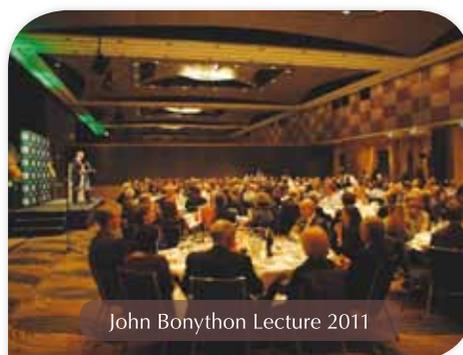
Former World Bank President **Dr Paul Wolfowitz** shared his insights on the world economy with prominent Sydney business men and women at the Westin Hotel ballroom in early August. As the exclusive guest of the Centre, Paul spoke on *China, America and the Word: Strategy and Economics in the Asian Century*.

### John Bonython Lecture—Professor Frank Furedi

The Bonython Lecture for 2011 was presented by UK-based Hungarian sociologist, author and media commentator, **Professor Frank Furedi**. In his talk, *Leadership, Liberty and the Crisis of Authority*, Frank discussed the philosophy of leadership and how it has become less of a responsibility and attribute and more of a commodity, with bookstores all over the world featuring multiple shelves devoted to step-by-step manuals on how to lead.



Brendan O'Neill speaks at Big Ideas



John Bonython Lecture 2011

## Consilium

The Centre's flagship event Consilium was once again held in the lush green surrounds of the Hyatt Regency Coolom. The invitation-only conference had record attendance with seating stretched to the very boundaries of the conference pavilion. Former Minister for Foreign Affairs **The Hon. Alexander Downer** held the floor with **The Hon. Martin Ferguson MP**, Minister for Resources, Energy, and Tourism; **Dr Lavina Lee**, Macquarie University lecturer and author of *US Hegemony and Legitimacy*; and **Cameron O'Reilly**, Executive Director of the Energy Retailers Association of Australia, for a discussion on the pros and cons of nuclear energy.

Global food security was investigated by **Professor John Crawford**, a UK soil scientist at Sydney University; **Dr Alan Dupont**, Director of the Centre for International Security Studies, also at Sydney University; **The Hon. Dr Craig Emerson MP**, federal Minister for Trade; and **Dr Brian Fisher AO**, Managing Director of BAEconomics. The consensus was that despite the many Malthusian disaster prophecies about food shortages, there is much hope to be found from the collaborative, interdisciplinary and international approach to safeguarding the world's food supplies.

Former Chief of Army **Lieutenant General Peter Leahy AC** joined **Greg Sheridan**, foreign affairs editor at *The Australian*; **Peter Khalil**, international security expert; and **Emile Hokayem**, Senior Fellow at the International Institute for Security Studies in Bahrain, to debate the turbulence and democratic uprisings in early 2011 throughout the Middle East and the future of the region.

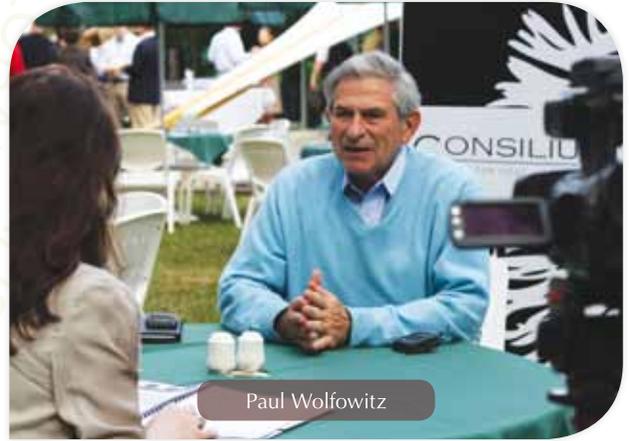
China was also on the agenda as leading expert **Dr John Lee**, former CIS scholar and author of *Will China Fail?*, joined Lowy Institute scholar **Andrew Shearer**, *Forbes* columnist **Gordon Chang**, and former World Bank President **Dr Paul Wolfowitz** for a discussion of China's strengths and weaknesses as we move into the 'Asian Century.'

With the continuing instability and volatility in the world economy, a fiscal discussion was one of the key sessions. The focus was on the economies that have recovered or are recovering from economic disasters, and Argentine economist **Ricardo Lopez Murphy** was able to compare notes with Zimbabwean **Senator David Coltart** and President of the Czech Republic, **Dr Václav Klaus**. Australian **Professor Warwick McKibbin** brought a local perspective to the conversation.

Perhaps the most popular session was the philosophical discussion on freedom of speech in an age of political correctness. Constitutional expert **Professor James Allan** discussed this serious issue with **Dr Janet Albrechtsen**, well-known columnist with *The Australian*; **Dr Thilo Sarrazin**, former German central banker; and **Brendan O'Neill**, editor of British online journal *spiked*. Cultural relativism, minority politics, and offence aversion were examined and both domestic and international examples cited.



Ricardo Lopez Murphy



Paul Wolfowitz



Breakfast session



Consilium roundtable



John Lee (left), Peter Khalil, Andrew Shearer, Paul Kelly, and Lavina Lee



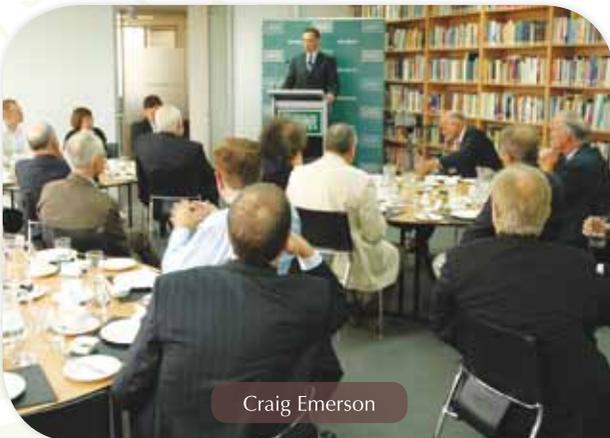
Consilium dinner

## Events at a Glance

The Centre for Independent Studies events 2011.

EVENTS	TITLE	SPEAKERS
February 2	Alcohol Restrictions in Indigenous Towns and Communities: A Liberal Dilemma	Sara Hudson
March 1	Indonesia's Strategic Role in a Changing Southeast Asia	Jessica Brown
March 4	Restoring Housing Affordability: The Demographia Housing Survey Approach	Hugh Pavletich
March 10	Economic Reform Process	Craig Emerson
March 17	The Job of Judges in Democratic Societies	Professor James Allan
March 17	Watch What You Say: Human Rights in Civil Society	Professor James Allan
March 23	Men Behaving Badly: Straddling Blackfella & Whitefella Laws	Bess Nungarrayi Price and Dave Price
March 25	Ivailo Izvorski Roundtable	Ivailo Izvorski
April 5	Medicare & Health Resource Allocation	Dr Jeremy Sammut
April 19	Australia's Urban Water Challenge: A Drought of Ideas	Rebecca Gill
May 4	The Economic Implications of Population Growth	Dr Stephen Kirchner
May 17	The Hon. Malcolm Turnbull MP Lunch	The Hon. Malcolm Turnbull MP
June 6	Debunking the Equality Myth: A Critique of <i>The Spirit Level</i>	Professor Peter Saunders
June 16	Matt Ridley Breakfast	Matt Ridley
July 5	Sideshow: Dumbing Down Democracy	Lindsay Tanner
July 15	Divided We Stand, United We Fall: Why Competition in Religious Markets is a Good Thing	Professor Larry Iannacone
July 25	Morning Tea with Václav Klaus	President Václav Klaus
July 26	The Annual Acton Lecture on Religion & Freedom	Senator David Coltart
July 28 - 30	Consilium	Various
August 1	Big Ideas Forum	Brendan O'Neill, Dr Thilo Sarrazin, Dr Janet Albrechtsen, and Prof. James Allan
August 2	Paul Wolfowitz Lunch	Dr Paul Wolfowitz
August 17	Rationalism, Pluralism and Hayek's History of Liberal Thought	Jacob T. Levy

EVENTS	TITLE	SPEAKERS
August 23	Making Sense of the Middle East Upheavals	Daniel Pipes
August 30	Trans-Atlantic Fiscal Follies	Adam Creighton, Robert Carling, and Oliver Marc Hartwich
September 26	<i>Radical Hope</i> Book Talk	Noel Pearson
October 4	The Future for School Choice in Australia	Jennifer Buckingham
October 20	Nudging Nanny Aside	Brendan O'Neill
October 25	Welfare Reform	Toby Hall
November 2	Not So Super: Reform Options for Australia's Superannuation System	Adam Creighton
November 14	John Bonython Lecture Media Lunch	Professor Frank Furedi
November 15	John Bonython Lecture 2011: Leadership, Liberty and the Crisis of Authority	Professor Frank Furedi
November 17	Freedom of Speech: The Case for Tolerance	Professor Frank Furedi
November 22	Pragmatism vs. Ideology	Nils Karlson
November 29	Images of Liberty & Power	David Hart
December 1	Religion and the Free Society Anti-semitism Roundtable	Peter Kurti, Philip Mendes and Paul Kelly
December 8	Happy Holidays? The Meaning of Christmas in 21st Century Australia	Jessica Brown, Luke Malpass, and Peter Kurti



Craig Emerson



Jeremy Sammut

## Social Foundations

The Social Foundations Program is dedicated to developing private alternatives to the welfare state. The research focuses on three key areas of public expenditure—education, health and social security. From school choice to health insurance vouchers, and strategies that move people from state benefits and into work, the policies promoted by the Centre are designed to foster personal responsibility, reduce dependence on government, and improve the quality of basic services.



Jeremy Sammut

In the last decade the number of children nation-wide who are unable to live safely with their parents, and are subsequently placed in 'residential' out of home care has increased by 56%. Decades of declining use has been reversed with the number of children in residential facilities falling to 939 in 2004–05 and then doubling to more than 1,800 in 2009–10.

— Jeremy Sammut,  
*The Sydney Morning Herald*,  
3 November 2011

The federal government's intergenerational reports tell us that Medicare, in its existing form, will become financially unsustainable as the population ages in coming decades. Subsidising visits to the dentist will substantially increase the economic burdens that the ever increasing cost of health care will impose on future generations.

— Jeremy Sammut,  
*The Sydney Morning Herald*,  
10 October 2011

### Health Care Reform

The growth of Australia's population—and its ageing population—will no doubt bring to bear several policy concerns that will adversely affect the economic and social fabric of our nation. As demand outweighs supply—in terms of infrastructure, financial reserves, and social services—the need for private alternatives to Medicare will become critical.

Published in March, Research Fellow **Dr Jeremy Sammut's** monograph *How! Not How Much: Medicare Spending and Health Resource Allocation in Australia* argued for scrapping the bulk billing of medical services and replacing Medicare with a soundly constructed health insurance system that includes a national system of Health Savings Accounts.

Jeremy's next paper in the *Health and Ageing Series* will follow up on the ideas for structural health reforms proposed in *How! Not How Much*, with a focus on how best to equip the health system to address the chronic disease 'epidemic' in an ageing Australia. It will closely examine the federal government's 'Medicare Locals' policy and propose a market-based alternative involving Health Savings Accounts and a comprehensive national health insurance voucher scheme.

Jeremy also co-authored a chapter with health economist **David Gadiel** on health policy which will be included in an academic history of the NSW Labor government from 1995 to 2011. The book is expected to be published in March 2012. Jeremy is also working with David on a report about the micro-economic reform of the NSW public hospital system.

Jeremy has also spoken at a number of seminars and conferences, at the national and state level, to discuss his work with politicians and advise policymakers on specific policy issues.

### Child Protection

Research Fellow **Dr Jeremy Sammut** published ground-breaking research on child protection services and policy, bringing attention to the thousands of high-risk cases that persist because of a failure by the government and child protection agencies to intervene appropriately. His research has stimulated persistent debate and correctly maintains a clear focus on the needs of the children.

In his monograph on the out of home care system, *Do Not Damage and Disturb*, Jeremy documented the increasing numbers of abused and damaged children who are ending up in out of home care because of child protection policy failures, and restated the case for fundamental reform of the system as recommended in previous CIS publications on child protection.

Jeremy also wrote a chapter on child protection policy for the book *Right Social Justice*, edited by **Gary Johns**, which will be published in 2012.

Future work on child protection will explore the reasons why children in out of home care in America are adopted at far higher rates than in Australia.

## Welfare Reform

Released in October 2011, Research Fellow **Jessica Brown's** report *Working Towards Self Reliance: Three Lessons for Disability Pension Reform* argued that disability pensioners with some capacity to work should face mutual obligation requirements such as looking for work or undertaking training or rehabilitation. The federal government, opposition, and major disability and welfare organisations have shown significant interest in the report and its recommendations.

Throughout 2011, Jessica's research on disability pensions and welfare reform attracted considerable media attention, with both the federal government and the opposition making welfare reform a key plank of their election campaigns. Jessica was one of the few voices to support the government's roll-back of middle class welfare in the May 2011 Budget. She has featured regularly on various media forums discussing disability pensions, welfare reform, and family payments. In June, she addressed opposition frontbenchers at the Menzies Research Centre's welfare reform roundtable. In July, she attended the Australian Social Policy Conference.

In 2012, Jessica will evaluate the extension of income management to welfare-dependent communities in Australia. Is this paternalistic intervention justified? Will the benefits outweigh the costs? And what can we realistically expect the policy to achieve? Future research will also focus on housing benefits. How effective are federal and state housing subsidies in improving housing affordability and reducing homelessness?

Shifts in the composition of people on the disability pension suggest that more substantial reforms designed to get existing recipients back into work will soon be required. Increasingly, the model looks broken.

— Jessica Brown, *The Australian*, 28 June 2011



Jessica Brown

We must get better at identifying which disability pensioners might be able to work—now or in the future. Some shouldn't be required to work. Some should face similar requirements to unemployed people. Many have the capacity to work but need a lot of support to do so. Instead of treating disability pensioners as one homogenous group, we must recognise that their circumstances vary greatly.

— Jessica Brown, *The Punch*, 10 October 2011

### Education—School Choice

Research Fellow **Jennifer Buckingham** made a substantial submission to the federal government's review of funding for schooling (the Gonski review) in early 2011 and developed the submission into an Issue Analysis titled *School Funding, Choice and Equity*, which was released in late October. She gave a guest lecture, 'School Choice and Markets in Education,' at the University of New South Wales in August and presented her work at a *Meet the Researcher* event.

Jennifer will be involved in the public debate following the Gonski review's report; in the meantime, she has begun work on a research review and analysis of the international evidence on school autonomy and charter schools.

She will continue to focus on the disconnect between educational research, policy and classroom practice, particularly in literacy.

### Campaign Finance

In June, Research Fellow **Andrew Norton** released a report on campaign finance reform, *Democracy and Money: The Dangers of Campaign Finance Reform*. Andrew argued that campaign finance reform was being presented as improving Australian democracy and government by limiting 'undue influence,' while the practical effect of banning, capping or disclosing political donations is to limit any influence. In a liberal democracy, governments should not select or limit its critics and rivals.



Jennifer Buckingham

Despite its noble intentions, the Gillard government's proposed teacher bonus scheme is highly bureaucratic and an administrative nightmare. Spend any time in a school and you'll see how hard it is to isolate the effects of one teacher on a class's academic attainment using a tick-the-box approach. In literacy, for example, whole-class teaching is supplemented by small-group work with support teachers and individual tuition.

— Jennifer Buckingham,  
*The Sydney Morning Herald*, 14 May 2011

**Andrew Norton**, one of the longest-serving members of the CIS team, and editor of *Policy* magazine, has moved to a full-time position with the Grattan Institute in Melbourne. Being Melbourne-based, and wanting to spend more time on researching higher education, this was a natural move for him and we wish him the very best.



Andrew Norton

## Indigenous Affairs

The Indigenous Affairs Program has continued its dual focus on research and practical assistance to help improve education and housing standards in the Banyala community. Our research has highlighted the need for a more effective evidence base for Indigenous policy. Government trends towards improved methods of data collection and evaluation of existing programs illustrate the effectiveness of our work.

### Private Housing

Since the successful release of the report *Private Housing on Indigenous Lands*, by **Helen Hughes AO, Mark Hughes**, and **Sara Hudson**, the Indigenous Affairs Research Program has continued to advocate for Indigenous homeownership in opinion pieces and submissions to the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), the Attorney General and Treasury, the Senate Committee, and other government departments.

The Indigenous Affairs research team continued to support the Banyala community in East Arnhem Land in negotiations with the Northern Territory Land Council for leases to enable private homeownership.

### Alcohol Restriction

In April, Research Fellow **Sara Hudson** released her report *Alcohol Restrictions in Indigenous Communities and Frontier Towns*. The report received considerable media attention in newspapers across Australia, including *The Australian*, the *Western Australian*, the *Northern Territory News*, and the *ABC News*. Sara was also interviewed on ABC News 24 and by National Indigenous Television. The Australian Institute of Criminology has also added the paper to its library and listed it as a reference on its website.

In March, Senior Fellow **Professor Helen Hughes** spoke about the evidence base for policies at the 'Closing the Gap Forum' in Melbourne.

### Field Trips

Independent researcher **Mark Hughes** spent five weeks in August and September in the Banyala community helping prepare for building private houses in the 2012 'dry' season.

**Sara Hudson** also visited Central Australia, specifically Alice Springs, Tennant Creek and a number of nearby Aboriginal communities and outstations, including Hermannsburg, Santa Teresa, and Ali Curung. This field trip gave her an opportunity to see firsthand the pressing issues facing Indigenous communities and meet people working in Indigenous affairs in the region.

### Other Activities

In September, renowned Aboriginal lawyer, academic and land rights activist **Noel Pearson** delivered an inspiring talk for CIS at the Macquarie Bank Auditorium on his new book, *Radical Hope: Education and Equality in Australia*.

In October and November, the Indigenous Affairs Research Program made submissions to two different government reviews, one on participation in employment in remote communities and employment servicing arrangements, and the other on access and outcomes in higher education for Aboriginal and Torres Strait Islanders.

In 2012, the Indigenous Affairs research team will continue to focus on the inequities experienced by remote Indigenous Australians in education, health and housing. The researchers will work on *A Guide to Indigenous Social and Economic Statistics*; the quality of training for Aboriginal Health Workers, titled *Charlatan Training: How Aboriginal Health Workers Have Been Short-Changed*; and an update on Indigenous education based on the 2011 NAPLAN results.

New research on Aboriginal people in the criminal justice system is also planned with **Aletha Penrith**, a university student from Victoria University in Melbourne, joining the Indigenous Affairs program as an intern/research assistant in January.

**Sara Hudson** will present at a conference on 'Indigenous Sustainability' in February 2012 on how to respect and nurture Indigenous culture while improving outcomes and equity.



Helen Hughes

If elementary statistics were included in numeracy tests, the staff responsible for these reports would fail. But it is COAG that is responsible for the failure of indigenous policies. Bureaucrats claim they only follow orders. It is up to voters to insist politicians mandate mainstream standards in remote communities.

— Helen Hughes, *The Australian*, 27 September 2011

NT Country Liberal politicians Adam Giles and Nigel Scullion have criticised the low expectations of Indigenous school attendance contained in the latest NT Government's budget paper. While the budget anticipates that 99 per cent of non-Indigenous middle-school aged children will attend school for 80 per cent of the time or more, the expectation for Indigenous children is that only 21 per cent will meet this target.

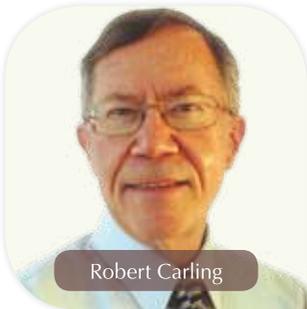
— Sara Hudson, *The Drum*, 18 October 2011



Sara Hudson

## Economics

The Economics Program has always been one of the Centre's core research areas. We believe economics is more than graphs and formulas or money and data. Rather, economics is a much broader way of understanding how people interact with one another in society. The topics covered by our researchers range from population growth to local government finance, from Sydney ferries to immigration policy.



Robert Carling

Governments love buoyant revenue because it relieves the financial constraints on their spending. It even allows them to balance their budgets from time to time. Conversely, weak revenue spells misery for them. Buoyant revenues, which come from economic growth and strong asset markets, came to a sudden stop in 2007–08. The US budget is a good example of the consequences for government revenue—revenue shrank by 18 per cent between 2007 and 2009, and two years later it has still not recovered to anywhere near the 2007 level. Many other advanced economies are going through similar experiences.

— Robert Carling, *Business Spectator*, 8 December 2011

Australia's superannuation system is pure paternalism, not hard-nosed fiscal prudence. For a start, eligibility for the age pension in Australia is so generous that increasing compulsory superannuation contributions does little to stem pension outlays.

— Adam Creighton, *The Australian Financial Review*,  
14 November 2011



Adam Creighton



Stephen Kirchner

Comprehensive tax reform would constitute a supply-side revolution for the Australian economy, and dwarf Fightback! and the 1998 tax package in its economic implications. It would almost certainly deliver a positive revenue windfall to the government, because the dynamic benefits of tax reform are often ignored or underestimated.

— Stephen Kirchner, *The Australian*, 26 December 2011

How governments raise and spend money is one of the timeless questions in economics. Throughout 2011, the Centre addressed tax and spending policies and many more topical issues in a number of publications.

The Centre's tax expert, Senior Fellow **Robert Carling**, edited a collection of essays on tax reform, *Taxploitation II*, which was released in June. Robert also published his assessment of the states' fiscal performance in his report *Tax, Borrow, Spend: How the States Compare*, and participated in the federal government's tax forum in Canberra in October 2011.

Research Fellow **Dr Stephen Kirchner** presented new evidence for increasing government activity in his report *Why Does Government Grow?* In October, Policy Analyst **Alexander Philipatos** discussed why Sydney needs a network of ferries that can cater to the city's changing demographics while being financially sustainable in his report *Free-Trade Ferries: A Case for Competition*.

*Price Drivers: Five Case Studies in How Government is Making Australia Unaffordable* by CIS researchers **Dr Oliver Marc Hartwich** and **Rebecca Gill** was the Centre's most popular publication of 2011. This is unsurprising because the report touches on an issue with which most Australians are all too familiar. Australia is now one of the most expensive addresses on this planet.

Politicians always like to tell us how they are on the side of the 'Aussie battler' or 'hard-working families' when talking about cost of living pressures. What they forget is the role of political actions in high price levels.

Oliver and Rebecca's report showed how government regulations have systematically shifted up prices for items ranging from bananas to cars and houses. If Australian consumers are meant to benefit from Australia's strong economy, the report argued, the government has to ensure that more competition drives down prices and makes Australia one of the most liveable and affordable places in the world once again.

The Centre's concern about excessive government spending is not something that matters only to economists. It has wider political implications, as historian **Niall Ferguson** reminded us in his 2010 John Bonython Lecture. The Centre published the speech, *Empires on the Edge of Chaos: The Nasty Fiscal Arithmetic of Imperial Decline*, in 2011 as an Occasional Paper.



Alexander Philipatos



Rebecca Gill

### A little liberal hagiography

Economic liberalism is a proud tradition of thinkers who have challenged the prevailing wisdom of their times, reminding us of the importance of freedom, competition and property rights. Two of the most outstanding thinkers from this school were **Ludwig von Mises** and **Friedrich von Hayek**. The Centre honoured both of them with two publications. In *The Multi-layered Hayek*, edited by Research Fellow **Dr Oliver Marc Hartwich**, four leading Hayek scholars shed new light on various aspects of Hayek's work. In *Ludwig von Mises—A Primer*, **Eamonn Butler** introduced readers to the work of the great Austrian economist.

### Spreading liberal ideas

Even the best ideas cannot be of much use if they are not communicated properly. This is why CIS economists have taken every opportunity to reach a wider audience. Our economists have extended their media reach with regular television and radio appearances, on the ABC news channel, *ABC News 24*, and commentary in newspapers, online news and magazines, particularly on the ongoing crisis in Europe.

Research Fellow **Dr Oliver Marc Hartwich** has been in great demand as a speaker and commentator on economic affairs. He discussed the European debt crisis with students at La Trobe University in Melbourne, delivered two speeches to the New Zealand Business Roundtable in Auckland and Wellington, and addressed the Productivity Commission's policy roundtable conference in Canberra. Once a month he discussed the state of the Australian economy on ABC Radio National's *Life Matters* program. Oliver writes a weekly column for *Business Spectator* and Research Fellow **Adam Creighton** a fortnightly column for *Crikey*.

The world economy in the next two years will continue to be dominated by the sovereign debt crisis in Europe and North America, with unknown and unpredictable ramifications for Asia, particularly in China. For Australia this presents multiple challenges, both for fiscal and monetary policy as well as for the regulation of financial services. Researchers in 2012 will focus on the proposed Clean Energy Finance Corporation, sovereign wealth funds, banking regulations, and labour market reforms.

### Population

In March, CIS published the second report of the *Population and Growth* series, *Droughts and Flooding Rains: Water Provision for a Growing Australia*, in which research assistant **Rebecca Gill** argued that Australia has enough water to cope with projected population growth.

In his report *Hands, Mouths and Minds: Three Perspectives on Population Growth*, which was released in September, Research Fellow **Dr Stephen Kirchner** argued that a growing population provides us with many more opportunities for economic and social exchange. His controversial point that Australia could institute an auction system for migrants was widely picked up by the print and online media across Australia.

Research fellows **Adam Creighton** and **Dr Oliver Marc Hartwich** released a report in July analysing local governments' response to population growth pressures. *Australia's Angry Mayors—How Population Growth Frustrates Local Councils* was based on a survey of the mayors and chief executives of Australia's local government authorities.

Research fellows **Jessica Brown** and **Dr Oliver Marc Hartwich** were in great demand throughout 2011 as commentators on population growth after the success of their 2010 report, *Populate and Perish: Modelling Australia's Demographic Future*.

In September, Jessica and Oliver released the report *Why a Growing Australia is Nothing to Fear*, arguing that Australia should harness the potential economic and social benefits of population growth. They will further make their case in a volume for Pantera Press' *Why versus Why* series, expected to be published in 2012. Both Jessica and Oliver have presented their ideas in numerous forums and events throughout the year, including the *Liberty and Society* conference and at the Sydney University Union Club. Jessica debated former NSW Premier Bob Carr on the issue of population growth in the state. Jessica and Oliver continue to publish opinion pieces and appear regularly on television and radio panels to discuss population growth.

**Dr Oliver Marc Hartwich** presented a paper on immigration, integration and multiculturalism at a conference of the Productivity Commission. It was later published by the commission and republished by CIS as *Selection, Migration and Integration: Why Multiculturalism Works in Australia (And Fails in Europe)*.

Population growth is going to happen, and it will ensure that Australia can fully play its role in the region.

— Oliver Marc Hartwich,  
SBS World News, 26 October 2011

Putting caps on growth would turn Australia into a stagnant, ageing and inward looking country—a basket case to rival the declining states of Europe. 'Big Australia' is a reality that we have to prepare for. But it is not something we should be scared of.

— Jessica Brown and Oliver Marc Hartwich,  
*Sunday Herald Sun*, 2 October 2011



Oliver Marc Hartwich

In today's globalised and individualised world, changes in Australia's economic fortunes may trigger much greater population swings than the ones that occurred in the past.

— Oliver Marc Hartwich,  
*Business Spectator*, 7 April 2011

## Foreign Policy

As the Asia-Pacific region rises in world economic and strategic importance, the Foreign Policy Program continued to focus on the internal and geopolitical challenges facing our Asian neighbours.

In February, Research Fellow **Jessica Brown** published *Jakarta's Juggling Act: Balancing China and America in the Asia-Pacific*, arguing that Indonesia's key foreign policy concern now is how best to juggle its healthy and lucrative trading relationship with China against a deepening strategic relationship with the United States.

In March, Research Fellow **Dr John Lee** authored *Malaysian Dilemma: The Enduring Cancer of Affirmative Action*, in which he argued that the Malaysian government must do much more to roll back its damaging race-based affirmative action policies. Malaysia must move towards a meritocratic system if it is to remain internationally competitive.

In November and December, **Jessica Brown** had two interns from the University of Sydney working with her on an analysis of Southeast Asian responses to the rise of China and the changing geopolitical balance in the region. This work will be published in early 2012.



Jessica Brown

Strength in numbers has long been ASEAN's raison d'être. Formed in 1967 at the height of the Cold War, the founding five members thought that sticking together would give them the best chance of standing up to the circling superpowers.

— Jessica Brown, *Jakarta Post*, 4 July 2011

The Obama administration has belatedly caught on to this game-plan after flirting with nascent doctrines such as the new order of a Group-of-Two comprising the US and China, or ambiguous doctrines of strategic reassurance. There is still an ongoing debate in Washington and regional capitals about how much to spend on defence and on what. But when it comes to China, there is growing appreciation that hoping for the best now means preparing for the worse.

— John Lee, *The Australian*, 1 August 2011



John Lee

## New Zealand Policy

The New Zealand Policy Program continues to have regular presence in both the New Zealand and Australian media.

Policy Analyst **Luke Malpass** published the report *Alcohol Policy and the Politics of Moral Panic* in May, arguing that the NZ Law Commission's report into reregulating the sale of liquor relied on erroneous economic claims. He also made the case for a liberal alcohol regime that emphasised personal responsibility. Luke also had a feature article in *Policy* magazine, 'Two-Party Democracies: The Gold Standard for Electoral Systems,' on the working of MMP and how this electoral system affects the size of government in New Zealand and around the world.

In *The Decade-long Binge: How Government Squandered Ten Years of Economic Prosperity*, Luke reported on overall government spending trends in New Zealand since 2000.

Earlier in the year, the Centre welcomed **Dr Eric Crampton** as a Visiting Fellow to its New Zealand Policy Unit. Eric is a senior lecturer in economics at the University of Canterbury and a prominent blogger.

The New Zealand Policy Unit continues to have regular presence in both the New Zealand and Australian media. Luke had a regular slot as a 'political thinker' on Radio New Zealand National Night's program. He also regularly commented on rail issues, subsidised industries, alcohol policies, and wider New Zealand Australia comparative policies and politics—appearing on ABC News24 television on a regular basis.

The challenges facing New Zealand are substantial. Over the past decade, government spending has doubled from \$NZ34.5 billion (\$A26 billion) to \$NZ70.5 billion, a real increase of 57 per cent. Core government spending is up to 35 per cent of GDP, while the government's overall share of the economy is 45 per cent (well, actually 49.9 per cent this year if the earthquake costs are included), a full 10 per cent higher than in Australia.

— Luke Malpass, *The Age*, 24 November 2011



Luke Malpass

## Religion and the Free Society

The Religion and Free Society Program at CIS is committed to investigating the implications of a liberal approach to religious freedom in civil society and the capacity of that society to maintain freedom for religion in the public square rather than freedom from religion.

The **Rev Peter Kurti** joined CIS as a Visiting Fellow in May to renew and develop the Religion and the Free Society (RFS) program, formerly led by **Dr Samuel Gregg**.

The program does not discuss the internal matters of discipline, dogma or organisation with which all faiths and churches wrestle from time to time. Instead, it offers a secular platform for scholarly reflections on issues affecting aspects of religion in the modern world and its interaction with free society—and to inform the public of the same.

Over the next two years, the RFS program will contribute a greater understanding of key specific issues of freedom of religion and belief in Australia, including:

- **Indigenous spirituality**—recognition of Indigenous spiritualities is essential to reconciliation.
- **Religion and public order**—the freedom to associate for worship, to express one's religious beliefs in public, and to influence the formation of public policy.
- **Religion and equality legislation**—to what extent is the capacity of faith-based organisations to provide welfare and education services affected by legislation intended to prevent discrimination against women or sexual minorities?
- **Anti-Semitism and religious hatred**—calls for anti-hatred legislation must be balanced against the freedom of Australian citizens to express their views on matters of concern to them.



Rev Peter Kurti

The self-designated guardians of our culture are hard at work on Christmas. Peace on earth? Goodwill to all? Watch out! Public recognition of this sectarian holiday is an affront, we are told, to the vulnerable non-celebrants in our midst. The vulnerable - or those deemed to be vulnerable - must be protected from exposure to any irradiated whiff of religious sentiment or practice.

— Rev Peter Kurti, *The Australian*, 23 December 2011

## Follow our research

There are many ways to engage with the Centre. Follow the our research fellows and CIS staff on **Twitter** and receive a daily feed of insightful opinions and research.

Subscribe to our blog **incise**, visit our **YouTube** channel, and like our **Facebook** page.

## ideas@TheCentre

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CIS @cisz

and follow some of our staff:

Jessica Brown @JessicaBrown53

Meegan Cornforth @MeeganCornforth

Oliver Marc Hartwich @oliverhartwich

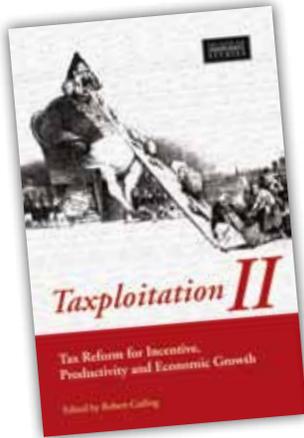
Stephen Kirchner @insteconomics

Jessica Kostera @JessicaKostera

Greg Lindsay @greglindsay1

Peter Saunders @Saunderspeter

## Selected Publications



### ***Taxploitation II: Tax Reform for Greater Incentive, Productivity and Economic Growth***

**Robert Carling (ed)**

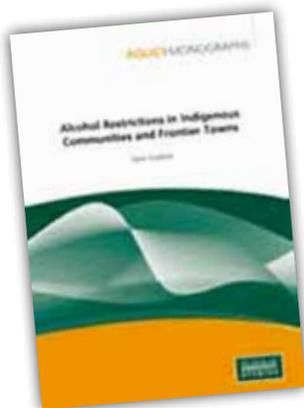
This volume brings together papers on different aspects of tax reform published by CIS over the past five years. In part, these papers review developments in tax reform since the publication of a similar volume—*Taxploitation*—by CIS in 2006. The general finding is that against the benchmark set by the reform ideas advanced in *Taxploitation*, progress has been very disappointing. While *Taxploitation* focused on personal income tax, *Taxploitation II* puts forward ideas for far-reaching reforms in a range of not only personal income tax but also company tax and a number of state taxes. These reforms are designed to reorient the tax system towards stronger incentive and growth, and to support a move to smaller government.



### ***How! Not How Much: Medicare Spending and Health Resource Allocation in Australia***

**Jeremy Sammut**

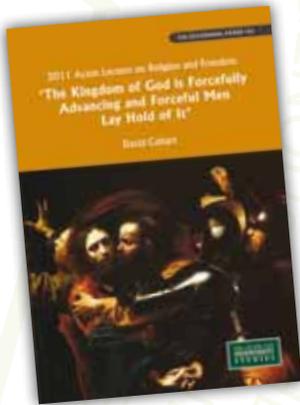
This report traces the evolution of Australian health policy and its consequences across half a century. The public hospital ‘crisis,’ a political nightmare for all Australian governments, is a legacy of the health policy upheavals of the 1970s and early 1980s, which culminated with the start of Medicare in 1984. Long waits for hospital treatment in Australia are caused by the structural funding inefficiencies at the heart of Medicare, which is a ‘reverse insurance’ system that provides ‘inverse care’ for Australians.



### ***Alcohol Restrictions in Indigenous Communities and Frontier Towns***

**Sara Hudson**

The double standards applied to the enforcement of liquor legislation have contributed to the alcohol problems in many Indigenous communities. People have the right to be able to feel safe in their towns and communities and not to have to witness or experience alcohol related violence, so some controls on excessive alcohol consumption are necessary. Central to any form of restrictions or controls on alcohol use is enforcement. Policing of existing legislation and regulations must be the same for everyone. Although the cost of remote policing is higher than in urban areas, the cost of not enforcing appropriate standards of behaviour is even higher.



***The Kingdom of God is Forcefully Advancing and Forceful Men Lay Hold of It***

**David Coltart**

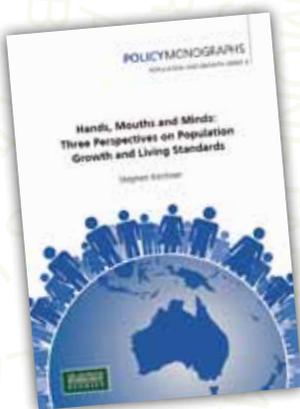
In the CIS's annual Acton Lecture on Religion and Freedom, Senator David Coltart discusses the application of biblical standards to foreign policy in terms of moral values: forsaking violence as means to obtain or maintain power, the application of the parable of talents to the question of aid, and many other issues.



***Price Drivers: Five Case Studies in How Government is Making Australia Unaffordable***

**Oliver Marc Hartwich and Rebecca Gill**

Government influences price levels in more ways than is immediately apparent. Through its direct and indirect interventions in the market, government is one of the most important price drivers in Australia and responsible for the rising cost of living. To make life more affordable, government needs to remove regulatory obstacles.



***Hands, Mouths and Minds: Three Perspectives on Population Growth and Living Standards***

**Stephen Kirchner**

This monograph reviews three perspectives on the relationship between population growth and living standards: Hands, Mouths and Minds.

The main theme of this monograph is that Australian economists have for the most part relied on the Hands and Mouths perspectives in arguing either for or against population growth and immigration. However, neither perspective offers clear or compelling conclusions about the implications of population growth for long-run living standards. Even those who favour population growth and immigration have not been able to make a compelling case based on these two perspectives. Economists and policymakers need to change the way they think and talk about the role of population growth in driving economic growth by adopting the Minds perspective.

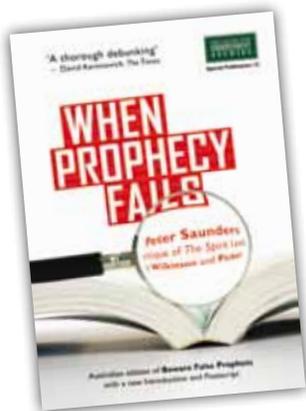


### **Malaysian Dilemma: The Enduring Cancer of Affirmative Action**

**John Lee**

This paper makes the argument that India's enormous 'soft power' potential in Asia is based on the fact that a rising India (unlike China) complements rather than challenges the preferred strategic, cultural and normative regional order.

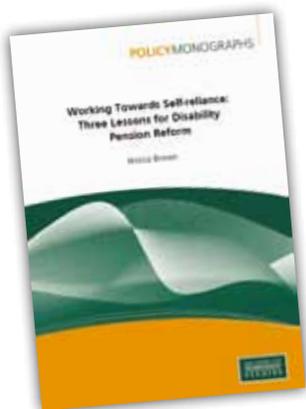
The paper also argues that India's existing 'soft power' is weak and continues to fall short of its potential for two main reasons. First, New Delhi has long neglected 'soft power' as a tool of statecraft.' Second, it is doubtful that 'soft power' in any meaningful (i.e. instrumental) sense can exist without formidable 'hard power' resources. India's 'soft power' credentials are undermined by lingering doubts as to whether the country can continue to rise.



### **When Prophecy Fails**

**Peter Saunders**

In their 2009 book, *The Spirit Level*, Richard Wilkinson and Kate Pickett argued for the 'benefits' of income redistribution. Although enthusiastically welcomed by the left, CIS Senior Fellow Peter Sanders showed in his critique *Beware False Prophets* that much of *The Spirit Level's* evidence linking equality with wellbeing was flawed; its analysis is misleading, and its statistics invalid. Saunders's book received a furious reaction. In this new Australian edition, *When Prophecy Fails*, Saunders has added a new 9,000-word postscript to address Wilkinson and Pickett's attempts to discredit their critics.



### **Working Towards Self-Reliance: Three Lessons for Disability Pension Reform**

**Jessica Brown**

To successfully reduce the number of pensioners on disability support, policymakers must apply the lessons of other welfare reforms. Disability pensioners must be categorised based on their ability to work; provided tailored job search assistance; and required to follow mutual obligation conditions. Finally, the incentive to switch from unemployment benefits to DSP must be reduced.

## Publications in 2011

DATE	TITLE	AUTHOR
February	Malaysian Dilemma: The Enduring Cancer of Affirmative Action	John Lee
February	State Fiscal Scorecard	Robert Carling
February	Jakarta's Juggling Act: Balancing China and America in the Asia-Pacific	Jessica Brown
March	How! Not How Much: Medicare Spending and Health Resource Allocation in Australia	Jeremy Sammut
March	Droughts and Flooding Rains: Water Provision for a Growing Australia	Rebecca Gill
April	Alcohol Restrictions in Indigenous Communities and Frontier Towns	Sara Hudson
April	Why Does Government Grow?	Stephen Kirchner
May	Alcohol Policy and the Politics of Moral Panic	Luke Malpass
June	Democracy and Money: The Dangers of Campaign Finance Reform	Andrew Norton
July	Taxploitation II: Tax Reform for Greater Incentive, Productivity and Economic Growth	Robert Carling (ed)
July	Australia's Angry Mayors—How Population Growth Frustrates Local Councils	Oliver Hartwich and Adam Creighton
August	When Prophecy Fails	Peter Saunders
September	Why a Growing Australia is Nothing to Fear	Jess Brown and Oliver Hartwich
September	The Kingdom of God is Forcefully Advancing and Forceful Men Lay Hold of It	David Coltart
September	Selection, Migration and Integration: Why Multiculturalism Works in Australia (And Fails in Europe)	Oliver Hartwich
September	Hands, Mouths and Minds: Three Perspectives on Population Growth and Living Standards	Stephen Kirchner
October	Funding Schools Based on Student Needs	Jennifer Buckingham
October	Free-Trade Ferries: A Case for Competition	Alexander Philipatos
October	Working Towards Self-Reliance: Three Lessons for Disability Pension Reform	Jessica Brown
November	Do Not Damage and Disturb: On Child Protection Failures and the Pressure on Out-of-Home Care in Australia	Jeremy Sammut
November	The Decade Long Binge: How the Government Squandered Ten Years of Economic Prosperity	Luke Malpass
December	Trans-Atlantic Fiscal Follies: The Sequel	Various
December	Price Drivers: Five Cases Studies in How Government is Making Australia Unaffordable	Oliver Hartwich and Rebecca Gill

## Liberty & Society

The Liberty & Society Program educates and engages young leaders in thinking about which political philosophy is going to sustain a free and open society. Many of the past attendees have maintained a close association with CIS and are now in positions where they can influence political thinking and public policy. CIS is pleased that in some small way L&S has helped shape their thinking.

Liberty & Society conferences are aimed at young people interested in political philosophy and 'how the world works,' so the majority of applicants are students of law, political science, economics, and international relations. The two conferences in 2011 were held in May and December after the end of the academic year. Of the hundreds of applicants, we selected 34 young people to attend the May program and 30 for the December program.

Our lecturers in May were **Professor Judith Sloan**, who presented an economics session for the first time, and two L&S alumni from the University of Queensland, **Dr Jonathan Crowe** and **Dr Darryn Jensen**. **Dr David Hart** from Liberty Fund Inc. USA was visiting Sydney in December, so we took the opportunity to invite him to conduct a session at L&S. David is an expert on classical liberal history and thinking, and regularly presents lectures at the Institute of Humane Studies Summer Student programs. In December, we also had **Dr Jason Potts** conducting the economics session and **Professor Suri Ratnapala** presenting on law. CIS research fellows **Jessica Brown** and **Dr Oliver Marc Hartwich** gave lectures at both conferences about the ramifications of population growth in Australia.

We cannot underestimate the value of an intense weekend like this for young people who are developing their philosophical thinking. For many students, it is an eye opener to realise there are other people who are as passionate about classical liberal thinking as themselves. The friendships developed over the weekend can be long lasting and the connections made invaluable in their careers.



Jenny Lindsay

It is remarkable that the cost of running the conference has not changed significantly since its beginning 15 years ago. The weekend now costs \$1,300 per student compared to \$950 14 years ago and includes accommodation, food, travel, speakers and administration. CIS picks up the travel costs if required as we want the conference to be accessible to everyone.

Building ongoing funding for the program with long-term aims is always challenging. We are always interested in talking to anyone who has an interest in supporting the program. If you would like more information, please contact **Jenny Lindsay**, [jlindsay@cis.org.au](mailto:jlindsay@cis.org.au), or visit the CIS website and click on student programs, [cis.org.au](http://cis.org.au).



Jessica Brown and Oliver Marc Hartwich

The Liberty and Society Conference was such an enjoyable and enriching experience that I can't recommend it enough. It is a once in a lifetime opportunity to spend a weekend purely discussing ideas, philosophy and their practical application—a 'boot camp' of ideas, if you will. The chance to engage in such discussion with like-minded, highly intelligent people is really something. I consider myself incredibly lucky to have had the opportunity: Every single minute was stimulating and entertaining.

— Hannah from Victoria

One of the best weekends I've had. I met great people, learnt a lot, and had the opportunity to express myself and hear other people express themselves in a constructive and stimulating way.

— James from New Zealand



Students discussing ideas



L&S students, May 2011

## Media

The Centre had more than 1,044 recorded media mentions in 2011, including opinion pieces, print, television and radio interviews. The CIS name has regularly appeared on programs such as the *7.30 Report*, *Q&A*, *The Bolt Report*, *Today Tonight*, *SBS World News*, *ABC News* (breakfast, lunch and dinner), *The Drum*—just to name a few. But we weren't just appearing on the national media: the CIS brand also featured in 19 foreign media outlets, from the prestigious UK paper *The Guardian* to the little-known *Taranaki Daily News*.

### Snapshots from the media

Research Fellow **Jessica Brown** discussed Indonesia's foreign policy at a CIS event, which was then broadcast on the Australian Public Affairs Channel (APAC). She argued that Australia and Indonesia's economic, strategic and diplomatic interests are closely aligned—perhaps for the first time ever.

Policy Analyst **Luke Malpass** wrote feature articles for *The American*; *Journal of the American Enterprise Institute*, *The Spectator Australia*, *The Dominion Post* and *The National Business Review*.

**Rev Peter Kurti** published an opinion piece in the *Canberra Times* on anti-Semitism which was critical of the Greens' advocacy of the Boycott Divestment Sanctions program. He has also had pieces published on gay marriage (*Online Opinion*) and the proposal to introduce mandatory pre-commitment technology (*The Drum*).

**Dr Jeremy Sammut's** monograph *How! Not How Much: Medicare Spending and Health Resource Allocation in Australia* generated considerable media interest, and was featured in 13 newspaper articles and 20 news bulletins on the day of its release. An opinion article based on the paper appeared in *The Australian*, and another article was the lead item on *The Punch* website. Jeremy was also interviewed by 14 radio stations across the nation and received much positive feedback about the paper from medical practitioners.



Jessica Kostera

In August 2011, **Sara Hudson** received considerable media attention from her article 'Census apartheid: Separate form separates a community' on *The Drum*. The opinion piece highlighted the use of a separate census form in Indigenous communities. She appeared on ABC TV and was interviewed by a number of radio stations, including Triple J.

### Online and Social Media

Intellectually rigorous and impartial public policy research is the keystone of the Centre's activities, but the distribution of these ideas has also been integral part of the Centre's success. Electronic and social media (such as Facebook, Twitter and YouTube) are quickly becoming a key part of our communications program. The push to create high quality video and audio media to promote and distribute our ideas is increasing by the month. We are seeing a strong growth in demand for online content, so investment in new technologies will help us further promote and disseminate our ideas.

The CIS blog **incise** was launched in August 2011. Researchers and select outside commentators now have a platform to comment on current policies and events. **incise** is a secondary tool and will not distract researchers from their research. However, in the current marketplace of ideas, it is important to be disseminate our ideas of liberty through all prominent methods of communication.



Oliver Marc Hartwich at Channel 7's newsroom

MEDIA TYPE	NO.
Op-eds	223
Radio	177
TV	74
Print reports	218+
Online mentions	234+
Total	926

+ Estimated figures

The Centre has installed a new media room with lighting, backdrops and soundproofing ensuring a professional production quality. We continue to explore new media techniques and new technologies not only to increase our ability to communicate with existing supporters but also to allow us to reach a new generation of liberal thinkers.

## Obituaries

### *Roger Kerr CNZM 1945–2011*

The Centre was saddened by the news that **Roger Kerr** had died after a year-long battle with melanoma on 28 October. Roger was the Executive Director of the New Zealand Business Roundtable and a great friend of The Centre for Independent Studies. At Consilium in July 2011, Roger was made, along with former Prime Minister John Howard, an Alan McGregor Fellow of CIS.

At the award ceremony, Executive Director of CIS, Greg Lindsay, said:

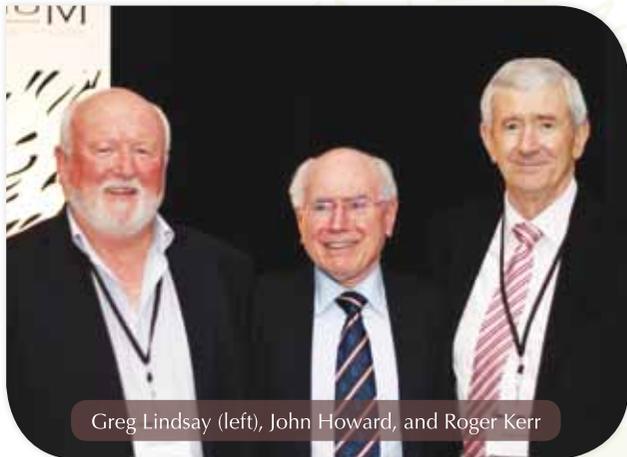
*Those of you who follow New Zealand politics and economic reform will know of Roger Kerr's central role in keeping governments to account and arguing relentlessly for freeing up markets and society more generally. Another great New Zealand Roger, Sir Roger Douglas, also received this award several years ago.*

*As a senior official in the New Zealand Treasury and Ministry of Foreign Affairs until 1986, Roger had a profound influence on New Zealand's economic direction. He played a major role in the country's landmark economic reforms from 1984: removal of financial market controls and farm subsidies, the floating of the exchange rate, and the phasing out of tariffs and import licensing.*

*In Australia, some have a tendency to praise the Hawke-Keating economic reform era, but New Zealand's reforms were far bolder and quicker, possibly out of necessity.*

*Roger is not just an economic technocrat: he complements his rigorous understanding of economics with a first class master's degree in French literature for starters. In the recent Queen's Birthday Honours, Roger was made a Companion of the New Zealand Order of Merit, and he holds the Charles Copeman Medal from the HR Nicholls Society for distinguished service in the cause of workplace relations, among other awards.*

*Since 1986, Roger has applied his prodigious industry and talents as Executive Director of the New Zealand Business Roundtable. Far from a forum for vested interests to lobby government, Roger's Roundtable promotes policies in the public interest. As the New Zealand Institute of Economic Research Chairman, Michael Walls, said in 2001, 'No single individual has done more over the past 15 years to persuade important parts of the business sector to support economic policies which, though often contrary to the interests of individual firms, were in the interest of the country as a whole.'*



Greg Lindsay (left), John Howard, and Roger Kerr

*The scope, quality, quantity and depth of the roundtable's output, much due solely to Roger, are a tribute to Roger's hard work, and rival the output of organisations with far greater resources.*

*Roger has had a long-standing association with CIS, including authoring a number of articles for our magazine Policy. It gives me particular pleasure to commend him and his achievements in the interests of freedom this evening and that we at CIS are able to recognise them in this way.*

### **Denis Dutton 1944–2010**

It is with much sadness that the Centre recognises the passing of **Professor Denis Dutton** on 28 December 2010 after a battle with cancer. Denis had been associated with the Centre for around a decade and was a frequent visitor, speaking and writing on topics from elitism (in praise of) to his research on the evolutionary basis of art. In February 2009, Denis spoke at a CIS event marking the 200th anniversary of Darwin's birth at the Supreme Court of NSW.

The University of Canterbury has been home to two philosophers who left their mark internationally: Karl Popper and Denis Dutton. While Popper is recognised as a giant, writing the *Open Society and its Enemies* while at Canterbury, Denis will probably be more widely recognised after his death. Denis's remarkable contribution is well explained in the obituaries in the newspapers mentioned below. He founded NZ Skeptics, an organisation that is still committed to denouncing quackery wherever it has become respectable. His contrarian and liberal (not leftist) views made him often unpopular, and he was ignored in some intellectual circles in New Zealand for not thinking the right things. Indeed, when in 2007, a University of Auckland book listing New Zealand's 10 most 'influential intellectuals' did not include Denis. Indeed, he was more well-known and respected abroad than in New Zealand.

Nonetheless, Denis could not be pigeonholed. Among other things, he served on the board of Radio New Zealand for some time. Although frustrated by its apparent leftwing bias, he nonetheless remained a staunch supporter of the importance of quality public broadcasting.

Ever the polymath, it is Denis' *Arts & Letters Daily* website, which he founded in 1998, that has made a lasting contribution to the world of ideas, and for which he will be primarily remembered. Do take time to read the obituaries in *The Press* (Christchurch), the *Wall Street Journal*, *Spectator Australia*, and the *New York Times*, and a eulogy by Denis' colleague at the University of Canterbury, Dr Eric Crampton.

Denis is survived by his wife, Margit, and children, Ben and Sonia. The thoughts of all of us at the Centre go to a man whose contributions will be always appreciated and who will be sorely missed.



Denis Dutton

## Fundraising

The fundraising team at the CIS is committed to generating support for the Centre, enabling it to expand its activities and ensure its longevity. Although we often focus on fundraising technologies, these new technologies and giving channels are merely mechanisms that allow our contributors to support the CIS, and in doing so, promote the core values at its heart.

### Donations

We would like to thank all our members, supporters and donors who have contributed to the Centre's growing intellectual capacity. You have given us the strength and resources necessary to expand our activities, providing pragmatic solutions to public policy issues that affect our families and communities across the nation. Thank you.

A clear highlight of the 2011 fundraising calendar was that our End of Financial Year Campaign reached our target. Funds raised in this appeal have been directed to improve our electronic communication platform. This will allow us to create and distribute high quality video and audio media to a much broader audience than before. These new technologies and electronic distribution channels not only increase our reach to existing supporters but also allow us to reach a new generation of liberal thinkers.

### Capital Fund

The CIS Capital Fund was established in 2006 with a five-year target to raise \$5 million and ensure the long-term future of the Centre. All initial Capital Fund pledges have been fulfilled, and with the reinvestment of interest, the Centre has met its initial target. Conservative management of the fund has ensured that we have had good performance on our investment and can report no losses during the Global Financial Crisis. **We continue to welcome contributions to the Capital Fund.**

### Bequests

The CIS has received ongoing interest in Bequests from its membership base but would like more supporters to convert that interest into actual pledges. Supporting the CIS with a bequest—either by a single gift of cash, property, shares or even a percentage of your estate—delivers an opportunity to make a meaningful, tangible and lasting gift that will show your appreciation for the work of CIS. And for those who have supported the CIS over many years, it is a means of supporting the Centre beyond the current membership and donations structure, and in a way that may not have been possible during your lifetime.

### Memberships

Although predominantly from Australia and New Zealand, the Centre currently has individual members from more than 15 different countries, showing the merit and international applicability of our intellectually rigorous public policy research. Our supporters come from a wide range of backgrounds and include many prominent members of the media, politics, academia, and the business communities.



Bronwyn Nolan



Diana Kennedy

Donations are the lifeblood of our work, and we therefore ask all our donors for their continued support. Please remember that all donations over \$2 are tax deductible. Every donation makes a difference!

For further information on memberships, donations, workplace giving, bequests or the capital fund please call the CIS on (02) 9438 4377, or go to [www.cis.org.au](http://www.cis.org.au).

## Accounts

The Centre for Independent Studies (CIS) Summary Income & Expenditure Statement, Ending Financial Year 30/06/2011 and 30/06/2010.

INCOME	TO JUNE 2011 AUDITED (\$)	TO JUNE 2010 AUDITED (\$)
Donations	1,478,586.00	1,796,863.00
Book Sales and Subscriptions	132,396.00	139,475.00
Consilium/Seminar/Lecture Income	996,866.00	557,250.00
Investment & Sundry Income (Includes Capital Fund Income)	274,386.00	248,162.00
<b>TOTAL INCOME</b>	<b>2,882,234.00</b>	<b>2,741,750.00</b>

EXPENSES	TO JUNE 2011 AUDITED (\$)	TO JUNE 2010 AUDITED (\$)
Research, Functions, Publishing	924,268.00	447,882.00
Fundraising & Development	116,777.00	59,159.00
Salaries Incl. Research	1,856,914.00	1,826,121.00
Administration & Rent	427,476.00	229,231.00
<b>TOTAL EXPENSES</b>	<b>3,325,435.00</b>	<b>2,562,393.00</b>

<b>SURPLUS/(DEFICIT)</b>	<b>-443,201.00</b>	<b>179,357.00</b>
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Capital Fund as at 30 June 2011		\$5,357,446.00
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## New Staff



**James Allan**

**Academic Advisory Council**

Professor James Allan, Professor of Law, TC Beirne School of Law, The University of Queensland, has joined The Centre's academic advisory council.



**Tom Capell**

**Cameraman and Film Editor**

Tom works in a part-time capacity as our events cameraman and film editor.



**Eric Crampton**

**Visiting Fellow**

Dr Eric Crampton is a Senior Lecturer in Economics at the University of Canterbury. Eric's research speciality is in public choice theory. Eric has written widely on cost-benefit analysis and the economic impact of the aftermath of the Christchurch earthquake.



**Kerri Evans**

**Front Desk Administration**

Kerri Evans joined the CIS in 2011 to take up the part-time front desk administration role. A teacher by training, Kerri has also gained vast experience in administration, having worked for many years as the Education and Community Relations Co-ordinator for the Sydney Attractions Group.



**Alexander Philipatos**

**Policy Analyst, Economics**

Alexander Philipatos has moved from Melbourne to join the economic team in April. This is his first 'real' job after graduating with Honours in Economics from La Trobe University. While at La Trobe, he was a tutor teaching 'Introduction to Quantitative Analysis.'



**Jessica Kostera**

**Media Manager**

Jessica Kostera has joined CIS after spending two years as the Communications Officer for Warrnambool City Council. Her focus was on online and social media management as well as developing a successful council magazine and co-ordinating community projects. Jessica has a BA in Visual Arts from the University of SA and a Master of Communication from Deakin University. She also spent time studying in Canada, India and Chile.



**Peter Kurti**

**Visiting Fellow**

Rev Peter Kurti has recently joined the Centre as a Visiting Fellow and is helping us breathe life back into our Religion and Free Society program.



**Brendan O'Neill**

**Visiting Fellow**

The editor of UK online magazine *spiked*, Brendan O'Neill, has joined CIS as a Visiting Fellow. Many of you would have seen him or his work in various media outlets on his recent visit here. Brendan always brings interesting new perspectives to current issues.

## New Board Members

The Centre for Independent Studies welcomes four new members to its Board. We would like to thank outgoing board members: Gordon Cairns, Robert Champion de Crespigny, Dr Don Turkington, and Lucy Turnbull for their generosity and support of the CIS.



**Rohan Mead**

Rohan Mead was appointed Group Managing Director of Australian Unity Ltd on 1 July 2004. He is Chairman of the Business Council of Australia's Healthy Australia task force and a Director of the Australian Health Insurance Association. He is also Chairman of Platypus Asset Management, Deputy Chair of Acorn Capital, a Director of Seres Asset Management (Hong Kong), and a Director of the Australian Centre for Health Research. Before joining Australian Unity, Rohan was with Perpetual Trustees Australia Ltd (1996–2003) in a range of senior roles. Prior to his work at Perpetual, Rohan headed marketing and communications at Blake Dawson.



#### **Alison Watkins**

Alison Watkins is Managing Director and CEO of ASX listed agribusiness GrainCorp Ltd. She is also a Non-executive Director of ANZ Banking Group Ltd. She was CEO of Berri Ltd and Managing Director of Regional Banking at ANZ. She spent 10 years at McKinsey & Co from 1989 to 1999 and made partner in 1996 before moving to ANZ as Group General Manager Strategy. Alison has been a Director of Woolworths Ltd and Just Group Ltd, and Chairman of Mrs Crocket's Kitchen. She is a former Victorian President and National Board Member of the Australian Institute of Company Directors (AICD).

Alison has been involved in a range of community boards, including the World Swimming Championships 2007 and the Melbourne Symphony Orchestra. She holds a Bachelor of Commerce (University of Tasmania), and is a Fellow of the Institute of Chartered Accountants, the Financial Services Institute of Australasia, and the AICD.



#### **Dr Gary Weiss**

Dr Gary Weiss holds the degrees of LL.B (Hons) and LL.M (with distinction) from Victoria University of Wellington, as well as a Doctor of Juridical Science (JSD) from Cornell University, New York. Gary has extensive international business experience, and has been involved in numerous cross-border mergers and acquisitions.

Gary is Chairman of Coats plc and Secure Parking Pty Ltd, Executive Director of Ariadne Australia Ltd, and a Director of Premier Investments Ltd, Ridley Corporation Ltd, and the Victor Chang Cardiac Research Institute. He was Executive Director of Guinness Peat Group plc from 1990 to 2011, and has held directorships of numerous companies, including Westfield Group, Tower Australia Ltd, Australian Wealth Management Ltd, Tyndall Australia Ltd (Deputy Chairman), Joe White Maltings Ltd (Chairman), CIC Ltd, Whitlam Turnbull & Co Ltd, and Industrial Equity Ltd.



#### **Christopher D. White FAICD**

Christopher White is the co-owner and Managing Director of Ringmer Pacific, a private property funds management business established in 1998. Ringmer Pacific is a privately owned boutique property investment manager focused exclusively for private wholesale investors to invest in direct property in the commercial real estate sector. He has more than 25 years of experience in the property investment markets, including property development, project management, and property funds management.

Christopher graduated with a graduate diploma in Property Finance and Investment (PCA) in 2001 and completed the Owner/President Management (OPM) program at Harvard Business School in 2009. He is also a fellow of the Australian Institute of Company Directors (AICD). He has served on the board of Outward Bound Australia since 2003 and joined the Centre's board in 2011.

## CIS Staff and Board of Directors

### Board of Directors

Michael Darling (Chairman)  
 Chris Roberts (Deputy Chairman)  
 Belinda Hutchinson AM (Deputy Chairman)  
 Greg Lindsay AO (Executive Director)  
 Gordon Cairns ( –2011)  
 Robert Champion de Crespigny AC ( –2011)  
 Michael Chaney AO  
 Chum Darvall  
 Dr Peter Dodd  
 Sir Rod Eddington AO  
 Dr Peter Farrell AM  
 Ross Grant  
 John M. Green  
 Robert McLean AM  
 Rohan Mead (2011– )  
 Nicholas Moore  
 Steven Skala AO  
 Geoff Ricketts  
 Dr Don Turkington ( –2011)  
 Lucy Turnbull AO ( –2011)  
 Alison Watkins (2011– )  
 Dr Gary Weiss (2011– )  
 Christopher D. White (2011– )  
 Steven Wilson AM  
 Peter Yates AM

### Academic Advisory Council

Professor Ray Ball  
 Professor Jeff Bennett  
 Professor Geoffrey Brennan  
 Professor Lauchlan Chipman  
 Professor Kenneth Clements  
 Professor Sinclair Davidson  
 Professor David Emanuel  
 Professor Ian Harper

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 Professor Wolfgang Kasper  
 Professor Chandran Kukathas  
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 Professor R. R. Officer  
 Professor Suri Ratnapala  
 Professor Razeen Sally  
 Professor Steven Schwartz  
 Professor Judith Sloan  
 Professor Peter Swan AM  
 Professor Geoffrey de Q. Walker

### Honorary Auditors

Deloitte Touche Tohmatsu NSW

### Honorary Solicitors

Minter Ellison Lawyers  
 James Beatty & Associates

### Staff

Greg Lindsay AO: Executive Director  
 Prescila Babalo: Accounts Manager  
 Tom Capell: Cameraman & Film Editor  
 Meegan Cornforth: Events Manager  
 Alanna Elliott: Executive Assistant, Events Assistant  
 Nick Hall: Subscriptions Assistant  
 Sarah Jane Hall, Kerri Evans & Jane Thackray: Office Administration  
 Di Kennedy: Development Officer – Corporate  
 Jessica Kostera: Public Affairs Manager  
 Jenny Lindsay: General Manager, Student Program Coordinator  
 Angus Lindsay: Cameraman & Film Editor  
 Bronwyn Nolan: Subscriptions Manager  
 Mangai Pitchai: Editor  
 Lucy Thackray: Website Assistant

### Research Staff

Professor James Allan: Visiting Fellow  
 Dr Tanveer Ahmed: Visiting Fellow  
 Jessica Brown: Research Fellow  
 Jennifer Buckingham: Research Fellow  
 Robert Carling: Senior Fellow  
 Dr Eric Crampton: Visiting Fellow  
 Adam Creighton: Research Fellow  
 Rebecca Gill: Research Assistant  
 Dr Oliver Marc Hartwich: Research Fellow  
 Geoff Hogbin: Senior Fellow  
 Sara Hudson: Research Fellow  
 Professor Helen Hughes AO: Senior Fellow  
 Dr Stephen Kirchner: Research Fellow  
 Rev Peter Kurti: Visiting Fellow  
 Dr John Lee: Visiting Fellow  
 Barry Maley: Senior Fellow  
 Luke Malpass: Policy Analyst  
 Andrew Norton: Research Fellow, Editor of Policy magazine  
 Brendan O'Neill: Visiting Fellow  
 Alexander Philipatos: Policy Analyst  
 Dr Jeremy Sammut: Research Fellow  
 Professor Peter Saunders: Senior Fellow

### Distinguished Fellows

Professor Ray Ball  
 John Calvert-Jones AM  
 Michael Chaney AO  
 Michael Darling  
 David Darling  
 Dr Roderick Deane  
 Alan Gibbs  
 Ross Graham-Taylor (1919–2010)  
 Professor R. M. Hartwell (1921–2009)  
 Andrew Kaldor  
 C. R. Bert Kelly CMG (1912–97)

Neville Kennard  
 Barry Maley  
 Alan McGregor AO (1936–2005)  
 Hugh Morgan AC  
 Dame Elisabeth Murdoch AC DBE  
 Maurice Newman AC  
 Professor Ross Parish (1929–2001)  
 Ian Roach AO (1925–2003)  
 Professor Peter Saunders  
 Dr Ben Teh (1941–98 )

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We must make the building of a free society once more an intellectual adventure, a deed of courage. If we can regain that belief in the power of ideas, which was the mark of liberalism at its best, the battle is not lost.

— F. A. HAYEK



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