

CIS AT FORTY: LEADERSHIP IN IDEAS SINCE 1976

Paul Kelly interviews Greg Lindsay

The Centre for Independent Studies (CIS) celebrates its 40th anniversary this year, to be marked by a gala dinner in Sydney on Friday 20 May. It has come a long way since its humble beginnings as a one-man operation run by founder and schoolteacher Greg Lindsay out of his suburban backyard shed with just a post office box for an office address.

Today CIS has a permanent staff of 27, an annual budget in excess of \$3 million, and a new home on Macquarie Street after four decades in the suburbs. It can count over 500 publications in print (not including *Policy*, which marks its 32nd year in print with this issue). Annual events like the John Bonython Lecture and the conference Consilium are now fixtures on the national calendar. Rare is the day that CIS research or researchers fail to appear somewhere in the media. In short, CIS has become an institution to be reckoned with.

The early story of CIS was told in the 20th and 25th anniversary interviews in *Policy* (Winter 1996 and Summer 2001-2002) whilst the growth of CIS and its influence were discussed in the 30th anniversary interview (Autumn 2006). Its 40th birthday is thus a good time to put some questions on past successes and future directions to Greg Lindsay, CIS founder and Executive Director.

Few people are better placed to ask these questions than leading journalist Paul Kelly. His 1992 book, *The End of Certainty*, remains unsurpassed as an historical analysis of the market reforms of the 1980s under Hawke and Keating that changed Australia forever. Then, there was a

mood for change that CIS could—and did—tap into. Now, the climate for reform is very different.

Paul Kelly: Looking back over the past 40 years, what are the key values, the enduring values, that were fundamental in the inception of CIS and that have been sustained?

Greg Lindsay: The enduring values are a total commitment to the original founding philosophy, to the principles and institutions that underpin a free and open society: free markets, limited government, the rule of law, and a strong, autonomous civil society. The ideas behind the organisation—which go back to the classical liberal ideas of Smith and Hume and Locke, and Hayek and Friedman more recently, as well as others—have not changed and will not change. This has to do with a philosophy of state and the liberal view of the world. It is also a philosophy about individual behaviour to a degree. Whilst the way we go about things may have changed for practical reasons, these ideas are at the core of everything we do.

I don't think that people quite get the independence of the



Paul Kelly is Editor-at-Large at *The Australian*.

Greg Lindsay is founder and Executive Director of The Centre for Independent Studies.

organisation. From the outset, it was based on ideas and I was determined that those ideas could not be interfered with in any way whatsoever by any interest group. I was the intellectual gatekeeper and I still am today. If you go back to 1976 when we first started putting out publications right up until the present day, I still check everything—though it's a tough task these days given the acknowledged productivity of CIS.

Paul Kelly: If we look at economics, social issues and cultural issues, what are the ways that you would characterise the values of CIS in terms of those areas?

Greg Lindsay: The early years of CIS were probably a reaction to what I thought was policy heading in the wrong direction. It was a reaction to the Whitlam era, certainly in terms of economics. Now, I'm not an economist but I understand the basic idea. I met Paul Heyne once, who wrote an economics textbook called *The Economic Way of Thinking*. He talked about how you see things as an economist would but without the mathematics: that is, if you do that, this is going to happen. The interplay between politics and economics is an important way of thinking about things. If we don't get the economics right then we won't be able to give everyone a good chance to get wealth creation going.

Paul Kelly: Let's look at economics under Whitlam or Fraser. Is it true to say that you felt that either the country was going the wrong way or wasn't seizing the right opportunities, or taking the right paths that it should have been taking?

Greg Lindsay: I think most people would say that Fraser was a disappointment. His government had huge opportunities and for whatever reason—perhaps the landscape hadn't settled enough—they did not go out and take strong positions that were the right ones.

In the case of Whitlam, don't forget that he followed twenty-odd years of Liberal-Country party government, which towards the end had become pretty moribund or lacking in thinking. So, with the Whitlam government coming in as

it did, the massive changes that it tried to bring about were fully understandable. Whitlam, of course, was also a free trader, which was very important and may have helped the subsequent Bob Hawke-Paul Keating era because the markers had been set.

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Paul Kelly: The culture at the time was very much one of looking to government to solve problems, a sort of faith in government intervention. How deep do you think that was and is it still a problem?

Greg Lindsay: I think it's as deep as it ever was. Not much has changed. The historian Sir Keith Hancock wrote about Australians seeing the state as a vast public utility. Whether that came from the way we were founded, I don't know. There's an image of Australians as rough and tumble, roll-up-your-sleeves-and-get-on-with-it types, and so on. Yet when you look at our history in terms of the way people looked to government to prop up what they were doing, it gives lie to the myth.

The last generation has been extraordinary but the welfarism of the corporate sector—which was propped up by tariffs, protection and regulation—has now become the welfarism of everybody else. That's going to end in tears, because it is unsustainable and has to be undone.



The backyard shed—CIS's first office.

Paul Kelly: It seems to me that on social issues you have a moral framework, which is based on important classical concepts such as individual responsibility but also an awareness of the utility of the family structure.

Greg Lindsay: We moved from economic issues in the mid-1980s if for no other reason than the economic arguments were being broadly put by people and understood. That's a credit to Hawke and Keating. But I also felt—and was influenced by people I was reading like Charles Murray—that the big problems would be in the social areas of health, education and welfare.

On welfare, Murray's book *Losing Ground* was published in 1984. We brought him out to Australia to speak, because I became convinced that we had to deal not only with the economic costs of welfare but also the social costs—the destructive effects of inter-generational welfare, and so on. I felt that this had to be dealt with if we were to have a healthy and vibrant society.

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We also looked at the family, which is a core social institution. Barry Maley did a lot of work on this under the Taking Children Seriously research program. He argued that the best way to raise children was in a married couple with a mother and a father. In some circles that idea had become very unpopular, but I still think we were right.

In education, we have always been at the forefront of the discussion about school choice. We are lucky to have Jennifer Buckingham, who was willing and able to take that on. A recent report she wrote on school funding has received an inordinate amount of attention; it was even the subject of an academic conference. And an education researcher from the University of Queensland is still blogging (erroneously) about the report nearly two years after its release. It's really a backhanded compliment.

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protection. This actually happened almost by accident. Jeremy Sammut was hired to work on health policy, and he still does. He had a young researcher working on problems with child protection but he didn't work out, so Jeremy took it up—and took it up with a vengeance because he is a very forensic researcher. He investigated what was happening with DoCS in NSW and similar agencies elsewhere. This culminated in his book late last year on the failures of child protection.

I'm as much in favour of keeping families together as anybody, but sometimes the damage is too great and you've got to do something. People were surprised that we were doing things in this area but we've stuck at it. I think Jeremy has changed the debate about child protection and adoption, which is the next stage. And now the laws are starting to change too.

Helen Hughes also changed the debate on Indigenous issues. Again, this came about almost by accident. Helen joined CIS as a Senior Fellow and took up her former work on development, or rather the lack of it, in the Pacific islands. Then one day we had a visit from some Indigenous people from the Northern Territory who had heard her talking about Nauru on the radio. What was wrong with Nauru sounded to them like what was wrong with the Northern Territory. Helen realised that she'd been working on development everywhere else around the world except for her own backyard. So with a lot of hard work and perseverance—she would not resile from what she thought was right—she was able to get people to think differently about Indigenous affairs, particularly the plight of some remote communities. In doing so, she changed the terms of the debate. A good example is the current discussion about private home ownership on communal land.

The last 40 years

Paul Kelly: Looking back over the last four decades, what gives you the most sense of satisfaction in terms of the impact that CIS has had?

Greg Lindsay: There's a lot of answers to that question. One of the foundational pieces that I read was an essay by Hayek published in 1949 called 'The Intellectuals and Socialism'. He talked about what was important for the liberal order, which is basically what I set out to achieve. He said that we had to adopt the strategy of the Fabians and get the intellectuals on side. His insight was that the intellectual class are the ones who transmit ideas to everyone else. I still think that's right. What I've been able to do as an ideas entrepreneur is to assist an intellectual group to write and speak and argue for liberal ideas, whether they be full-time CIS staff members or academics looking for outlets or journalists who need some material.

Allied to that is that we've survived as an institution. We've grown and we've gained a reputation. Just recently, some very senior people have defended us in terms of the quality of our work and as a serious participant in debates about issues. Which is why I have always been determined to make sure that everything we put out is of high quality.

In the broader sense of asking if we have led to policy changes that we can wave a flag about, I think, yes, there are a number. But I would stress that the general change we've succeeded in bringing about is influencing the intellectual environment by getting the ideas out there and getting people to listen to arguments that they would not have listened to before.

Paul Kelly: We're talking about ideas now. What are some of the ideas that you think CIS has been successful in promoting?

Greg Lindsay: In the early years we talked about the importance of markets for wealth generation. Governments don't create wealth, although they can put in place the institutions for wealth creation to occur. We've been part of the discussion to help people understand the role of the market in creating greater wealth for the community. That then translates from ideas into politics and then policy. There have been other players, but I think we've been an important player.

What occupies my thinking now is that there are limits to what governments can do. We've lived through a whole generation of government overreach, of government trying to do things that it is not suited to doing and doing things it shouldn't be doing. We have not won that argument yet.

It gets back to your earlier question about people relying on governments in the past to do things. Well, they're still doing it! Whenever there's a problem I would prefer the community and people to get together to solve it but we turn to the state, which crowds out the community. It is much healthier if a community is engaged in its own problems rather than handing them over to somebody in Macquarie Street or Canberra.

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Paul Kelly: How do you assess the progress of the country? To what extent do you think that it looked as though we were making a lot of progress at one stage during the 1980s and 1990s but that now we risk regressing? Or maybe you disagree with that. What's your view of the narrative of the country over the past four decades?

Greg Lindsay: We have progressed in a way that would have been unexpected. Maybe it was going to happen anyway and we were part of a wave that the world was riding, at least in the US, Canada, Britain and New Zealand. I think we did pretty well. The people in charge knew what had to be done and were willing to take risks. Hawke and Keating were a terrific sales team and they were able to argue the case. Howard and Costello were a good team too but a lot of the work had already been done and they made sure it continued. That said, their spending policies, especially social spending, have contributed to the current problem. I think that's where the big battles still are right now.

The Rudd-Gillard period was unfortunate, and I'm not sure what's going to come from the Abbott-Turnbull period. The climate for reform is difficult because there are too many stakeholders in the state. Strong leadership is needed to break through.

At the same time, I still think we're much better than we were—much more open, much more diverse, much more interesting, and more able to look the world in the eye with some confidence.

Paul Kelly: A lot of the intellectual life of a country comes from the universities. To what extent do you feel that the academic sector has not delivered the way it should have for the intellectual life of the country?

Greg Lindsay: The academic sector has not delivered. There's a lot of ideology at work, and I understand that because we're in the ideas game. But even in the days when we were a very young organisation my feeling was that academics were more involved than in arguing or at least talking about issues. Now when the media talk to an economist, they don't go to Professor Bloggs, they go to Saul Eslake or Chris Richardson or to the think tank people. That's basically us or Grattan or others. The point is that I think that the universities are letting us down.

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Paul Kelly: How do you measure your impact and success?

Greg Lindsay: In the olden days, think tanks measured impact by column inches in the newspapers. You could try and draw threads through policy changes of some kind and then go back to something you've published. You can also measure impact by the amount of attention you're getting in terms of people agreeing or not agreeing

with you. You can look at the fact that you're growing as an organisation but maybe this is just because we've got better at selling ourselves.

What does success mean? Success means that the ideas that you believe in are being broadly accepted, or a policy you've advocated is being adopted. If people are forced to deal with you, then that's also some measure of success. I mentioned the special conference on education before, which is a good example of this. Whether you're actually getting results is an interesting point. When CIS turned 30, I was concerned that while the results were there, in terms of the great story we've still got a long way to go.

Paul Kelly: So, where are we after 40 years then?

Greg Lindsay: John Micklethwait and Adrian Wooldridge wrote a very interesting book called *The Fourth Revolution*. They asked the same question. I thought the book was extremely important. They were very concerned about what I was talking about before—that is, government overreach.

A big example is the National Disability Insurance Scheme (NDIS). Before the advent of NDIS, people with disabilities had all sorts of mechanisms to try and get assistance; from government, mostly state or local, as well as from family and civil society through charities and volunteer organisations. One of the main objectives was to help disabled people so that they could work and make a contribution to society. Is this something that the federal government should be doing? Probably not. Whilst we have yet to see how it's all going to work out because they are doing trials, the danger is that it could wipe out that volunteer sector which in my view is critical for a healthy society. So here's a large example, maybe, of government overreach. Of course, there are plenty of small examples too. Every day there is something new—10 million to X, 20 million to Y. It never ends.

I am also concerned about terrorism and whether the reaction of the state will be to take on powers that we wouldn't have let it have even ten years ago. The risk that technology gets used for the wrong purposes, for surveillance,

worries me. Go back to Orwell's *1984* to see how technology empowered the state by putting Big Brother on screens everywhere. I used to think that Orwell was wrong and that technology had empowered the individual. But now I'm not so sure because the state can have more interfering capacities than it's ever had. Again, it comes back to government overreach.

The next 40 years

Paul Kelly: CIS does not take any funds from government. How important is this and to what extent does this distinguish you from other think tanks?

Greg Lindsay: Most other think tanks are either mostly or partly funded by taxpayers. We are not. We do get tax deductibility and that levels out the playing field somewhat. But we have to deal with organisations which have vastly more resources than we do. So, it's a badge of honour really.

I talked earlier about our independence being a strength, and it's been like that from the outset—independence of mind and independence of action. We've never done tied research, though a lot of people have asked and I've sent them off in another direction.

Paul Kelly: CIS had been your lifetime project, but also one that you've worked on with your wife Jenny. How important has her contribution been?

Greg Lindsay: Incredibly important. I could not have got CIS off the ground without her. As our children grew up, she became more involved with the organisation. First, she took over our student program, Liberty & Society, which has been going now for 20 years. Then, over time, she became a full-time employee. I frankly don't think we would have got where we are without her. I feel privileged to have such a partner in every sense. I don't think there are too many other people in this business who would spend so much time with each other.

Paul Kelly: What is the future of CIS?

Greg Lindsay: We are working towards the era post-me and that's inevitable. The Board would like me to stay involved, but not as a full-time CEO. I talked about being the intellectual gatekeeper earlier, and that is how the Board sees me to a considerable degree.

We are moving to Macquarie Street after 40 years in the suburbs. This will put us right in the thick of the action, and we will be holding a lot more events. The city move will also enhance our fundraising capacity, which in turn will support the ability of the organisation to retain and attract good people who can make good arguments.

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My optimism has not diminished. The one thing about being a true liberal is that you are always optimistic, because you think you're right. In fact, I don't think you could last in the ideas business if you didn't think and feel like this because it can sometimes take many years for ideas to percolate through the academic and public arena and into the policy realm.

We're definitely in it for the long haul. We've still got the right ideas, we're a strong institution, we've got wonderful people, and we've built up a huge human capital base both here and overseas. So we must be doing something right.

