

CIS

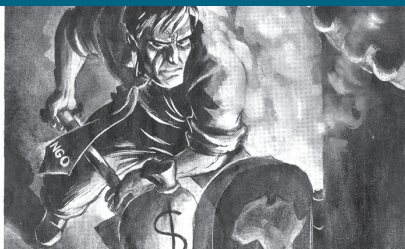
Making headlines

deaf to aid realities

The world's Bob Geldofs are facilitating another betrayal of Africa, warns **Helen Hughes**

It is 50 years since Bob Geldof organised the Live Aid concert to feed the hungry of Africa. It is five years since the Jubilee campaign for debt relief for poor developing countries.

lead the aid industry focused on debt owed to the World Bank, the International Monetary Fund and other multinationals. The IMF and the World Bank staff began to be concerned about their non-performing loans, particularly to sub-Saharan Africa. In the 1990s, the aid industry began to



Overregulated!

Poor Marx for St Vinnie's



Christopher Pearson

LAST Saturday I reported on a contentious piece of research on poverty from the Society for Applied Research. During the course of this week the Vinnies' main article, Peter Saunders, has topped the aisle. His latest broadside, published on Tuesday on the website of the Centre for Independent Studies, accuses them of massive errors of fact and of playing fast and loose with the truth.

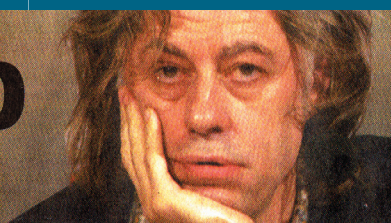
Saunders is the director of social research at the CIS. His piece is called *Poverty: A Guide to the Vinnies' Way*.



OPINION **HELEN HUGHES**

AFRICA BETRAYED

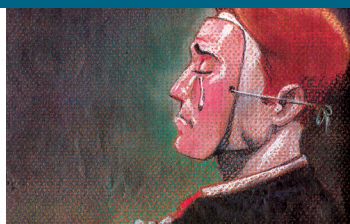
BOB GELDOLF'S ROCKENOMICS SOUNDS GOOD, BUT IT WON'T END POVERTY



Weeping won't help the weak

Skip the self-indulgent public displays of compassion, says **Paul Comrie-Thomson**, and quietly do something useful instead

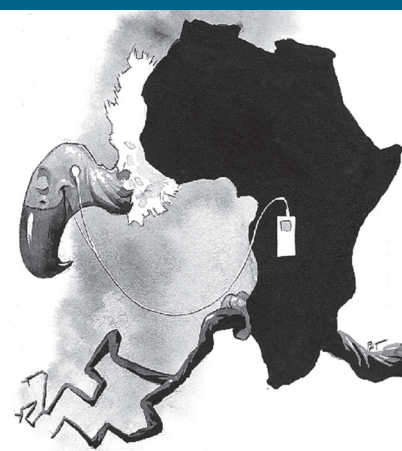
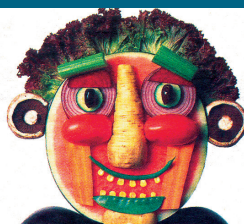
THIS year witnessed the beginning of an official recognition of the need for action. Twenty years ago Bob Geldof's Live



Time we ran our own lives

THE Friday before last was Tax Freedom Day — the day

Peter Saunders



The Centre for Independent Studies

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 particular focus on Australia and New Zealand.

Our goals

- individual liberty and choice, including freedom of association, religion, speech and the right to property;
- an economy based on free markets;
- democratic government under the rule of law;
- an autonomous and free civil society.

Activities

- Research
- Publishing
- Lectures and seminars
- Liberty & Society student programme

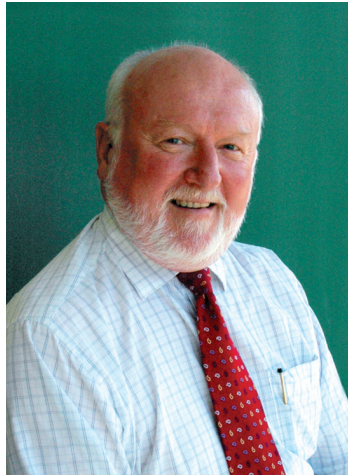
Funding and independence

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

'Independent' in our name means:

- we are politically non-partisan
- research is not directed by our supporters

From the Executive Director



In the last issue of *PreCIS*, I quoted from the maiden speech of new Federal member for Stirling Michael Keenan who, as a student, had attended the Centre's inaugural Liberty & Society seminar. I thought in my brief remarks here I would refer to an opinion piece in *The Courier Mail* by economist and Labor backbencher, Dr Craig Emerson. Dr Emerson was writing about a recent paper by CIS Social Research Director, Professor Peter Saunders.

If we keep going the way we are the tax burden will be horrendous. People will have no incentive to work and every incentive to go on welfare—but then there'll be no tax revenue to pay the welfare bill... As the CIS study points out, by targeting swinging voting groups with cash payments governments have been able to buy electoral support from the very people they are slugging with high taxes... The CIS report sets an important policy agenda.

The modern welfare state is increasingly seen as an inefficient and destructive way of buying political favour. As Professor Saunders said in his paper *The \$85 Billion Tax/Welfare Churn*:

The welfare state was a twentieth century invention designed to ensure that everyone enjoys a minimum living standard. This remains an important objective, but with economic growth doubling living standards every 30 years, we no longer require a mass welfare system to achieve it.

Dr Craig Emerson is quite right. This work is truly agenda setting and CIS once again leads the way.

This issue of *PreCIS* highlights an extraordinary level of activity since December 2004. The broadening of the Centre's programmes continues with notable developments including several highly successful publications on Indigenous issues and the subsequent planned new health programme described further in this issue. Liberty & Society continues to be a wonderful way of bringing the ideas of liberty to a high level group of young people. Since it began in 1996, it has proved to be one of our most successful programmes and should resources allow, will be expanded in the coming years.

The Centre has maintained a range of events throughout its history. These include small office workshops, public seminars, the annual John Bonython Lecture (this year will be the 22nd), the Acton Lecture and Consilium. All are aimed at educating and informing different sectors of the public as well as the Centre's own supporters. An active expansion of our events programme is under way and it is our hope to extend these activities widely in both Australia and New Zealand. This will take some time to implement but supporters will have the opportunity to become involved more regularly than in recent times.

As reported in this issue of *PreCIS*, long serving CIS Chairman, Alan McGregor AO, died earlier this year after a long battle with lymphoma. Despite the disease being with him for about as long as he had been associated with the Centre, he was an active Chairman and who worked tirelessly for the development of the Centre. I personally will always be grateful for his time and counsel given so generously.

We are living in uncertain times. The ideas and institutions that have led to relative prosperity and freedom in places such as Australia and New Zealand, are always under pressure in some way. Supporters of the Centre can remain confident that we will always be there to defend and enlarge all aspects of what has made both Australia and New Zealand free and prosperous societies. Some of what we may embark on, because of the path-breaking nature of the ideas, may not be very popular at first, but as so often in the past, our ability to get important ideas onto the public agenda for consideration and discussion is unrivalled. And that itself is a hallmark of a free society.

A handwritten signature in blue ink, which appears to read "Peter Saunders".

CIS Events



Members' Christmas Party and Lecture: 'Can There be Such a Thing as a Liberal Foreign Policy?' | Susan Windybank

8 December 2004, CIS, Sydney

In this lecture, CIS Foreign Policy Research Director Susan Windybank argued that it is one thing to believe that the world would be a better place if free markets and democracy under the rule of law were to triumph; it is quite another to advocate war and/or a more activist foreign policy to further these ideals. The promotion of democracy may require illiberal means to achieve liberal ends. Indeed, the invasion and occupation of Iraq is but one example that raises the question of whether liberal imperialism has become a precondition for democracy. Following the lecture and question time, members, friends and staff mingled over drinks.

Members' Reception and Lecture: 'Why New Zealand Needs a Fresh Shot of Ideas' | Ruth Richardson

2 March 2005, Oceania and Eastern, Auckland

Newly-appointed CIS Director, Geoff Ricketts hosted a reception for the Centre's Auckland members and guests with a special presentation by The Hon. Ruth Richardson. Ms Richardson observed that the Centre's strengths—promoting the merits and attractiveness of classical liberalism, getting ideas into the public domain, and helping to influence the thought of those who will carry the responsibility for the next wave of reform—will be a welcome input to New Zealand public policy debate.



CIS Lecture: 'Political Abuse of the English Language' | Charles Baird

22 March 2005, CIS, Sydney

Public policy debates almost inevitably involve the words 'rights', 'freedom', and 'equality'. In this lecture, Charles W. Baird, Professor of Economics at California State University and Founding Director of The Smith Center for Private Enterprise Studies, spoke about how these words are used by the left to depict classical liberals as mean-spirited, yet these same merit words are at the heart of classical liberal philosophy. He suggested that an alternative vocabulary would help clarify the different usages of these words and to make the classical liberal meaning of them more appealing.

The Centre for Independent Studies invites you to the
BIG IDEAS FORUM 2005

**KISHORE
MAHBUBANI**

**ASIAN POWER
ASIAN VALUES**

**A subject of vital interest to Australia with the
apparent rise to superpower status of China and India**

Kishore Mahbubani is Dean of Lee Kuan Yew School of Public Policy, National University of Singapore and was an ambassador to the UN for Singapore from 1998 to 2004. *The Economist* calls him 'an Asian Toynbee, preoccupied with the rise and fall of civilisations'. *The Washington Post* dubbed him 'the Max Weber of the "Confucian Ethic"'. He is the author of *Can Asians Think?* and *The West and the Rest* and his latest book is *Beyond the Age of Innocence: Rebuilding Trust Between America and the World*.

Monday 8th August 2005

5.30pm for 6pm start

Banco Court

Level 13, Supreme Court of NSW
Queens Square, 184 Phillip St, Sydney

Chaired by:

Owen Harries, Senior Fellow
The Centre for Independent Studies

Commentators:

Dr Alan Dupont, Senior Fellow for International
Security, Lowy Institute for International Policy
Greg Sheridan, Foreign Editor, *The Australian*

\$15 | \$10 members | \$5 students

RSVP required. Please register by Friday 5th August
ph (02) 9438 4377, email events@cis.org.au
or register online at www.cis.org.au

BIG IDEAS FORUM

Roundtables and Symposia



Foreign Policy Symposium: 'Democracy's Trojan Horse'

23 February 2005, CIS Sydney

The recent polemic 'Democracy's Trojan Horse' by John Fonte, Director of the Center for American Common Culture and a Senior Fellow at the Hudson Institute, was fuel for discussion in the second in this series of foreign policy symposia. It brought together a group of international lawyers, journalists and professors to discuss questions such as: Is sovereignty divisible? How much sovereignty should nation-states give up? Is international law really becoming the threat to democracy that Fonte argues it is? Owen Harries chaired the lively and wide-ranging discussion.



Australian Grand Strategy Roundtable

Dr David Kilcullen

9 March 2005, CIS Sydney

Dr David Kilcullen, one of the Australian Army's leading thinkers on strategic issues, led this high-level seminar at CIS. Dr Kilcullen's views on Australian grand strategy, which he has dubbed the 'forward school of Australian statecraft', highlighted the impact of globalisation on every aspect of national life, including national security. He predicted that globalisation will become the key driver of Australia's strategic environment—even more so than the rise of China—and argued that we cannot opt out of the global system and rely on geography for protection.



Baniyala Roundtable: Prospects for Aborigines and Torres Strait Islanders in Remote Communities

3 March 2005, CIS Sydney

Vanessa Hughes opened the workshop with a presentation on Baniyala, a remote Aboriginal community in the Blue Mud Bay area in East Arnhem Land. Ron Harris spoke about the importance of improving Aboriginal health, and suggested some technological solutions for monitoring health standards. Baniyala resident Ngulpurr Marawili expressed the community's desire for an arts/community centre with access to computers, the internet and learning materials which would enable residents to take control of their own education. The discussion that followed produced numerous practical ideas for improving community living standards.



Papua New Guinea Roundtable: The Road Ahead

7 December 2004, CIS Sydney

This was the third annual roundtable on Papua New Guinea hosted by CIS. Participants discussed the need to accelerate growth to build on the tentative macroeconomic recovery of the past two years and the rebound in the resources sector. This discussion led to an Issue Analysis paper by Helen Hughes and Susan Windybank—*Papua New Guinea's Choice: A Tale of Two Nations*. The authors argued against putting the political cart before the economic horse—the focus of much recent 'governance' aid—and made the case for high and sustained growth to deliver jobs and incomes to PNG's young and rapidly growing population.

CIS Media Lunches provide unique opportunities for key media professionals to hold discussions with visiting international scholars. CIS recently hosted lunches with Professor Charles Baird, Dr Daniel Pipes and Dr Ingrid Gregg.

Forthcoming Events

THE 22ND ANNUAL JOHN BONYTHON LECTURE

JOHAN NORBERG

Tuesday 11 October 2005, Sofitel Wentworth Sydney

Thursday 13 October 2005, Langham Hotel Auckland

The annual John Bonython Lectures present and encourage debate on social, economic and political forces and how they shape the individual. They have grown to become one of the most highly anticipated events initiated by the Centre and are attended by prominent leaders in Australasia. The annual John Bonython Lecture has attracted prominent speakers such as Mario Vargas Llosa, former Czech Prime Minister Vaclav Klaus, Francis Fukuyama and Robert Kagan.

This year, Johan Norberg will discuss his latest thoughts on human creativity and entrepreneurship, explaining historically and theoretically how free individuals have created everything we now take for granted. He will explore the relationship between happiness/well-being and modern, flexible, commercial societies.

Norberg is head of political ideas at the free-market think tank Timbro in Stockholm, Sweden. He is renowned for his defence of classical profit-driven capitalism in contemporary discussions on business, Corporate Social Responsibility, and outsourcing. Norberg is the author of the award-winning book *In Defence of Global Capitalism* (2001).



THE ACTON LECTURE ON RELIGION AND FREEDOM

JIM WALLACE AM

Wednesday 23rd November 2005

Theatrette, No. 1 Spring Street, Melbourne

The Acton Lecture on Religion and Freedom provides a forum to discuss the contribution religious thought has made to freedom in the modern world and its effects on political, social and economic issues.

For many years Jim Wallace has balanced his devotion to God with his devotion to country. He is a former Brigadier in the Australian Army and is now the Executive Chairman of the Australian Christian Lobby.

Brigadier Wallace is a graduate of Duntroon, the British Army Staff College, and the Australian College of Defence and Strategic Studies. He spent 31 years in the Army, as commander of the SAS Regiment, the Special Forces and the Army's 1st Brigade. He also served as a UN Observer on the Golan Heights and in Lebanon.

In delivering this year's Acton Lecture, Wallace will draw on his unique experience of soldiering and political activism.



For further details or to register your interest please email events@cis.org.au or phone (02) 9438 4377.

Liberty & Society



In 2005 we celebrate 10 years of running Liberty & Society conferences. Each year, young people have engaged in and wrestled with ideas fundamental to our society. The feedback we have received over the years has been overwhelmingly positive and Liberty & Society has proven to be an invaluable venture for CIS in helping shape and challenge the minds of our young people.

Introductory Liberty & Society | 8-10 April 2005

Thirty one people from around Australia and New Zealand attended Liberty & Society in Sydney. The group were of a high calibre with a number completing Masters degrees, three working on their PhDs and two Commonwealth scholarship winners who met for the first time at the conference. They are both heading to Oxford University in August.

The opening dinner speech was given by Tom Switzer, Opinion Editor at *The Australian*. His strong belief in liberal ideas and how he translates them to the newspaper stirred up a lively discussion. The lecturers at this conference were Dr Jeremy Shearmur, Professor Wolfgang Kasper, Dr David Morrison and Professor Peter Saunders. The exploration of classical liberal ideas in their particular area of expertise was both informative and confronting. One of the themes of the weekend turned out to be superannuation and insurance — ‘Can a liberal compel someone to save?’, ‘Can we as a society afford not to compel saving?’ and ‘What do we do if people choose not to plan for their retirement?’ As usual the evaluations from the students have been extremely positive and most thought the conference exceeded their expectations.

More conferences:

Introductory Liberty & Society | 8 - 10 July 2005

Advanced Liberty & Society | 30 September - 2 October 2005

‘A stimulating and rewarding intellectual experience.’

‘Liberty and Society is not a boot-camp for liberalism, but a forum for students to critically evaluate and discuss the concepts and implications of classical liberalism in philosophy, economics, law, and sociology. The structure of the conference provides an excellent opportunity to interact and argue with the invited speakers and with other young people who think critically about the world.’

‘A conference where one will not be persecuted for valuing freedom.’

‘It’s great that Australians care so much about introducing liberal ideas to new generations —any movement will fail if it doesn’t engage young people.’

Congratulations to the joint winners of the Ross Parish Essay Competition 2005, **Gregory Roebuck** and **Phillip Elias** (pictured left and right with Greg Lindsay, below centre). The prizes were awarded to exceptional essays in response to the question, ‘Is there a legitimate role for the government in shaping the values and attitudes of its citizens?’.



Foreign Policy and International Relations

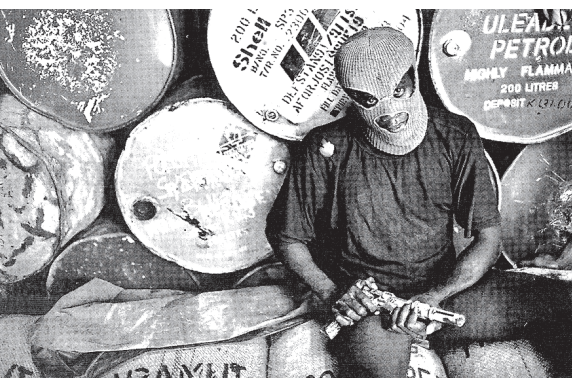
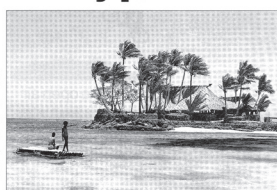


Photo by Paul Blackmore from PNG, an exhibition at the Australian Centre for Photography

Pacific has problems but viability possible

Business targets and bureaucratic downgrading hold the key to growth, says Helen Hughes.

AUSTRALIA'S support for the Pacific region has been a long-standing tradition. But as the Pacific region's economic growth slows, the Pacific region's viability is under threat. The Pacific region's economic growth is slowing, and the Pacific region's viability is under threat. The Pacific region's economic growth is slowing, and the Pacific region's viability is under threat.



Papua New Guinea and the Pacific

At the end of 2004, Susan Windybank and Helen Hughes addressed the aid industry as keynote speakers at the inaugural *Asia-Pacific Development Review* conference, 'Developing Papua New Guinea: Opportunities and Challenges'. They focused on the challenges facing PNG, leaving later speakers to focus on 'opportunities' such as how to fill out a form for big aid contracts. On 23 March, Helen Hughes also participated in a panel discussion at the Australian Institute of International Affairs on foreign aid after the Boxing Day tsunami.

On 7 December the third annual CIS roundtable on Papua New Guinea—'Papua New Guinea: The Road Ahead'—was held. The roundtable focused on generating debate about the reforms needed to put PNG on the path to high and sustained growth of 7% or more a year so that its latest macroeconomic recovery does not go the way of past recoveries. Amongst participants, a clear split emerged between those who see the glass half-full and those who see the glass half-empty (or empty). The former warned the latter that constant criticism of the Somare government would only give the real crooks in PNG a pretext to seize power.

Helen Hughes and Susan Windybank addressed these concerns by asking whether painting a rosy picture of a PNG-on-the-mend was really going to lead to the changes needed to turn Papua New Guinea around in a joint Issue Analysis paper entitled *Papua New Guinea's Choice: A Tale of Two Nations*. Susan Windybank also wrote an article for the Winter 2005 issue of *Defender* magazine based on the paper.

The aim of these papers was to make the link between security and development and to re-orientate the debate back towards growth after years of putting the political cart before the economic horse with an over-emphasis on governance. The task for CIS over the next six months is to make sure this debate stays on track.

Of course, one country's crisis can be another country's opportunity. Thus growing Chinese influence throughout the Pacific region was the focus of an article by Susan Windybank in the Winter 2005 issue of *Policy*. She warned that Chinese interest, ostensibly in the region's resources, should not be taken at face value. Rather, it portends a longer-term strategy of challenging American dominance in the greater Asia Pacific region.

Australian Grand Strategy

CIS's collaboration with Army Lt Col David Kilcullen got off to a good start this year with a dinner presentation on warfare and security in the age of globalisation on 9 February, hosted by Macquarie Bank in Melbourne.

The dinner presentation was followed on 9 March by a small but high-level seminar at the CIS offices to workshop Dr Kilcullen's views on Australian grand strategy, which he has dubbed the 'forward school of Australian statecraft'. He argued that this outward-looking, expeditionary defence model makes more sense than ever before as national security becomes increasingly globalised.



On 8 December, Susan Windybank stood between members and free drinks at the CIS Christmas party to deliver a short address on the vexed question: *Can There Be Such a Thing as a Liberal Foreign Policy?* With ideologically-flavoured pronouncements beginning to crop up in the foreign policy rhetoric of a Howard government that has hitherto prided itself on being 'realistic' and 'practical', this address may yet be turned into an Occasional Paper.

International Law—and its Limits

On 23 February, the second CIS foreign policy symposium was held. Participants were given a recent polemic by John Fonte on transnational organisations as democracy's Trojan horse as a jumping off point for discussion. A clear split emerged between the international lawyers and other participants, with the former relaxed about the erosion of national sovereignty and the latter deeply concerned.

This is an area that cries out for some empirical research into transnationalism as an end in itself by looking at what treaties Australia's signed up to, what obligations they place on us, just how onerous they are, and whether they are enforced.

On 9 February a media lunch was held for Middle East Forum founder and director, Daniel Pipes, who spoke on the Middle East predicament. He also addressed a dinner hosted by JP Morgan the same evening, before heading off to the ABC to be interviewed on *Lateline*. This was Dr Pipes third visit to CIS, and a very timely one as it came just after the Palestinian and Iraqi elections in early 2005.

[illegible]

Owen Harries
A repeat lesson for America
should restore sanity
to its foreign policy

Why go back over this old ground now? Because we are on the verge of witnessing another dramatic moment in our history: the creation of a democratic Iraq—the war in that country is doomed to fail. The conditions for such a democracy simply do not exist and cannot be created any more as a mid-twentieth-century state. There is a good reason for this failure: it will be more than compensated for by the restoration of sanity to American foreign policy. I say this as someone who has, from the outset, been very concerned as a mid-twentieth-century, cynic conceived as well as incorrigibly unimpaired.

The outcome of the Iraq war will be a defeat

'In terms of its declared objective—the creation of a democratic Iraq—the war in that country is doomed to fail. The conditions for such a democracy simply do not exist and cannot be created any time soon.'

Owen Harries in *The Sydney Morning Herald*



From left: Martin Krygier, Barry Maley and Suri Ratnapala at the Foreign Policy Symposium on international law.



Social Foundations

People

The Social Foundations programme is delighted to welcome back Jennifer Buckingham who has returned to CIS on a part-time basis to resume her research on education policy issues. She is currently writing on new ways of organising teacher training. We are also looking to expand the research team with a research assistant to help with general data collection and analysis.

Flat Earth frivolity or forward thinking



'It is gratifying that our ideas and arguments are finding an audience on the left as well as the right of politics.'

Tax reform

Late last year we published the seventh paper in our tax reform series, Peter Burn's *How Highly Taxed Are We?* which corrected the widespread claim that Australia is a 'low-tax' country. This was followed in May by Alex Robson's paper on the deadweight costs of tax, which estimated that taxes cost Australians as much as \$61 billion in lost output every year. Further papers in this series are planned, and it is intended that all the papers will be revised and republished in a single volume later this year.

There are signs that our arguments on tax are starting to have an impact. In December, Peter Saunders was invited to be the inaugural speaker at the newly-formed Liberal backbench 'ginger group' for tax and welfare reform in Canberra. He spelled out the case for raising the tax-free threshold which members of the group later took up in their call for radical reform. Three months later, the House of Representatives Report, *Working for Australia's Future*, made extensive reference to the CIS submissions to its Inquiry into Increasing Participation in Paid Work, and echoed our proposal that the tax-free threshold should be raised above the welfare floor to 'establish the

principle that nobody should pay tax until they have earned their own subsistence.' The report recommended, 'That the Australian Government review the tax-free threshold... to maximise incentives to move from income support... to paid work.'

It is gratifying that our ideas and arguments are finding an audience on the left as well as the right of politics. The ANU academic, Peter MacDonald, has published a paper showing how the tax-free threshold could be raised along the lines suggested by CIS, and at the *Sustaining Prosperity* conference in Melbourne in April, Wayne Swan, the Shadow Treasurer, noted that 'our current tax system and structures punish hard work and sap incentive,' and identified the CIS proposal as 'not an unreasonable suggestion' for dealing with the problem. ACOSS, too, is on record as supporting our proposal, and following the publication of Issue Analysis No. 57 on tax-welfare churning, the Labor MP, Craig Emerson, devoted an op-ed in *The Courier-Mail* (7 April) to our work, arguing that, 'The CIS report sets an important policy agenda.'

There are also signs of growing interest in the idea of a flat tax, which was canvassed by Lauchlan Chipman in his CIS paper published last year. This is very much an issue for the future.

Tax-welfare churning a drain on society

We should have the say in how our money is spent, says Peter Saunders.

THE welfare state evolved to meet the needs of people who would not be able to support themselves. It was a good idea at the time, but it has become a drain on society. The welfare state is a drain on society because it takes money from the pockets of the middle class and gives it to the poor. This is a drain on society because it takes money from the pockets of the middle class and gives it to the poor. This is a drain on society because it takes money from the pockets of the middle class and gives it to the poor.



Out of touch with poverty

Christopher Pearson

THE Australian welfare system is out of touch with poverty. It is a system that is based on the idea of a welfare state, but it is not a welfare state. It is a system that is based on the idea of a welfare state, but it is not a welfare state. It is a system that is based on the idea of a welfare state, but it is not a welfare state. It is a system that is based on the idea of a welfare state, but it is not a welfare state.



Welfare reform

Our work on tax reform has remained closely linked to our focus on welfare reform. In December, Peter Saunders shared a platform with Noel Pearson at a Cape York Institute seminar on welfare reform in Cairns, and in March he presented a keynote address on welfare reform to the Centenary Victorian Rotary Conference, meeting in Hobart, and spoke on the same topic to a local Probus Club. In June, he was again in Canberra, this time delivering the keynote address at the Department of Employment & Workplace Relations annual conference for Community Work Coordinators where he explained the rationale for reforms to the income support payments systems.

As in tax, so in welfare, our work has begun to bear fruit. The May 2005 budget announcement that people claiming Parenting Payment (Single) will in future be expected to work part-time once their children start school was precisely the proposal advocated in Issue Analysis No.36 (*The Tender Trap*) published by CIS in June 2003. At that time we were a lone voice, and our proposal was seen as highly controversial. Two years later, ministers have

announced they are adopting the policy, and they have echoed many of our arguments to justify their decision.

Our arguments for reform of disability payments have also resonated with the government. Although ministers were already predisposed to reform the DSP system (but were hindered by the Senate), Minister Kevin Andrews has now conceded that 'the pension may be hiding unemployed people' (*The Australian* 28 March), a key claim of CIS work in this area. CIS arguments against the McClure Report's recommendation for a single welfare payment also appear to have been accepted as Minister Andrews announced in February that the proposal had been rejected after lengthy consideration (although New Zealand announced on the same day that they were going ahead with a similar proposal).



Re-thinking the welfare state

In addition to continuing to make the case for reform of Income Support payments, we have begun to widen the debate on welfare reform to look at the scope for insurance, savings and loans to replace government payments and services in kind (such as hospitals and schooling).

In April, the first in a series of three Issue Analysis papers addressing this topic was published. *The \$85 Billion Tax/Welfare Churn* showed that at least half of all the tax paid into the welfare state comes back to the same people. This means most people today could look after themselves (e.g. by saving or insurance) if only taxation to fund the welfare state were not so high. The second paper in the series, released in July, outlines the case for moving from a mass state

welfare system to a system of self-funding (*Six Arguments in Favour of Self-funding*). The final paper, outlining specific reform proposals, is scheduled for August when the topic of tax-welfare 'churning' will also be the focus of one of the discussion sessions at Consilium.

Meanwhile, in June, CIS reentered the debate on poverty and inequality statistics to which we last contributed in 2002. This time we responded to a claim in a St Vincent de Paul Society report that Australia is on a 'headlong dash into the chasm of inequality.' In two Issue Analysis papers we explained how this and other claims in the Vinnies' report were grossly exaggerated. When extravagant claims like these are made, it is important they should be confronted lest the public be misled. We might expect the academic social science community to perform this critical, monitoring role, but it rarely happens. It therefore falls to independent voices, like the CIS, to monitor and react to false and unreliable empirical claims whenever they are made, and we shall continue to perform this service in the future.

Charity's cause is let down by wild claims

Charity claims of growing inequality are exaggerated and misleading, writes Peter Saunders.

NOW the news is that the welfare state is under attack. In the past 20 years, and very much changed in the distribution of income in Australia. The Vinnies' report is a bit better, but it's not as good as the one we saw in 2002. The population has grown a lot faster, and the welfare state has been cut back. The Government is not doing as well as it used to. The welfare state is under attack. The Vinnies' report is a bit better, but it's not as good as the one we saw in 2002. The population has grown a lot faster, and the welfare state has been cut back. The Government is not doing as well as it used to. The welfare state is under attack.



St Vincent de Paul Society's report that Australia is on a 'headlong dash into the chasm of inequality' is exaggerated and misleading, writes Peter Saunders.

Beware embrace of well-meaning masters

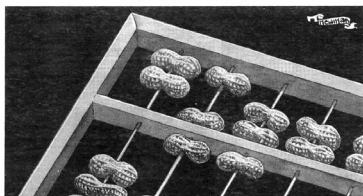
There's no hiding from life's hazards, says Caspar Conde.

AMSTERDAM enjoys a quality of life unknown to most governments. It is a city where the streets are clean, the air is fresh, the water is safe and better educated, and free of all the hazards of the modern world.



Preschoolers. Chubby initiatives are well-intentioned, but devastating for personal responsibility.

When Robin Hood turns bureaucrook



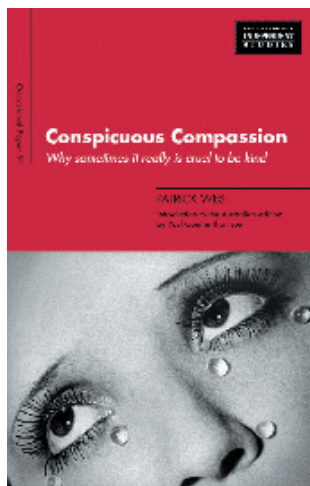
Compassion is about acts, not just words

You don't have to be a misery guts in order to do good, writes Paul Comrie-Thomson.

IN 2010 the third week of Advent was being celebrated with a public choice to do no evil. "Don't be evil," said Google, and many others. It was a good idea, but it was also a bit of a joke. Before a week of a few days of no evil, we have a week of no evil. It is a bit of a joke, but it is also a good idea. It is a good idea to do no evil, but it is also a good idea to do good.



Warren depicts the harm done about 'light' instead of addressing wrongs.



Community and civil culture

One strand of the Social Foundations programme is concerned with strengthening community life and supporting a liberal public culture. In the past we have looked at how to respond to the decline of civility and at policies to combat crime, and more recently we have been asking whether we are losing the habit of accepting personal responsibility for our own actions.

In *Smothered by the Security Blanket*, published in February, Caspar Conde pointed to the danger that by trying to remove risk from our lives, paternalistic governments are eroding our willingness to take responsibility for our own behaviour. Whenever there is a problem, the response is increasingly to look to the government for more regulation, and personal liberty cannot thrive in such an atmosphere.

We are also in danger of confusing what it means to accept responsibility for the plight of others. In December we published the Australian edition of Patrick West's *Conspicuous Compassion: Why Sometimes it Really is Cruel to be Kind*, with an introduction by Paul Comrie-Thomson. The book explores the idea that posturing and political sloganeering has been displacing active personal engagement as the common response to social misfortunes. Encountering a victim by the side of the road today, the good Samaritan would be more likely to organise a rock concert to draw attention to his plight than to sort the problem out himself.

Arguably the seedbed for a culture of personal responsibility is private property ownership, and in an article in the Autumn 2005 issue of *Policy*, Peter Saunders looked at the role that home ownership plays in underpinning a free society. Owning one's own home not only enables people to accumulate wealth, but also fosters a sense of identity and belonging and encourages a spirit of independence. The article considered the impact of the recent house price boom on the Australian dream of a home of one's own.

'Pubs must protect people risk by serving beer in plastic glasses, as if at a children's party, and friends must under pain of law determine when others have had enough.'

Caspar Conde in *The Sydney Morning Herald*

The blame game has gone too far when governments become guardians

AMSTERDAM enjoys a quality of life unknown to most governments. It is a city where the streets are clean, the air is fresh, the water is safe and better educated, and free of all the hazards of the modern world.

The precautionary principle has been used to justify a wide range of government action. It is a principle that says that if there is a risk of harm, we should take action to prevent it, even if we do not know for sure that the harm will occur. It is a principle that has been used to justify a wide range of government action, from banning asbestos to banning trans fats.



Photo: Tanya Lark

Effective or not, politicians keep spending money on "prevention" rather than on "cure". It is a waste of money. It is a waste of money to spend money on prevention when we can spend money on cure. It is a waste of money to spend money on prevention when we can spend money on cure.

New Research Programmes

Health Policy Programme

In 2005, CIS will also establish a Health Policy Programme to conduct research into the funding and management of the Australian health care system.

New medical technology, an ageing population, and the demand for higher standards of health care will see large increases in health care spending over the coming years. Without reform, the current system will become unsustainable. The temptation for governments will be to increase taxation to meet the additional costs. However, real solutions are more likely to lie in productivity increases, improved management of resources and the understanding that individuals will need to take greater responsibility for their own health care costs. Increased responsibility will see a call for greater choice and hopefully lead to increased competition amongst service providers. In turn, greater choice necessitates the availability of reliable information and as such will improve accountability across the system.

The CIS programme will look at market-based solutions for improved efficiency and accountability. Research into how health cost increases should be funded and how the system can be better designed to adapt to future need will be undertaken. The programme will also consider the reforms needed to encourage individuals to take greater responsibility for funding their own health care needs and to ensure that those who do so are not penalised by poorly-designed funding mechanisms and political decision-making.

Some of the other questions the project will seek to address will be: the appropriate balance in public and private provision of health care; the opportunities for privatisation and the capacity of the private sector in provision of both health services and insurance; personal health savings accounts; the future of Medicare, bulk-billing and the Pharmaceutical Benefits Scheme; the management and financing of the public hospital system; state versus federal responsibilities in health care provision; medical staff shortages in rural and remote areas; and the relevance to Australia of overseas innovations in health policy.

CIS Indigenous Affairs Research Programme

CIS is currently developing a research programme which looks at Indigenous affairs and in particular, the issues facing Aborigines and Torres Strait Islanders living in remote communities. This is an area of public policy debate in desperate need of fresh thinking and new solutions.

Appalling education, health, and housing standards have been the result of poor public policies. Ever-increasing welfare payments have entrenched dependency and restricted the development of employment opportunities, individual entrepreneurship and private enterprise. Consequently these communities are engulfed in substance abuse, domestic violence and other crime. Economic development is needed to ensure that Indigenous people living in remote communities have the same opportunities for a decent life as other Australians.

By focusing attention on the economic and social problems facing Indigenous communities, CIS hopes to open up a public debate and present ideas for reform so that policy improvements and real long-term solutions follow.

The work that CIS has undertaken recently in understanding the situation in remote Indigenous communities has exposed the issues that need to be addressed as a matter of urgency. The research programme will therefore seek to cover a range of topics including: education; health; housing and infrastructure; property rights and asset ownership; employment and self-reliance; bureaucracy and corruption; as well as substance abuse, crime and domestic violence.

In March 2005, CIS began its engagement in the debate of Indigenous issues by releasing an Issue Analysis paper co-authored by Helen Hughes and Jenness Warin titled, *A New Deal for Aborigines and Torres Strait Islanders in Remote Communities*. The paper received widespread media coverage and provoked a response in the Federal parliament. However, the opposition to reform from some quarters has been fierce with vested interests clearly afraid of change. A second paper, titled *Lessons from the Tiwi Islands: The need for radical improvement in remote Aboriginal communities* authored by John Cleary (formerly CEO of the Tiwi Islands Local Government), dealt with the governance problems in remote communities. Earlier this year CIS hosted a roundtable discussion in Sydney where representatives from Baniyala, a remote community in East Arnhem Land, outlined their hopes for improvements in their community living standards.

Slum total of a failed vision



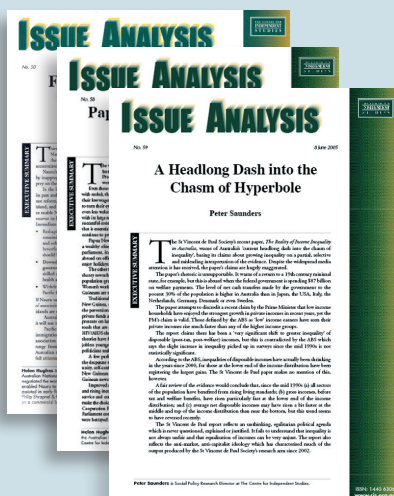
Christopher Pearson

THE Centre for Independent Studies has just issued a seminal paper. It's called *A New Deal for Aborigines and Torres Strait Islanders in Remote Communities*. It makes such a convincing case that the existing situation is a disaster and that the main beneficiaries of the present arrangements are a parasitic and incompetent class of whites in the so-called caring professions.



Christopher Pearson, with a group of Torres Strait Islanders, with a group of Torres Strait Islanders, with a group of Torres Strait Islanders.

Issue Analysis



A New Deal for Aborigines and Torres Strait Islanders in Remote Communities (No. 54)

Helen Hughes and Jenness Warin

Private property rights, educational reform, improved health care, and the application of the rule of law are urgently needed in Australia's remote communities if Aborigines and Torres Strait Islanders are to escape the third-world squalor in which they are currently trapped.

Lessons from the Tiwi Islands: The Need for Radical Improvement in Remote Aboriginal Communities (No. 55)

John Cleary

There is clearly need for reform across all areas in remote Aboriginal communities: health, housing, education, employment and training, governance, Land Councils, business and funding. Cleary has drawn on his experience as Chief Executive Officer of the Tiwi Islands Local Government as he outlines strategies for reducing deprivation in remote Aboriginal communities.

Universities in a State: The Federal Case Against Commonwealth Control of Universities (No. 56)

Andrew Norton

The Commonwealth Education Minister, Brendan Nelson, has suggested that the federal government assume full legal responsibility for universities. In this paper Norton argues that 'centralising decision-making in Canberra would put key decisions in the hands of the government most deaf to feedback, with the weakest incentives to fix problems, and the least flexibility in dealing with them'.

Part I. Restoring Self-Reliance in Welfare: The \$85 Billion Tax/Welfare Churn (No. 57)

Peter Saunders

'The government spends over \$80 billion every year on welfare payments, and another \$94 billion on services such as health and education. This spending absorbs two-thirds of all the federal and state taxes raised each year.' Saunders argues that many people could bypass the welfare state altogether if they were allowed to retain their money and buy the services they want out of their own pockets.

Papua New Guinea's Choice: A Tale of Two Nations (No. 58)

Helen Hughes and Susan Windybank

The deep divide between the tiny elite minority in Papua New Guinea who enrich themselves at the expense of the vast majority of ordinary people will continue to grow with disastrous consequences unless the Australian government's new Enhanced Cooperation Programme (ECP) is fully restored and Australian police return to Papua New Guinea. Hughes and Windybank argue that the ECP could serve as a catalyst for change, but only if it is accompanied by growth policies that tackle the economic stagnation that is both a cause and effect of the breakdown in law and order.

A Headlong Dash into the Chasm of Hyperbole (No. 59)

Peter Saunders

A recent St Vincent de Paul Society paper warns of Australia's 'current headlong dash into the chasm of inequality', a claim which is shown to be greatly exaggerated. The Vinnies' report suggests we are on a path back to the early 19th century when 'people were kicked while governments stood idly by.' Yet Saunders argues 'this sort of language is absurd when the federal government is spending \$87 billion on welfare payments this year.'

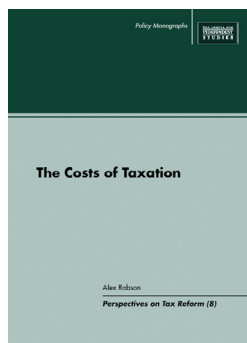
Clearing Muddy Waters: Why Vinnies are Wrong on Inequality (No. 60)

Peter Saunders

St Vincent de Paul Society's media release in response to the CIS report was titled, 'CIS should take a BEX and have a good lie down'. Not to be deterred, Saunders explains in more detail why the Vinnies' report was flawed and aims to set the record straight.

All Issue Analysis papers are available for download from www.cis.org.au

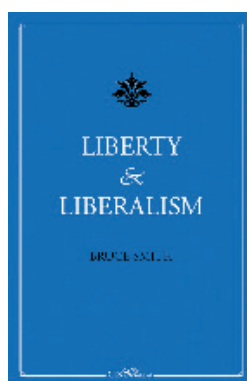
Books



Policy Monograph 68

Perspectives on Tax Reform (8): The Costs of Taxation | Dr Alex Robson

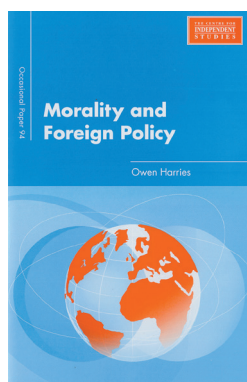
Many government spending programmes do some good, but this paper questions whether they do more good than the harm they cause. 'A dollar increase in government revenue ends up costing the economy far more in real terms than the dollar that is actually paid in taxes... While tax revenues may be spent by government on beneficial uses, these benefits have to be weighed against the 'deadweight losses' incurred as a result of levying the tax in the first place.' Robson calculates the total deadweight loss of taxation could be as high as \$61 billion per year—more than the federal government spends on health.



CIS Classic 1

Liberty and Liberalism | Bruce Smith (with an introduction by Gregory Melleuish)

First published in 1887, *Liberty and Liberalism* has been republished by CIS and is the first in the new series, CIS Classics. It is the one major study of classic liberalism to be written in Australia and is an absolute must read. Bruce Smith wrote this erudite volume because he feared that liberalism was being perverted by the 'new' liberals who believed in expanding state activity. A businessman, barrister and politician with practical experience, Smith sought to defend individual freedom and the voluntary principle, and to limit the role of the state. In an age when the power of the state still threatens individual initiative, Smith's ideas have relevance for all those who wish to keep a rein on the state and encourage individual liberty.



Occasional Paper 94

Morality and Foreign Policy | Owen Harries

The intense debate over the war in Iraq and American foreign policy have unearthed age-old questions about the rights and wrongs of intervention in the internal affairs of sovereign states. In this paper, Harries explores the intellectual heritage of two opposing positions on morality in foreign policy; the hands-off realist school and idealist liberal internationalists. Harries considers both positions seriously flawed, and argues that: 'the morality that is appropriate to, and that can be sustained in, the soiled, selfish and dangerous world of power politics is a modest one, whose goal is not perfection—not utopian bliss—but decency', and whose guiding principle is prudence.



Occasional Paper 95

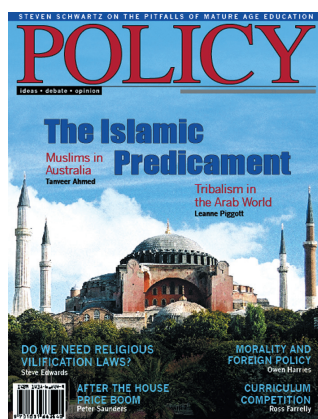
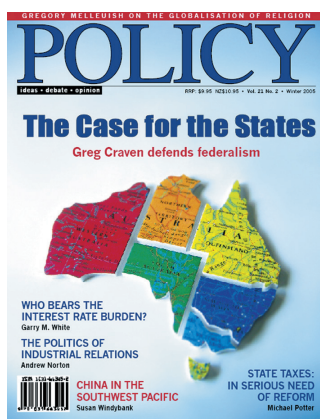
Smothered by the Security Blanket: Risk, Responsibility and the Role of Government | Caspar Conde

German sociologist Ulrich Beck has named modern society the 'risk society' and has called for governments to take a risk-averse approach to policymaking to ensure safety and precaution at all times. Yet to what extent can the government manage risk in our society without smothering self-responsibility and impinging on personal liberties? 'Each time personal liberties are removed, the government encourages dependency and irresponsibility' argues Conde. Citing recent examples of heavy handed state intervention and paternalism—such as the banning of fast food advertising to prevent child obesity—Conde puts forward alternative strategies for reducing risk which adopt a lighter government touch and hand over more responsibility to individuals.

Policy, the CIS's quarterly journal, completed its first full year under editor Andrew Norton with the Winter 2005 issue. Having been editor before, between 1994 and 1997, he believes that the differences between the two editing experiences show how the CIS and *Policy* itself have matured over the years.

'Both *Policy* and the CIS have a much higher profile now than they did in the mid-1990s' he says. 'As a result many more potential authors contact me hoping to publish in *Policy*. The Liberty and Society student programme that the CIS has run since 1996 is also contributing to *Policy*. A typical issue will contain two or three pieces by writers who began their contact with the CIS through Liberty and Society'.

In the first half of 2005, *Policy* covered topical issues including housing prices, interest rates, Muslims in Australian society, industrial relations, religious vilification laws and federalism. It aims for a balance between subjects of recent interest or controversy and raising issues that are not being reported by major media outlets.



OPINION COMMENT

Fix policies to make housing affordable

The house price bubble has finally burst. While it is true, the house price index has fallen, the reality is that the market is still in a state of flux. The government's policy of subsidising first home buyers has led to a surge in demand, which has pushed prices up. The government's policy of subsidising first home buyers has led to a surge in demand, which has pushed prices up. The government's policy of subsidising first home buyers has led to a surge in demand, which has pushed prices up.



DOWNSIDE: High property prices have made it difficult for many first-time buyers to enter the housing market.

Peter Saunders
The house price bubble has finally burst. While it is true, the house price index has fallen, the reality is that the market is still in a state of flux. The government's policy of subsidising first home buyers has led to a surge in demand, which has pushed prices up. The government's policy of subsidising first home buyers has led to a surge in demand, which has pushed prices up.

'Rapid house-price inflation also has wider economic costs, for it can distort the way we use capital. Young workers rush to take out huge mortgages before house prices spiral out of reach, and older buyers are seduced into investing in rental property while disregarding falling rental returns.'

Peter Saunders in *The Adelaide Advertiser*

Bequests ... Have you considered making a bequest to CIS?

The battle for the future of the free society will not be won in our lifetimes. As long as there are threats to the freedoms we cherish, there will be a need for organisations, like CIS, to safeguard and champion these freedoms. As Thomas Jefferson once wrote, 'the price of freedom is eternal vigilance'.

A bequest made to The Centre for Independent Studies is a way of sustaining an independent voice in public policy debate and of supporting the Centre to continue to be 'eternally vigilant' in the promotion of a free society for present and future generations.

For those who have contributed to CIS for many years, a bequest is also a means of supporting the Centre beyond the current membership structure, and in a way which may not have been possible during their lifetime.

If you would like further information on making a bequest, please contact Christi Spring on (02) 9438 4377 or cspring@cis.org.au

CIS in the Media

So far this year two innovative papers, published as part of the Centre's new Indigenous Affairs Programme, have gained widespread media coverage opening up the debate in the public arena and challenging the status quo. In *The Weekend Australian* on 5-6 March 2005, Christopher Pearson discussed one of the papers titled *A New Deal for Aborigines and Torres Strait Islanders in Remote Communities* by Helen Hughes and Jenness Warin. 'This is not the first monograph from the CIS to break new ground on Aboriginal issues but it's probably the most trenchant', he wrote. He praised the paper for providing 'innovative suggestions' in a debate that desperately needs fresh thinking and original solutions. Extensive coverage in the Australian press and radio included ABC Radio National *Life Matters*, as one of ten radio interviews, and opinion pieces published in *The Australian Financial Review*, *The Australian*, *The Courier Mail*, *The Canberra Times*, and *The Newcastle Herald*. There were numerous news stories and feature pieces by commentators such as Peter Ruehl from *The Australian Financial Review* who dedicated his column to this 'excellent report' two weeks in a row.

Another stand out release in the eyes of the media was Caspar Conde's 'Smothered by the Security Blanket: Risk, Responsibility and the Role of Government'. Opinion pieces were published in *The Sydney Morning Herald* and *The Newcastle Herald*, and columnists such as Mark Day from *The Daily Telegraph*, Tony Baker from *The Adelaide Advertiser*, and Jane Fynes-Clinton from *The Courier Mail*, dedicated their space to Conde's research, as did many news journalists. Other highlights include an

appearance on Channel 7's *Today Tonight*, and a radio interview with Alan Jones on 2GB, one of eight radio interviews conducted on the day of release.

The issue of tax and welfare reform, and other topics under the Social Foundations banner, have been tackled head-on by Peter Saunders. He appeared on both the ABC's *7.30 Report* and Channel 9's *A Current Affair* discussing the importance of tax reform. At least fifteen different opinion pieces written by Saunders have been published in various Australian newspapers since the end of December 2004, and he is quoted frequently in the print media. Saunders is also regularly interviewed by Australia's high profile radio personalities including Alan Jones (2UE), Phillip Adams (ABC Radio National), Mike Carlton (2UE), Derryn Hinch (3AW), Julie McCrossin (ABC Radio National), Mark Colvin (ABC Sydney), Jon Faine (ABC Melbourne), and Michael Duffy (ABC Radio National).

'Owen Harries, an intellectual national treasure' (Geoffrey Barker, *Australian Financial Review*, 21 February 2005) and 'distinguished Australian commentator' (Greg Sheridan, *The Australian*, 5 May 2005), received sustained media coverage for his 'powerful' and 'timely' paper 'Morality and Foreign Policy'. Opinion pieces written by Harries appeared in *The Sydney Morning Herald* and *The Age*, and his paper was republished as the cover story of the Review section in *The Australian Financial Review*. Overseas publications such as *Prospect* magazine and the American journal *Orbis* have also published extracts of Harries' work.



Coombs' tragic legacy

In reviewing the Community Development Employment Program the federal government has hopefully taken a first step toward dismantling the Coombs experiment in remote Australia. Last September reform is an important second step. While standards of living of mainstream Aborigines and Torres Strait Islanders have been rising, the housing and health conditions in the remote communities have been falling. They would be shocking in the Third World. Alcoholism and other substance abuse are destroying lives and exacerbating the huge gap in longevity between remote communities and mainstream Australia. The murder rate for Aborigines and Torres Strait Islanders rises to 15 times that for non-Indigenous men and for women 11.7 times the rate for non-Indigenous women.

Indigenous communities have suffered from misplaced idealism, argues Helen Hughes and Jenness Warin. They have opened up a debate on the effects of the Coombs experiment. The core problem is low labour force participation. In the Northern Territory, only 12 per cent of Aborigines and Torres Strait Islanders are working and population are employed. 1 per cent are unemployed and a further 48 per cent receive CDEP payments, that is, 60 per cent of the working age population (compared to 10 per cent for non-Indigenous). At the above time, remote community households are dominantly dependent on welfare for their income and live in public housing, with the same disastrous effects.

highest grade in which learning English is permitted, they have been told out of their minds. The Coombs generation knows less English than their minority school-leavers, who were destined to be education and health workers. Adults in remote communities are overwhelmingly illiterate and uneducated. They cannot read labels on food, changing materials and medicines. They are threatened and angry because as three regions have learned more of their language than they have of English. They must the allegation that they find English more difficult than all the other people in the world, including immigrants to Australia. However, for remote community households are low, averaging \$14,000 a year. To this must be added income in kind in education, health and housing.

'This is not the first monograph from the CIS to break new ground on Aboriginal issues but it's probably the most trenchant.'

Christopher Pearson,
The Weekend Australian



Scrap this outdated fee

Non-academic spending should be part of universities' budgets, writes Andrew Norton. A major report on university education has pointed out that the outdated fee system is a barrier to higher education. The report, by the Australian Education Council, says that the current fee system is outdated and does not reflect the true cost of education. It calls for a new system of fees that would be based on the actual cost of education, including non-academic spending. The report also calls for a new system of funding that would be based on the actual cost of education, including non-academic spending.

ePreCIS

The CIS electronic news bulletin, ePreCIS, keeps subscribers informed about CIS news, events, publications and research. To receive ePreCIS on a monthly basis, if you are not currently doing so, please contact our Public Affairs Officer with your subscription request at media@cis.org.au or on (02) 9438 4377. Alternatively you can subscribe via the CIS website www.cis.org.au.

org.au

Media Memo

The CIS media memo ezine alerts the media to the latest CIS initiatives before they happen. Media professionals can subscribe to media memo by contacting media@cis.org.au

Alan McGregor AO

29 August 1936 - 19 February 2005



Earlier this year, long-time CIS Chairman, Alan McGregor AO, passed away after a courageous battle with lymphoma. In 1990, Alan became a Trustee of the Centre and in 1991 was appointed Chairman of the Board of Directors, a position he retained until retiring in May 2004. In 2003 he was made a CIS Distinguished Fellow, for his contribution to the Centre and its work over the years.

As Chairman of CIS, Mr McGregor combined his vast experience in business with his love of ideas and a dedication to creating a strong civil society. CIS benefited significantly from Mr McGregor's many years of outstanding support and leadership, and he will be greatly missed as a source of unfailing guidance and advice.

In Alan McGregor's honour the Centre will each year fund the McGregor Fellowships to allow two individuals, who have made a significant contribution to the advancement of the principles for which CIS stands, to attend the Centre's annual conference, Consilium.

Alan McGregor was educated at Cambridge University and Adelaide University and was admitted to the South Australian Bar in 1962. His distinguished law career saw him working as a Crown Prosecutor before joining a private practice and ultimately forming his own partnership. Alan's strong character, intelligence and leadership ability were recognised in his selection as Chairman of a number of companies including Burns Philp, James Hardie Industries and Australian Wool Testing Authority. He was also involved with the University of Adelaide and BresaGen. In 1987 Alan was made an Officer of the Order of Australia for his service to the arts and to the community and received a Centenary Medal in 2000 for service to Australian society through business.



New Events Coordinator

CIS has appointed **Leonie Phillips** as the Centre's new Events Coordinator. Leonie has a BA Communications from the University of Technology in Sydney, majoring in Social Sciences and Radio Journalism. Before joining CIS Leonie worked as a Producer for a multinational events company and previously ran events and media in the publishing industry.



Jennifer Buckingham

CIS is delighted to welcome back Jennifer Buckingham after 12 months as the Schools Editor at *The Australian*. Jennifer Buckingham returns as a Research Fellow with the Centre's Social Foundations research programme. She is well-known for her contribution to education policy, and in particular, for her work on 'school choice' and boys' educational decline. She is currently working on teacher training and other educational issues.

Board of Directors

Michael Darling | *Chairman*
 Marco Belgiorio-Zegna AM
 Robert Champion de Crespigny AC
 Michael Chaney AO
 Dr Peter Dodd
 Bob Day AO
 Chum Darvall
 Dr Peter Farrell AM
 Ross Grant
 John M. Green
 Dr Murray Horn
 Greg Lindsay AO | *Executive Director*
 Professor Robert McLean
 The Hon. Ruth Richardson
 Steven Skala
 Chris Roberts
 Geoff Ricketts
 Dr Don Turkington
 Steven Wilson

Academic Advisory Council

Professor Ray Ball
 Professor Jeff Bennett
 Professor Geoffrey Brennan
 Professor Lauchlan Chipman
 Professor Kenneth Clements
 Professor David Emanuel
 Professor R.M. Hartwell
 Professor Ian Harper
 Professor Warren Hogan
 Professor Helen Hughes AO
 Professor Wolfgang Kasper
 Professor Chandran Kukathas
 Professor Kenneth Minogue
 Professor R.R. Officer
 Professor Suri Ratnapala
 Professor David Robertson
 Professor Steven Schwartz
 Professor Judith Sloan
 Professor Peter Swan AM
 Professor Geoffrey de Q. Walker

Staff

Greg Lindsay AO | *Executive Director*
 Tony Adair | *Senior Associate*
 Jane Blumer | *Office Administration*
 Nina Blunck | *Public Affairs Officer*
 Prescila Chang | *Bookkeeper*
 Michelle Chase | *Consilium Coordinator*
 Carolyn Chen | *Publications Manager*
 Ignatius Forbes | *Subscriptions Assistant*
 Judy Kay | *Office Administration*
 Jenny Lindsay | *Student Programme Coordinator*
 Leonie Phillips | *Events Coordinator*
 Christi Spring | *Development Officer*

Research Staff

Jennifer Buckingham | *Research Fellow*
 Caspar Conde | *Adjunct Scholar*
 Miranda Darling | *Adjunct Scholar*
 Owen Harries | *Senior Fellow*
 Professor Helen Hughes AO | *Senior Fellow*
 Professor Wolfgang Kasper | *Senior Fellow*
 Barry Maley | *Senior Fellow*
 Andrew Norton | *Research Fellow, Editor of Policy*
 April Palmerlee | *Visiting Fellow*
 Professor Peter Saunders | *Social Research Director*
 Professor Steven Schwartz | *Visiting Fellow*
 Susan Windybank | *Foreign Policy Research Director*

Distinguished Fellows

Professor Ray Ball
 Michael Darling
 David Darling
 Alan Gibbs
 Ross Graham-Taylor
 Professor R.M. Hartwell
 Andrew Kaldor
 C.R. Bert Kelly CMG (1912 - 1997)
 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)
 Dr Ben Teh (1941 - 1998)

Editor

Nina Blunck

Publisher

Greg Lindsay

Designer

Carolynn Chen

July 2005
 Print Post PP
 244371/00006
 ABN 15 001 495 012

PO Box 92
 St Leonards
 NSW 1590 Australia
 Ph: +61 2 9438 4377
 Fax: +61 2 9439 7310
 cis@cis.org.au
 www.cis.org.au

PO Box 5529
 Lambton Quay
 Wellington 6040
 New Zealand
 Ph: +64 499 5861
 Fax: +64 499 5940
 cis@cis.org.nz
 www.cis.org.nz



'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