

30 YEARS OF IDEAS

30  
years  
of ideas



CIS

# 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



The highlight of the first half of 2006 for the Centre was undoubtedly our 30<sup>th</sup> Anniversary dinner on 4 May. Over 600 friends and supporters from every Australian state, from New Zealand and from the USA joined with us to acknowledge our '30 years of ideas', our first 30 years that is.

The anniversary gave us an opportunity to reflect on what CIS has been able to achieve but, more importantly, it reminds us what CIS stands for and what yet needs to be done. The philosophical roots of the Centre are very clear. The Centre was established to promote and develop ideas supporting a free society. Ultimately, we hope, the ideas that we explore and develop will underpin and inform sound public policy, as the policy processes in our democracy are the practical manifestations of much of what we do.

It's more than just policy work that occupies us and our abiding interest in the nature of individual freedom is really the lens through which we see our work. It's one of the factors that sets CIS apart from many other organisations in similar fields.

One of the exciting things about this anniversary is that it also served as an opportunity to launch a major capital appeal which will underpin the future development of the Centre and provide a significant boost to our ability to participate in policy debates. Looking over the minutes of the Centre's early board meetings I found the following entry quoting remarks from our first Chairman:

'Neville Kennard felt that some discussion should be developed further concerning a 'trust' to provide a capital fund for the Centre's work. . . . He felt that CIS was one of the surest ways of seeing a free society could be maintained.'

Neville was right then but the times weren't propitious. They are now. Neville Kennard is one of those individuals who have maintained their support of our work in every one of our 30 years. There are many more and a good representation of this long-standing support group was at the dinner on 4 May. To Neville and the many others who have provided the financial support to keep the doors open, we all owe an enormous debt of gratitude. Importantly, they remain the bedrock of support for the next 30 years.

As we move into our fourth decade, you can look forward to an increasing level of activity from the Centre as we further develop and broaden our programmes. But CIS does not generate ideas for their own sake: we want to ensure a free and prosperous future for an increasingly self-reliant public and an end to the Hobbesian war of all against all that modern democracies have increasingly become. It is our responsibility to explain our ideas carefully and patiently and this is what we have done for the last 30 years and will continue into the next 30.

Greg Lindsay

# 30 years of ideas

4 May 2006 | Four Seasons Hotel, Sydney

## Celebrating 30 Years of Ideas

Over an enormously rewarding and successful thirty years, The Centre for Independent Studies has grown from little more than an idea, to become Australia's leading independent policy think tank.

Established to promote and develop ideas in support of a free society, the Centre has worked to inject classical liberal ideas into the political debate and influence Australia's intellectual climate. The last three decades have been dedicated to the belief that both ideas and opinions influence politics and public policy.

For thirty years, the Centre's work has challenged conventional ideas about public policy in Australia. The broad range of research work at CIS includes social policy, civil society, economic policy, Indigenous affairs, and foreign policy—but in all this, the goal has always been to put ideas into action.

The virtues of self-reliance, the importance of free choice, the principle of personal responsibility—these are the values that underpin the Centre's work, and we continue to advocate these principles in important public policy debates in Australia.

## 30th Anniversary Dinner

CIS held its 30th Anniversary celebration dinner on Thursday 4 May 2006. This wonderful occasion was an opportunity to celebrate the Centre's considerable achievements over the past thirty years, and to look ahead as CIS continues to expand its programmes and activities in the future.

Over 600 guests attended this sellout event, including leading politicians, business people, academics and policymakers. We were pleased to welcome as speakers at the event: The Hon. John Howard MP, Prime Minister of Australia; Michael Darling, CIS Chairman; Michael Chaney AO, CIS Director; Professor Steven Schwartz, Vice-Chancellor, Macquarie University; and CIS founder and Executive Director, Greg Lindsay AO.

In his speech, the Prime Minister noted the impact and influence CIS has had on policy debates in Australia, and praised the Centre for its outstanding achievements of the last three decades.

Greg Lindsay also reflected on the Centre's achievements over its first thirty years, acknowledging the support, dedication and hard work of all those who have made this success possible. He also used the opportunity to explore the philosophical foundations of the Centre's work, the nature of human beings and the societies in which we live—and in all this, why liberalism matters.

Everyone at CIS was delighted to have shared this special night with so many members, supporters and friends.

## The next 30 years

As CIS moves forward, it will continue to work tirelessly to promote freedom and a strong civil society—by stimulating debate, proposing new ideas and policy solutions, and by producing research of the highest quality.



'When we first started, just about everything we put forward could have been classed as unthinkable, at least politically. Much of what we said then is conventional wisdom today.'

CIS Founder and Executive Director, Greg Lindsay





'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

### Capital Campaign

CIS' 30th Anniversary celebrations were also an opportunity to launch the CIS Capital Campaign, a new five-year strategy to ensure the success of the Centre continues into the future.

### Aims of the CIS Capital Campaign

The CIS Capital Campaign underpins the future development of the Centre and will provide a significant boost to its ability to participate in policy debates.

The Capital Campaign will enable CIS to:

- expand and develop both existing and new research programmes;
- attract leading scholars through the endowment of research positions;
- increase the Centre's capacity to bring together those people with a passion for liberty;
- strengthen the financial independence of the Centre;
- secure suitable long-term premises for the Centre's 'community of scholars';
- give financial stability to the Centre's upcoming major growth phase.

### Support for a free society

The CIS Capital Campaign will ensure that CIS continues to play a major role in public policy development, and remains an unrelenting force in the promotion of a free society. A contribution to the CIS Capital Campaign is an investment in the long-term future of CIS. More importantly, it is an investment in promoting freedom both now and in the future.

The capital raised will be preserved with the income available on an annual basis, allowing the Centre to fund a major development phase. With increased intellectual firepower, contributions to the Capital Campaign will enable CIS to join top public policy research institutes from around the world, providing ideas and other resources for the ongoing promotion of liberty and prosperity.

### The importance of independence

Over the past thirty years, CIS has established a strong reputation as Australia's leading independent public policy think tank, and one of the truly independent voices in public policy debates. The CIS Capital Campaign will guarantee the Centre's independent voice remains strong and vigorous into the future.

For more information on the CIS Capital Campaign, or to make a donation, please contact CIS' Development Officer, Christi Spring, on (02) 9438 4377 or via email: [cspring@cis.org.au](mailto:cspring@cis.org.au).



'CIS is one of the great success stories of Australian public life.'

Peter Coleman (*The Australian*, 4 May 2006)



## Events: Roundtables and Lunches

### **The Pacific: Why does it matter?**

#### **CIS Roundtable with Admiral Gary Roughead, Commander of the US Naval Fleet in the Pacific**

**1 February 2006, Abbott Tout Lawyers, Sydney**

As the Commander of the US Naval Fleet in the Pacific, Admiral Gary Roughead has an enormous responsibility; his force includes 200 ships and 239,000 men and women spread over half the globe. The Admiral outlined his role and the challenges facing the region, including piracy, security, and the effects of the Asian tsunami. He also spoke warmly of the US' relationship with Australia and the importance of maintaining such contacts.



### **European Union: Where to from now?**

#### **Lunch with Marek Belka**

**8 March 2006, CIS Sydney**

Professor Marek Belka, Executive Secretary of the United Nations Economic Commission for Europe and former Polish Prime Minister, led a wide-ranging discussion on the lasting consequences of the recent EU enlargement. He argued that the European economy would become more robust in the global arena with the impact of increased competition. Belka, who was chosen by Paul Bremer to direct Iraq's post-war economy under the US-led coalition, also provided his views on the challenges of economic reconstruction in Iraq.

### **Democratising the Middle East: A Neo-Conservative's Caution**

#### **Lunch with Daniel Pipes**

**28 March 2006, CIS Sydney**

George W. Bush deserves high praise for his steadfast vision of a free Middle East, according to Dr Daniel Pipes, Director of the Middle East Forum; but the US government should proceed slowly in transferring power from autocrats to democrats. Pipes warned of the Middle East's 'totalitarian temptation' and called for a slowing down of the democratisation process to ensure those rising to power in new democracies are allies of the West. He argued that a swift move towards democratic elections brings Islamist ideologues into the public arena, and sometimes into power—potentially leaving the region worse off than during the era of unelected tyrants.



### **When Health Becomes Everything**

#### **Lunch with Professor Frank Furedi**

**4 April 2006, CIS Sydney**

Frank Furedi, Professor of Sociology at the University of Kent in England, led a spirited discussion at a CIS lunch on 4 April on the topic 'When Health Becomes Everything.' Drawing on his most recent book, *The Politics of Fear*, Furedi attacked the climate of fear and hysteria created by the escalation of apocalyptic warnings about dangers to human health. He noted that sickness is increasingly seen as the norm, rather than the exception, and argued that the medicalisation of personal and social problems was reinforcing the cult of the expert while diminishing faith in our capacity to run our own lives.

### **CIS Tax Roundtable**

**11 April 2006, CIS Sydney**

To coincide with the release of the CIS publication, *Taxploitation: The Case for Income Tax Reform*, and in the lead-up to the 2006 federal budget, CIS held a forum to explore in detail the options for tax reform in Australia. Peter Saunders (Social Research Director, CIS) introduced the discussion by outlining eight key reforms. Sinclair Davidson (RMIT) examined how Australia's tax system compares internationally, and Alex Robson (ANU) looked at the costs of taxation. In the second half of the meeting, John Stone (former Treasury Secretary and National Party Secretary) led a debate on the tax-free threshold, and whether it should be raised or abolished.



# The Policymakers

## THE POLICYMAKERS

Ideas drive policy. Yet the public sphere provides little opportunity for people to hear and engage with those ideas first hand.

Launched in 2006, The Policymakers is a series of public forums designed to allow individuals to engage with policy leaders on ideas that shape our society.

The Policymakers series goes beyond the five second grab, allowing policy leaders to engage with the audience about their ideas and policy plans.

### Malcolm Turnbull

#### **New Ideas for Australia's Oldest Challenge: Water Policy for the 21st Century 22 February 2006, ASX Auditorium, Sydney**

Shortly after his appointment as Parliamentary Secretary to the Prime Minister with responsibility for water, Malcolm Turnbull delivered the inaugural CIS Policymakers address to a capacity audience.

Turnbull spoke of the challenges of effectively managing water resources to meet Australia's needs now and in the future. He identified four key themes in the Commonwealth Government's approach to water policy: efficient markets in water; the role of innovation and technology in delivering greater efficiency in the use of water; greater accountability in the measuring and monitoring of water flows and better understanding of our available water resources; and private sector involvement in water infrastructure.

He highlighted the need for informed debate on water policy, between both government and private sector participants in the water industry, as well as leading bankers and economists, to ensure appropriate resources are invested in vital water infrastructure.



Malcolm Turnbull was elected the Member for Wentworth in October 2004. Prior to his role in Parliament, Turnbull was a journalist, lawyer and businessman. In 1997, he led the Republican case in the Australian Constitutional Convention and in the subsequent referendum. He has initiated numerous policy and research projects on tax reform, education, Indigenous affairs, home ownership affordability, balancing work and family responsibilities, and national population and fertility policy.



### Lindsay Tanner

#### **The Role of the State in the 21st Century 8 March 2006, ASX Auditorium, Sydney**

Delivering the second CIS Policymakers lecture, ALP Shadow Finance Minister Lindsay Tanner outlined his vision for the role of government in the 21<sup>st</sup> century—an era of unprecedented, and rising, affluence.

In the future, Tanner argued that the role of government would shift away from state building and towards learning. The state will increasingly be involved in enabling individuals and families to manage the ups and downs of the life cycle, while its role in the economy will involve less reliance on ownership, less intervention to favour particular producers and less focus on building things. The use of 'soft power' to change behaviour by exhortation would become more central to government activities. Tanner concluded that building the capabilities of its people is now central to a government's task.

Lindsay Tanner has been a Federal MP since 1993 and is currently the ALP Shadow Minister for Finance. His previous portfolios include Consumer Affairs, Transport, Communications and Community Relationships. Tanner has written and published many articles on social, labour, transport and economic issues. His most recent publication is *Crowded Lives*, outlining his ideas on social sustainability and the political importance of strengthening social relationships. His earlier book, *Open Australia*, was on *The Australian's* non-fiction best seller list.



Upcoming Lecture: **The Hon. Alexander Downer MP**, Minister for Foreign Affairs on 'Should Australia Think Big or Small in Foreign Policy?'

The Hon. Tony Abbott MP, Minister for Health and Ageing, and Labor MP Craig Emerson will also address future Policymakers lectures.



# Research: New Zealand Policy Unit

## A fresh shot of ideas for New Zealand

CIS' New Zealand Policy Unit has made a strong start to the year, attracting positive media coverage and stimulating widespread debate.



The unit's first full-time employee, Policy Analyst **Phil Rennie**, started work in January this year and has been researching and publishing on the areas of tax and welfare.

Phil Rennie's Issue Analysis, *Are New Zealanders Paying Too Much Tax?*, was released on 15 May and helped spark a vigorous public debate, particularly on how New Zealand and

Australia's tax systems compare.

The author was interviewed on TV3 News, TVNZ's *Closeup* programme, most major radio networks, and the paper was reported on in various daily newspapers. The paper was even referred to in Parliament and quoted in post-budget speeches by both the Minister of Finance, Michael Cullen, and the Leader of the Opposition, Don Brash.



Phil Rennie being interviewed on TV NZ's *Closeup* Programme



Three opinion pieces have also been published this year in the *New Zealand Herald* and *Dominion Post*, all of which attracted a strong public response.

CIS Social Research Director, Peter Saunders, and Phil Rennie published a paper, *Welfare Reform in Australia*, in the NZ Centre for Political Debate's *Forum* newsletter, and in

May met with a delegation of New Zealand MPs interested in learning about Australia's experience with reforming welfare payments.

Future research will further develop the theme of over-taxation and look at ways to give individuals more power over their lives, in contrast to the increasing size and scope of central government.

'It would be easy to dismiss (the paper) because it comes from an organisation from the right. However, that would be a mistake.'

*Dominion Post* Editorial, 16 May 2006

Like most of the world, New Zealand has entered the 21<sup>st</sup> century with a 20<sup>th</sup> century-style welfare state. And despite big increases in tax and spending, dissatisfaction with public services such as health and education is as high as ever. The major political parties seem unable to conceive any ideas other than yet more spending.

Welfare is another important issue that CIS will stoke. Around 15% of the working age population in New Zealand is still dependent upon the state at a time when the economy is strong and there are labour shortages in most areas. An enormous amount of human potential is clearly not being tapped.

The New Zealand economy also faces an uncertain future. While there has been strong growth and low unemployment in recent years, much of this has been due to the major reforms of the 1980s and 1990s. There is a real risk of stagnation, and Australia's relative prosperity poses a challenge. Incomes in Australia are a third higher on average than in New Zealand, and 21,000 Kiwis cross the Tasman permanently every year.

CIS plans to add another analyst to the New Zealand team later this year to focus on these issues, and beyond.

'The analysis is robust, and paints a picture of a Government using the coercive power of the state to take a larger chunk of cash from workers' pockets than it needs to, and one that has profited mightily from the insidious effects of fiscal creep.'

*Dominion Post* Editorial, 16 May 2006





# Foreign Policy and International Relations

## Papua New Guinea and the Pacific

Over the past three years, CIS' work in the foreign policy area has been focussed primarily on the development and security problems of the Southwest Pacific. This work will soon be brought between two covers as a major book on the region to be released at the end of 2006. Field research in Tonga, Samoa, Vanuatu and Fiji has been completed, with further trips planned to Papua New Guinea, the Solomon Islands, and possibly East Timor and Kiribati or Tuvalu.

A series of papers published in 2006 will feed into the book. These include *Annals of Aid: Vanuatu and the United States Millennium Challenge Corporation*, published in April, and *Should Australia and New Zealand Open their Doors to Guestworkers From the Pacific?* to be released in July (both by Helen Hughes and Gaurav Sodhi). The latter paper is based on the discussion at the Fourth Annual Papua New Guinea and Pacific Roundtable held at CIS offices in December 2005. *Vision or Fiction: Evaluating the Prospects for Integration in the South Pacific* by Stefan Freitag, a six-month research intern who has now returned to Germany, will form the basis of the final section of the book on regional prospects.



**Miranda Darling** was appointed Research Fellow in mid-February. She has worked on the threat of bird flu, and is currently preparing a major report on HIV/AIDS in Papua New Guinea that will be incorporated into the Pacific book.

In the first six months of 2006, Foreign Policy Research Fellow Susan Windybank was interviewed dozens of times by international and local media on her work last year on China in the Pacific (see *Policy Winter 2005*), which was also referred to in a recent Senate inquiry report into Australia's relations with China. She is co-authoring the Pacific book with Helen Hughes.

Susan Windybank and Senior Fellow Helen Hughes both provided expert commentary in local and international media in the wake of political upheaval in the Solomon Islands. Susan also had an opinion piece published in *The Australian* on the Solomons crisis, which argued that neither the Solomons Government, nor the Australian-led assistance mission had effectively addressed the root causes of conflict in that country.

Helen Hughes' opinion pieces on a range of topics—including aid to the Pacific, logging in PNG and the mismanagement of aid in Vanuatu—were published in *The Australian* and *The Canberra Times*.

Wolfgang Kasper released a report in January, *Make Poverty History: Tackle Corruption*, which looked at corruption as a development issue and efforts to curb it and foster the rule of law. This has obvious applicability to the Pacific.



## American hegemony and the US alliance

Owen Harries continues to be in demand as a speaker and writer on American foreign policy and the implications for Australia. In April he addressed both The Cranlana Programme and the Centre for Defence and Strategic Studies Centre in Canberra on Australia and the Bush Doctrine. He also recently co-authored a piece for *The American Interest* with Tom Switzer (*The Australian's* opinion editor).



## The West

Over the past three years, CIS has looked at the idea of the West from a number of different angles, including the two Wests (America and Europe) and Western values and Asian values. Our focus this year is on cultural confidence and morale, and the self-flagellation that seems a peculiarly Western characteristic. This will be the theme for the 2006 Big Ideas Forum (It's Not 'Them', It's Us) on 14 August, and a Consilium 2006 session. Miranda Darling is also researching why some Western converts to Islam turn with such hostility on their own societies.

BIG IDEAS FORUM 2006

**MARK STEYN** on

**It's Not "Them", It's Us:**

*The need to regain confidence in Western Culture.*



BIG IDEAS FORUM

**Monday 14th August, 2006**

**Entry is by registration only.**

Phone (02) 9348 4377 or register online at [www.cis.org.au](http://www.cis.org.au)

# Social Foundations

This programme covers four core themes: family policy, education, tax and welfare, and culture and community. The main focus in recent months has been on tax reform. However with Jennifer Buckingham returning on a part-time basis, and Arti Sharma picking up where Barry Maley left off, work has also recommenced in the key areas of education and family law. CIS has also published some important papers on civic and political culture.

## Tax and welfare

Earlier work on welfare reform has led to the question of how to reform the income tax system, for tax and welfare are opposite sides of the same coin. Not only are high taxes the direct result of increased levels of welfare spending, but both the tax and benefits systems impact directly on work incentives and self-reliance. The higher the taxes, the lower is the reward for working. Similarly, the more generous and extensive the welfare system, the more the motivation to work and provide for oneself and one's family is weakened. To counter the growing and insidious culture of dependency on government, it is just as important to reduce the income tax burden on ordinary working families as to wean people off reliance on government payments.

An important and lively debate on tax reform has taken place in recent months in which the CIS has been a key player. In particular, the Centre's argument for raising the tax-free threshold in order to decouple the tax and benefits systems has attracted widespread

*'Listening to you on the radio this morning I felt once again that you are one of the few people talking sense about tax reform... You are always so lucid, logical and courteous – keep up the good work.'*

(email from Barrister to Peter Saunders, 11 May 2006)

support.

In February, CIS was invited to give evidence to the Commonwealth Parliamentary Inquiry into Balancing Work and Family. Peter Saunders set out and defended the case for raising the tax-free earnings allowance above the welfare minimum income floor, while replacing the system of family payments (including specific purpose payments like the Child Care Benefit) with non-means-tested tax credits.

In April, CIS published *Taxploitation: The Case for Income Tax Reform*. Edited by Peter Saunders, the book contained ten revised and updated essays by authors of papers previously published in our tax reform series, as well as a new introduction by the editor. The book pointed to the problems of complexity, disincentives and churning in the current tax system, and it outlined a series of reform proposals including base broadening, indexation of brackets, higher tax-free thresholds, reform of family payments and a flatter tax structure. The book was launched at a special roundtable held at CIS, and it attracted considerable media interest and support.

Two weeks later came 'Tax Freedom Day'—the day of the year when taxpayers stop paying for the government's expenditure and begin working for themselves. CIS calculated that Tax Freedom Day this year was 25 April (one hundred years ago it was 24 January), and we generated extensive media coverage for this significant annual milestone.

CIS also played a very active role in discussions leading up to, and following, the federal budget in May. Peter Saunders published a series of newspaper articles making the case for reform, and he took part in various TV and radio discussions.

### **Peter Saunders' Budget Day Op Ed, *The Australian*, 9 May:**

*Voters regard government finance in much the same way as a poker machine. All they really want to know come budget night is what the payout is likely to be...The Government operates on much the same principle as the pokies: punters keep putting in their money and now and again they get some back. In an election year they may even hit the jackpot...*

### **Mr Beazley's Budget Reply Speech, 11 May:**

*Fair dinkum. This Treasurer's like a poker machine. You put in. You pull the arm. Nothing. You put in again. Another pull. Nothing. Time after time. Nothing. But then. At last – the lights flash. The bells ring. Crowds gather round. 'Jackpot!' he crows.*

While the principal focus of recent work has been on tax reform, the importance of welfare reform has not been forgotten. Work has continued on the issues of self-reliance and 'churning', and a book on these issues is scheduled for later in the year.

## Education

With schools and education rarely out of the news and opinion pages, Jennifer Buckingham's return from maternity leave is timely. Politicians on both sides of politics, as well as high-level education bureaucrats, have been advocating greater school choice and praising private investment in education. Jennifer is working on strengthening CIS' position on school education, in particular the promotion of education policies that provide more real choice to parents and more autonomy to schools.

Andrew Norton continues to contribute to the debate on higher education reform. Andrew's most recent paper, *HELPless: How the FEE-HELP Loans System Lets Students Down and How to Fix It*, was published in February. The paper exposed the flaws in the Commonwealth Government's new FEE-HELP loans scheme which extends student loans repaid through the tax system, but is capped at a level too low (\$51,000) to finance hundreds of courses. The paper argues that the government could lend more at less expense by only lending to students likely to repay, collecting education debts from people living overseas, and no longer writing-off education debts when people die.

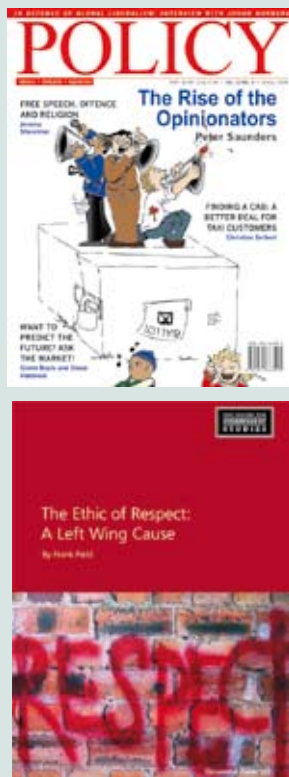
Andrew has also been a regular commentator on higher education on radio and has had opinion pieces published in major newspapers, including *The Australian*, *The Australian Financial Review* and *The Age*.

*'Those looking for a useful single guide to the whole issue now have the benefit of a fairly fat book by The Centre for Independent Studies. Curiously most commentators call the CIS a 'conservative' think tank, but the current debate makes it clear... that the 'conservative' think tank is more liberal than ever.'* (Tony Rutherford in *The West Australian*, 19 April 2006)

## Culture and community

Freedom entails responsibility. A free society depends upon individuals respecting each other's rights and acknowledging their duty to observe certain basic, shared rules of civil behaviour. Without a culture of self-restraint, the enjoyment of liberty is inevitably curtailed.

Early on the Social Foundations programme published various papers looking at issues of crime prevention and policing as well as an important essay reporting our research on civility. This latter theme was resurrected in February this year with the publication of *The Ethic of Respect: A Left Wing Cause* by the British Labour MP, Frank Field. Focussing mainly on England, Field argues that the ethical values bequeathed by nineteenth century Christianity have been eroded by the rise of a boorish mass culture, the spread of welfare dependency and the decline of the traditional family, and he asks how the values of respect can be rediscovered in an age when Christianity has lost its central position in society.



In a foreword, Peter Saunders considered how far Field's arguments also apply to Australia.

In a different vein, Saunders also published 'The Rise of the Opinionators' (*Policy* Winter 2006) in which he analysed the 2004 Federal election survey data. He found that one group in the population stands out from everybody else, both in the way they voted, and in the opinions and values they hold. He called this group the Opinionators—social affairs intellectuals including artists, social workers, teachers and academics who represent a tiny slice of Australia's population but who occupy a pivotal role in influencing the way public affairs are presented and understood. Over sixty years ago, Joseph Schumpeter warned that capitalism was producing a disaffected intellectual class which threatened to destroy it. In this paper, Saunders identifies who they are and what they are thinking.

'I always find my interaction with the CIS to be intellectually stimulating. I think you're doing a great job on the welfare reform matters, amongst other things. It is most refreshing to have the case made so ably in the public arena.'

(email from senior Canberra public servant, 1 March 2006)

## System break-up

The Howard Government's family law reforms are bad policy, writes Arti Sharma



## Family policy

CIS has long had a strong interest in family issues, and Arti Sharma was appointed last year to continue work in this area with a particular focus on family law reforms.

Her first major paper, *Family Relationship Centres: Why We Don't Need Them*, was published in April. The paper suggested that the Commonwealth Government's plan to set up 65 new centres to help couples with dispute resolution and relationship counselling is misconceived. The centres will duplicate existing voluntary provisions and risk crowding out the voluntary sector. Overseas trials suggest they are likely to have little long-term impact, as couples still resort to lawyers, yet their introduction will cost taxpayers \$200 million over four years. The paper concluded that the government should pause while the first 15 centres are properly trialled.

This paper generated considerable interest and debate among academics and practitioners in the field. Arti is now working on a second paper exploring in greater detail the potential impact of Family Relationship Centres. This paper is due to be released in July. A third paper will follow dealing with changes to the Child Support system in Australia.



# Indigenous Affairs Research Programme

The Indigenous Affairs Research Programme continues to drive the debate on the issues confronting remote Aboriginal and Torres Strait Islander communities.



In February, CIS appointed **Kirsten Storry** to the programme's new Policy Analyst position. Kirsten has an arts, law and public policy background and experience in the Australian Public Service. CIS Senior Fellow, Professor Helen Hughes, remains heavily involved in the programme. The programme also continues to enjoy the expertise of a network of practitioners in the field,

including John Cleary, Jenness Warin and Veronica Cleary.

In the first six months of 2006, the enormous challenges facing Indigenous communities were rarely out of the media. The shocking conditions in many remote communities—domestic violence, substance abuse, Third World-living conditions, appalling health standards—demand urgent action. The Indigenous Affairs Research Programme is working on new and innovative solutions to these problems, through research, policy recommendations, and the exchange of solution-oriented ideas.

At the end of 2005, CIS released an Issue Analysis paper by Veronica Cleary that discussed education issues in remote communities based on her experience over three years on the Tiwi Islands.

In 2006, the programme is continuing to focus its research on education. In April, Kirsten Storry participated in a seminar and roundtable discussion on *Getting Results in Education* at Noel Pearson's Cape York Institute for Policy and Leadership, which discussed innovative approaches to improving Indigenous engagement in education.

In June, the programme released *School Autonomy: A Key Reform for Improving Indigenous Education*, a paper by economist Julie Novak. In the paper Julie argues that the government school model is failing Aboriginal and Torres Strait Islander students in remote communities. Government schools have entrenched poor teaching practices and imposed unsuccessful post-modern curricula on Indigenous students. A system of autonomous schools, freed from the restrictive rules and regulations that apply to the government school system, would allow highly-skilled and committed principals and teachers to embark on genuine change. Devolved decision-making and school autonomy has the potential to transform failed government schools in remote Indigenous communities, lifting long-term Indigenous educational outcomes. Future papers will develop these ideas further, and will explore the options for new school models in Indigenous communities.

A paper by Kirsten Storry, due to be released in the coming months, will discuss the literacy barrier facing adults in remote Indigenous communities. Although the Commonwealth and State Governments have invested significant resources into improving English literacy among children in remote Indigenous communities, the same cannot be said for adults. The small number of adult literacy programmes currently available in remote communities is inadequate, and information on these programmes almost non-existent. Improved adult literacy in Indigenous communities would likely have a dramatic and positive impact on education levels among children in these communities, and cannot be left to deteriorate further.

Future research will look at government funding of schools in remote Indigenous communities. This research will

examine the debate on funding in Indigenous education—is more money needed, or are expenditure levels adequate but poorly administered?—and will compare government spending on education in mainly white Indigenous communities with that in mainly Indigenous communities. The research will also compare Australian funding of Indigenous education internationally.

It is rewarding to see the continued development of the

Rotary project in Baniyala, a remote Aboriginal community in East Arnhem Land that CIS has developed strong links with. Long-time CIS member, Andy Buttfeld, continues to lead the building of an arts workshop and women's health care centre by community members. Remoteness has made communicating with and gaining access to the community difficult, but Mr Buttfeld reported that construction was due to begin in July. The Macquarie Bank Foundation has kindly provided the necessary funds to pursue this important project.

In March 2006, the Indigenous Affairs Research Programme was awarded a prestigious international prize by the US-based Atlas Economic Research Foundation. The *Templeton Freedom Prize for Excellence in Promoting Liberty* (in the *Free Market Solutions to Poverty* category), was awarded to the programme for its research and advocacy work on the economic and social problems facing Aboriginal and Torres Strait Islander communities. It was wonderful to receive international recognition for this work.





## Liberty & Society

As CIS turns 30, the Liberty & Society (L&S) student conference programme has its 10th birthday. Over those years the programme has built a solid network of young people who are aware of the CIS and sympathetic to its ideals. Many have chosen to maintain their contact and have supported a number of aspects of the Centre's work. There are young academics who now teach at L&S conferences, and journalists and writers who write articles for the CIS journal, *Policy*, as well as contributing to Australian and New Zealand daily papers and magazines. A number of L&S alumni are also working in parliamentary offices as advisors and researchers, are active in political parties or hold elected positions in many different levels of government.

In the scheme of a young person's life, the L&S conferences represent a small part. However the influence of that one golden weekend of thinking and talking about the power of classical liberal ideas and the difficulties of achieving practical change seems to be a revelation and a relief ('I'm not the only one who thinks this way') to many young people who attend the conference.

### Introductory Liberty & Society | 7-9 April 2006

Thirty-two young people came together for the first L&S conference of 2006. The usual high standard of students allowed for great discussions in the formal sessions, the break out groups and during meals. At the opening dinner Janet Albrechtsen raised many issues when she spoke to the group about her beliefs. Professor Chandran Kukathas from the University of Utah started the formal part of the weekend by taking the group through the historical and philosophical basis of classical liberal thinking starting in the 16th century with the Spanish and the School of Salamanca. Professor Wolfgang Kasper gave a passionate lecture about the free market and then led a lively discussion on environmental economics.

During the second day, the students heard from Dr Darryn Jensen (an L&S alumnus) about the rule of law and a case study on the Victorian Racial and Religious Tolerance Act. Professor Peter Saunders finished the weekend with a thought provoking and controversial discussion about his work on welfare and family issues.

The evaluations from the group showed a great enthusiasm for the conference, not just for the material presented but for the opportunity to get to know a great group of people.

### Coming Up

The second L&S conference will be held in September in Sydney with applications closing on 4 August.

Another opportunity for young people is 'The Ross Parish Essay Competition' which will be judged in August. Prizes range from \$500 to \$1500.

For more details on both go to [www.libertyandsociety.org](http://www.libertyandsociety.org)

'An excellent opportunity to meet top flight thinkers, top shelf students and have a top time doing it.'

'It is what university promises but never delivers. Intelligent and enthusiastic lecturers and students all of whom have an open mind.'

'A challenging and fun weekend which makes you think, allows you to meet a fascinating bunch of people and opens your eyes to new ideas and opportunities.'

### From an L&S alumnus now working at the Cato Institute in Washington:

'The ideas to which I was exposed that weekend have stayed with me through the years and I still think of some of the discussions we had. I think I was probably well on the way to being a libertarian when I attended L&S, but the weekend certainly solidified those views. And here I am working at one of the best libertarian think-tanks in the world.'



## Issue Analysis

### **Make Poverty History: Tackle Corruption (No 67)**

Wolfgang Kasper

Corruption, and the abuse of political power for private gain can be tackled, as countries from Singapore to Chile to Estonia have demonstrated. One way to curb corruption is to simplify legislation and regulations and, with it, the incentives for corrupt dealings; another is opening the economy to international trade and investment, better education, democratic control and fostering the rule of law. This is now increasingly understood by young citizens of poor countries, who reject the traditional view that corrupt officials are an unavoidable fate.

### **HELPlless: How the FEE-HELP Loans System Lets Students Down and How to Fix It (No 68)**

Andrew Norton

The new FEE-HELP loans scheme extends student loans repaid through the tax system to nearly all higher education students at public and private institutions. It could create much more choice and competition. Unfortunately it won't achieve its potential because a loan cap of \$51,000, designed to reduce government losses through bad debt, is too little to finance hundreds of courses. *HELPlless* shows how to lend more at less expense by only lending to people likely to repay, collecting education debts from people living overseas, and no longer writing-off education debts when people die.

### **Annals of Aid: Vanuatu and the United States Millennium Challenge Corporation (No 69)**

Helen Hughes and Gaurav Sodhi

In the 25 years since independence, more than \$2 billion of aid has brought almost no benefit to Vanuatu's majority rural poor—but has been hugely rewarding to the country's small ruling elite. A new US funding package incorporates none of the lessons learnt from past aid projects in Vanuatu, and risks becoming yet another tragic misallocation of funds. But the funding is a triumph for Vanuatu's government, one of the worst performing—and least deserving—states in the Pacific.

### **Family Relationship Centres: Why We Don't Need Them (No 70)**

Arti Sharma

As part of a major overhaul of the Family Law Act, the Government plans to spend \$200 million establishing a network of 'Family Relationship Centres' across the country. In this paper Arti Sharma argues that Family Relationship Centres won't work. The Centres are a waste of taxpayers' money—the Government is effectively nationalising a

voluntary service that already works well. The paper concludes that while it is a good idea to make divorce less adversarial, the Family Relationship Centre proposal is unlikely to have this effect.

### **Are New Zealanders Paying Too Much Tax? (No 71)**

Phil Rennie

In actual terms, New Zealanders pay 50% more tax than they did in 2000. The government's tax revenue has increased at twice the rate of inflation and well ahead of all predictions. In this paper, Phil Rennie writes that New Zealand is a highly taxed country on a global scale. New Zealand has record surpluses, giving the country a once-in-a-generation chance to cut taxes significantly. Rennie argues that taxpayers deserve to keep more of the wealth they have generated.

### **School Autonomy: A Key Reform for Improving Indigenous Education (No 72)**

Julie Novak

The government school model is failing Aboriginal and Torres Strait Islander students in remote communities. Government schools have entrenched poor teaching practices and imposed unsuccessful post-modern curricula on Indigenous students. Novak argues that developing a system of autonomous schools, freed from the restrictive rules and regulations that apply to the government school system, would allow highly-skilled and committed principals and teachers to embark on genuine change. School autonomy has the potential to transform failed government schools in remote Indigenous communities, lifting long-term Indigenous educational outcomes.





## Books



### Occasional Paper 100

#### **Welfare Reform and Economic Development for Indigenous Communities** | Noel Pearson

The need for a comprehensive reform agenda in Cape York Peninsula is real and pressing. This paper sets out a new framework for approaching the issues of disadvantage and dysfunction in Aboriginal communities in the Cape, derived from the work Nobel Prize winning economist Amartya Sen. Economic and social development is not more important than culture, but without economic and social advancement, Indigenous Australians are more likely to lose their cultural heritage and identity, not less.



### Occasional Paper 101

#### **Sensory Order and Economic Order: The Links Between Human Cognition and Economic Freedom in Hayek's Thought** | Julie Novak

While Friedrich August von Hayek's name will forever remain associated with economics, his original scholarly interest was cognitive psychology. In 1952 he wrote *The Sensory Order: An Inquiry into the Foundations of Theoretical Psychology*. This paper illustrates the connection between *The Sensory Order* and Hayek's economic thought. His psychological theories were profound in understanding how human beings acquire and communicate the subjective knowledge of the world that allows them to operate within different physical and human (including economic) environments. The arguments for economic freedom and competitive markets are substantially enriched by appreciating Hayek's work in human cognition.



### Occasional Paper 102

#### **The Ethic of Respect: A Left Wing Cause** | Frank Field

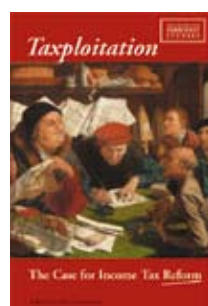
Nineteenth century Christianity bequeathed us a rich deposit of ethical values, including an 'ethic of respect.' This paper warns that the ethic of respect is rapidly being eroded with calamitous consequences and looks for secular equivalents that might restore values of personal responsibility and civic engagement. Field argues for changes to school curricula, new civic ceremonies, and a shift to conditional welfare. A century ago, public figures like school teachers, doctors and magistrates felt confident about expressing and enforcing common norms of behaviour. If we want to restore the ethic of respect, our civic leaders must rediscover this confidence.



### Occasional Paper 103

#### **Farewell to Liberty, Equality and Fraternity: Is the Left Still on the Left?** | Dirk Maxeiner and Michael Miersch • Translated by Wolfgang Kasper

In this publication, Maxeiner and Miersch argue that the new Left is now increasingly siding with anti-American dictators. The new Left connives to secure the privileges of the better-off on government payrolls and has little time for the aspiring battlers among the working class. Nor do the Red-Green elites of the present-day Left show much solidarity with the Third-World poor. Indeed, they try to deny them the benefits of globalisation and open trade. Not only with regard to protectionism do the new Left's slogans increasingly resemble those of the extreme Right, as both collectivist schools hark back to the promise of the state as the all-knowing, benevolent benefactor of last resort.



## Readings

### Reading 11

#### **Taxploitation: The Case for Income Tax Reform** | Edited by Peter Saunders

Australia's income tax system is riddled with distortions and disincentives that cry out for serious attention. In this publication ten eminent authors explain how and why Australia's system of personal income tax needs reforming. Outside of the Commonwealth Government there are mounting demands that something radical needs to be done to tackle these problems. This book looks at the options and demonstrates that the case for radical reform is now irrefutable.

# CIS in the Media

'The think tank born in Greg Lindsay's northern Sydney garden shed in the first year of the Fraser government has grown to become Australia's most influential.' (Ben Potter, *AFR*, April 2006)



CIS' profile in the media continued to grow in the first half of 2006. The Centre's 30<sup>th</sup> Anniversary received overwhelmingly positive media coverage, both within Australia and across the Tasman. Peter Coleman called CIS 'the most illustrious of Australia's think tanks and the champion of free markets and free enterprise' (*The Australian*, May 2006). Fran O'Sullivan in *The New Zealand Herald* said 'Australia's most prestigious independent think tank has had a profound influence on that country's policy choices' (May 2006). CIS was profiled in detail in *The Australian*, *The Australian Financial Review*, and *The New Zealand Herald*, and Greg Lindsay was interviewed with *The Australian's* Editor-at-Large, Paul Kelly, on ABC Radio National's *Counterpoint* programme, to mark this important milestone.



CIS' 30<sup>th</sup> Anniversary Dinner also attracted widespread media attention. CIS was delighted that so many members of the media were able to join us at the 30<sup>th</sup> Anniversary Dinner to help celebrate this special occasion.

CIS' research work has continued to receive extensive media coverage in 2006. *Are New Zealanders Paying Too Much Tax?*, the first of a series of tax papers to be produced by the Centre's newly-established New Zealand Policy Unit, generated considerable interest among New Zealand's media. Released in the lead-up to the government's 2006 Budget, Phil Rennie's paper changed the debate in New Zealand, forcing the government to defend its decision not to include tax cuts in its budget package. Rennie appeared on TV3 Nightly News, New Zealand's leading news programme, and on TV1's *Close Up*, New Zealand's premier current affairs programme. The paper was quoted widely in the print media—including leading newspapers *The Dominion Post* and *The New Zealand Herald*, and was the subject of heated debate in New Zealand's parliament.



Rennie's paper was an important contribution to the argument on tax reform in New Zealand, and future papers to be released by the New Zealand Policy Unit will seek to stimulate the debate further.

The Centre's work on income tax reform in Australia also received extensive media coverage. The release of *Taxploitation: The Case for Income Tax Reform* helped drive media interest, as did Peter Saunders' work on tax reform under the Social Foundations programme. Saunders has made twenty one radio appearances so far this year—including seventeen on tax reform—and is regularly interviewed on ABC Radio National's *Counterpoint*, *Life Matters* and *PM* programmes. His opinion pieces on tax reform have appeared in *The Australian*, *The Australian Financial Review*, *The Courier Mail*, *The Age*, *The Canberra Times* and *The Newcastle Herald*, and he was a regular contributor to opinion pages in other newspapers across Australia on issues as diverse as civility in public life and childcare.

The Centre's highly successful new **The Policymakers** lecture series has been well-received by the media. The first two speakers in the series—Parliamentary Secretary to the Prime Minister, Malcolm Turnbull, and ALP Shadow Finance Minister, Lindsay Tanner—generated widespread, positive media attention. *The Australian Financial Review* reported 'in his first significant speech since taking control of Howard Government water policy, Mr Turnbull said last night better returns on investment in water recycling and water infrastructure must be found. Mr Turnbull told The Centre for Independent Studies that, as with road infrastructure, the private sector should have an expanded role in developing and upgrading infrastructure for water.' Both lectures received widespread print, radio and TV coverage, the Turnbull lecture generating over a dozen stories in the print media alone.



## CIS Wins International Awards

In March 2006, The Centre for Independent Studies was awarded two prestigious international prizes by the US-based Atlas Economic Research Foundation.

CIS was awarded a *Templeton Freedom Prize for Excellence in Promoting Liberty* (under the *Free Market Solutions to Poverty* category), for its research and advocacy work on the economic and social problems facing Aboriginal and Torres Strait Islander communities.

The Centre was also awarded a *Templeton Freedom Award Grant*, a prize that recognises institutes around the world dedicated to advocating freedom, individual liberty and limited government. Greg Lindsay accepted the awards at a special presentation in Colorado Springs, USA in April.

CIS was delighted to receive international recognition for its work, and hope that the awards will draw greater attention to the important work of the Centre's Indigenous Affairs Research Programme, and to its work more generally.



From left: Alejandro Chafuen, Greg Lindsay and Arthur J. Schwartz Executive Vice President, John Templeton Foundation

### Think Tank Roundtable

Soon after receiving these awards, and coinciding with the Centre's 30<sup>th</sup> Anniversary celebrations, Alejandro Chafuen, CEO and President of the Atlas Economic Research Foundation, and Colleen Dyble (Atlas' Director of Coalition Relations) visited CIS and led a discussion on the work of think tanks around the world. Chafuen noted the impressive growth of think tanks globally, and outlined the challenges that still face many organisations, particularly those think tanks that seek to contribute to domestic policy debates in politically difficult environments.



Lunch hosted at the CIS for Alejandro Chafuen, and Colleen Dyble

[www.policymagazine.com](http://www.policymagazine.com)

In its twenty-second year, *Policy* continues to publish a wide range of articles and reviews on economics, social issues, law, politics and international relations.

Joseph Clark's 'Shares in People', the cover story for the Autumn issue, offered an innovative way of financing university education. Instead of bank loans or government schemes like HECS, Clark proposed investors financing students' education by buying shares in their future income. The article sparked considerable media interest. Clark was interviewed on Macquarie Regional Radio and on Radio Adelaide's 'The Wire', and had an extract of his article published in *The Australian*. The Autumn issue also carried an interview with Greg Lindsay to mark CIS' 30<sup>th</sup> anniversary.

In the Winter issue, Peter Saunders used survey data to describe a distinct group of professionals he dubs the 'Opinionators', people working in opinion-forming occupations such as journalists, political advisers, teachers and social workers. They hold views that mark them out from the general Australian community, and are Labor's strongest supporters on a two-party preferred basis.

Two new CIS staff are helping with *Policy's* production. Dominic Rolfe, who edits all other CIS publications, is now Assistant Editor with Andrew Norton remaining as Editor. Sophia Austin has taken over *Policy's* production and design from Carolynn Chen.



Autumn 2006



Winter 2006

### ePreCIS

The CIS electronic news bulletin, ePreCIS, keeps subscribers informed about CIS news, events, publications and research. To receive ePreCIS on a monthly basis, please contact our Public Affairs Officer with your subscription request at [media@cis.org.au](mailto:media@cis.org.au) or on (02) 9438 4377. Alternatively, you can subscribe via the CIS website [www.cis.org.au](http://www.cis.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 the media memo by contacting [media@cis.org.au](mailto:media@cis.org.au).



## CIS Staff and Board of Directors

### New Staff

**Sophia Austin** has been appointed Publications Manager. She has a Bachelor of Digital Media from UNSW and previously worked in the graphics and web design industry before joining CIS in January 2006.

**Miranda Darling** is a Policy Analyst with the Centre's Foreign Policy Research Programme. Miranda graduated from Oxford in 2003 and worked at the Centre for Strategic and International Studies in Jakarta, before completing a Master of Strategic Affairs at ANU.

**Phil Rennie** is a Policy Analyst working in the Centre's New Zealand Policy Unit. He has a BA and a law degree from Victoria University in New Zealand. He has worked previously as a Researcher and Press Secretary for the New Zealand National Party and as a Researcher for the NZ Institution of Professional Engineers.

**Dominic Rolfe** is the Centre's new Editor. He has a Bachelor of Engineering/Arts from the University of Wollongong and a Masters of International Studies from the University of Sydney. He previously worked as a legal editor before joining CIS in March 2006.

**Gina Schwass** has been appointed Public Affairs Officer. She has a BA and a Master of International Law from the University of Sydney and previously worked for the Department of Foreign Affairs and Trade, before joining CIS in March 2006.

**Kirsten Storry** is a Policy Analyst working on the Indigenous Affairs Research Programme. She has a Bachelor of Arts/Laws from the University of New South Wales and is completing a Master of Public Policy at ANU. She has worked with the Attorney General's Department, DFAT, and Australian Law Reform Commission.

**Amy Vautin** is the new Subscriptions & Events Assistant. She has a BA from the University of Newcastle and has previously worked in student relations and as a journalist for a rural newspaper.



*Back Row from left:* Amy Vautin, Gina Schwass, Kirsten Storry, Christi Spring, Jennifer Buckingham, Peter Saunders, Prescila Chang, Dominic Rolfe, Gaurav Sodhi, Jenny Lindsay, Arti Sharma, Sophia Austin

*Front row from left:* Jane Blumer, Phil Rennie, Greg Lindsay, Miranda Darling, Leonie Phillips, Susan Windybank

*Absent:* Andrew Norton, Judy Kay, Barry Maley, Owen Harries, Helen Hughes

## CIS Appoints New Board Members



*From left:* Gordon Cairns, Sir Rod Eddington, Peter Yates

Swire & Sons Pty Ltd, Rio Tinto and CLP Holdings. Sir Rod was Chief Executive of British Airways from 2000–2005, Executive Chairman of Ansett Australia from 1997 to the beginning of 2000, and Managing Director and CEO of Cathay Pacific Airways from 1992–1996.

**Peter Yates** is Managing Director of Allco Equity Partners Limited. From 2001–2004 he was CEO of Publishing and Broadcasting Limited. Prior to this he worked in the Investment Banking industry, including 15 years with Macquarie Bank. Peter is Chairman of the Australian Science Media Centre, Deputy Chairman of Asialink, a member of the board of the National Portrait Gallery, the Australian Chamber Orchestra and the Royal Children's Hospital Foundation (Victoria).

**Gordon Cairns** is a Director of Westpac, Seven Network Limited and Opera Australia, and a member of the Asia Pacific Advisory Board of CVC Capital Partners and Calburn Partnership. He has held a wide range of senior management positions with Nestlé, Imperial Foods, Cadbury Schweppes, and Pepsico, and was Chief Executive Officer of Lion Nathan Limited from 1998–2005.

**Sir Rod Eddington** is Chairman of JPMorgan (Australia & New Zealand), and Victorian Major Events Company. He is also a non-executive Director of News Corporation, John

## Board of Directors

Michael Darling (Chairman)  
Chris Roberts (Deputy Chairman)  
Greg Lindsay AO (Executive Director)  
Marco Belgiorio-Zegna AM  
Gordon Cairns  
Robert Champion de Crespigny AC  
Michael Chaney AO  
Dr Peter Dodd  
Bob Day AO  
Chum Darvall  
Sir Rod Eddington  
Dr Peter Farrell AM  
Ross Grant  
John M. Green  
Robert McLean  
The Hon. Ruth Richardson  
Steven Skala  
Geoff Ricketts  
Dr Don Turkington  
Steven Wilson  
Peter Yates

## 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

## Honorary Auditors

Horwath (NSW) Pty Limited

## Honorary Solicitors

Abbott Tout  
James Beatty & Associates

## Staff

Greg Lindsay AO | *Executive Director*  
Sophia Austin | *Publications Manager*  
Jane Blumer | *Office Administration*  
Prescila Chang | *Bookkeeper*  
Judy Kay | *Office Administration*  
Jenny Lindsay | *Student Programme Coordinator*  
Leonie Phillips | *Events Coordinator*  
Dominic Rolfe | *Editor*  
Gina Schwass | *Public Affairs Officer*  
Christi Spring | *Development Officer*  
Amy Vautin | *Events and Subscriptions Assistant*

## Research Staff

Jennifer Buckingham | *Research Fellow*  
Miranda Darling | *Research Fellow*  
Stephan Freitag | *Adjunct Scholar*  
Owen Harries | *Senior Fellow*  
Professor Helen Hughes AO | *Senior Fellow*  
Barry Maley | *Senior Fellow*  
Andrew Norton | *Research Fellow, Editor of Policy*  
Professor Peter Saunders | *Social Policy Research Director*  
Phil Rennie | *Policy Analyst*  
Arti Sharma | *Policy Analyst*  
Gaurav Sodhi | *Policy Analyst*  
Kirsten Storry | *Policy Analyst*  
Susan Windybank | *Research Fellow*

## Distinguished Fellows

Professor Ray Ball  
Michael Darling  
David Darling  
Dr Roderick Deane  
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

Gina Schwass

## Publisher

Greg Lindsay

## Designer

Sophia Austin

## July 2006

Print Post PP  
244371/00006  
ABN 15 001 495 012

## Australia

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

## New Zealand

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