

# **A LIBERTARIAN PRIMER** *FOR FUTURE LEADERS OF WESTERN AUSTRALIA*

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## Dedication

Learning about liberty occurs either in practice or theory. This can happen from living under an oppressive government or reading accounts of the struggle against tyranny. In Western Australia, where we are still relatively free, many young (and now not so young) students have been introduced to the idea of liberty by Ron Manners and the Mannkal Economic Education Foundation.

By investing in student experiences, Mannkal has opened a window, often firmly closed at university, to a different way of looking at the world. Eschewing grander projects to immortalise his name, Ron prefers to keep himself out of the limelight – recognition and plaques are unimportant. Rather, what matters most is what students do and how they employ their knowledge after returning from a Mannkal internship or conference. As of mid-2014, there have been over 600 Mannkal interns who are beginning to undertake positions of responsibility. There are big expectations for these and the next 600.

All of those who have contributed to this publication are either previous Mannkal interns or colleagues from some point in Ron's life. Similar to a mining lease which one day will be developed into a major mine, employing thousands of people, it is the long-term perspective which matters for Ron. This starts with a vision and entrepreneurial spirit. Building something from nothing and then passing it on to the next generation to improve or innovate is an important theme at Mannkal. To Ron, the potential of both a mining lease and a bright young student are limitless. Each needs to be nurtured and encouraged in the right direction. Success for a student afterwards is based on ability and drive.

This book is dedicated to the student about to embark on the adventure of life and starting to learn about liberty. They will necessarily be looking to the future, but will first need to know how we arrived at this point. It will be up to one of these students, equipped with more knowledge about liberty, to write the next chapter of this story.

*Andrew Pickford, Research Fellow and Advisory Council,  
Mannkal Economic Education Foundation*

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## Forward- Investing in the Future

I was first introduced to the idea of liberty through a weekend conference run by the Centre for Independent Studies (CIS) in Sydney. Having gone through university in the late 1990s, I was largely unaware of many of the tensions between the individual and the state. However, over this one weekend, I was forced to reconsider the role of the state. While not an epiphany, it stirred me to action and drove my interest in understanding and defending liberty, especially back in my home state of Western Australia.

Upon returning to Perth, I began plans for a venture to replicate my Sydney experience for Perth students. After talking to potential donors, community leaders and entrepreneurs for a few weeks, during one meeting I was bluntly told: “go talk to Manners.” So I rang and made an appointment with Mr Ron Manners and met him to discuss my plans. At the meeting, Ron patiently listened to my spiel and vision (unbeknownst to me at this point was that he probably anonymously supported my scholarship to attend the CIS conference).

By the end of the meeting with Ron, I was tasked with organising a conference and various other projects for Mannkal Economic Education Foundation. Having been given a long leash, but with very clear expected outcomes, I set out organising and running the event called Freedom Factory. Shortly afterward I started organising international internships and put many of Ron’s ideas into action. Some five years later, I moved to Canada and was farewelled by Mannkal.

Working with Ron had been exciting, frustrating, surprising and always interesting. However, it was only at my going away function, when I saw the returned Mannkal interns about to start their exciting careers and passing on their insights to the next group, that I finally understood what Ron was trying to achieve: it was an investment in the future.

Each time Mannkal sent a bright Western Australian student to a corner of the earth to intern in a think-tank, we were trying to give practical advice and an intellectual foundation to get the most out of their experience. As a student of history, I was often surprised by how little these students knew about the struggles for liberty in Australia and the recent political past. Lamenting on this to my wife one day, she explained in very clear terms: “you are a political nerd and many of these students have other interests”. Another factor was at play: age. By the mid-2010s, undergraduates were generally born in the 1990s. This was after the Berlin Wall came down, with one of their earliest memories of a major event being the September 11 terrorist attacks.

Realising the gaps in the experiences and historical awareness of students, I began scouring books and articles for material for them to read. Of course, they could be sent home with books by Hayek, von Mises or Rand, but something more local was important. Ideally, this should be about the application of libertarian ideas in Australia and specifically Western Australia. My searching revealed that the only document which would serve as a ‘primer’ was a 1987 political science thesis written by Bill Stacy at the University of Western Australia. Bill wrote *Libertarianism in Australia’s ‘New Enlightenment’* and was Mannkal’s first ‘intern’, (he had collected some of the material for his thesis from Ron’s storage shed in Kalgoorlie).

After a discussion with Ron and Bill we decided to use *Libertarianism in Australia's 'New Enlightenment'* as the basis to introduce the ideas of liberty, libertarianism and classical liberalism to the future Mannkal interns.

Older readers and those immersed in think-tanks will probably say that this text is too basic and contains information everyone already knows, and this may be the case. However, as of 2014, it mostly has never been written down and drawn into one document. There is also a tendency for libertarians to become very focused on one aspect of liberty and immersed in detail, while skipping over depth and context. I have said at many Mannkal events and briefings that before we debate the nuance of thought between Hayek and von Mises, we first must explain what liberty is and the basics of Austrian economics.

The following pages contain an updated version of Bill Stacey's original thesis. There is also a chapter, summarising the developments up to 2014, as well as some of the long-term outcomes of earlier debates. Suggestions for further readings have also been included, as have some material on an overlooked aspect of Australian political history: the story of the Workers Party and how this changed the tone of Australian political debate.

For those seeking this document in order to champion or deride a political party, this will be disappointing because libertarian ideas can be taken up by any political party. This document is put together for the next generation of Western Australians who will hopefully remember some of these ideas when they are leading business and government. In time, it will be re-written and updated by another former Mannkal intern.

*Andrew Pickford, Mont Tremblant, Quebec, Canada  
February 2014*

## Introduction- Bill Stacey in 1987 – Ahead of His Time?

*Libertarianism in Australia's 'New Enlightenment'* was Bill Stacey's choice of title for his 1987 University of Western Australia Honours thesis. His document has evolved into this four-decade evaluation of Libertarian free-market attempts to restrain Australian governments. It is satisfying, at last, to see Bill Stacey's thesis being recognised and demanded by so many people.

Back in the early 1970s I was one of about ten like-minded individuals around Australia who came together (almost by accident) in response to the latest bout of 'over-government disease'. We welcomed each other as part of a 'remnant' who still believed in the power of the marketplace to solve most of our economic problems.

Then, there was almost no libertarian published material for us to circulate, no standard reading list (and certainly no extensive collection of YouTube videos and internet URLs) but now, in the mid-2010s, when I look at the wide range of intellectual 'ammunition' available to today's 'intellectual freedom fighters' I am almost consumed with envy (a particular emotion for which I am not programmed). Can I commend this wide range of information to the next generation of those who value the importance of the battle of ideas? Absorbing this information will not only make your life more interesting but it will assist in your own economic survival—which is important if you are to play a role in Australia's ongoing prosperity.

Governments (like most diseases) have a natural tendency to continue to spread if unchecked; however, I would not like to leave you with the impression that libertarianism is far removed from Australia's mainstream thinking. It is not some simple-minded paranoia about government. And contrary to the occasional comments from the 'political class', it is in fact a humane philosophy which reconnects the classical liberal tradition to the current political quagmire.

A careful study of Bill's thesis document and other supporting documents in this volume is designed with only one thing in mind. That is, to link friends of limited government together and focus on the single objective of developing overall strategies to reinforce individual responsibility as opposed to the current politically inspired 'entitlement disease' which is encouraged by Australia's major political parties as a way of reinforcing our dependence on them for our continued existence. There is the philosophy that inspired Frédéric Bastiat's comment back in 1850 when he said, "Everyone wants to live at the expense of the state. They forget that the state lives at the expense of everyone."

The libertarian assumption is that our human species, rich and poor, would prosper and would develop self-reliance if governments were restrained to doing only those few things that can be classified as the 'legitimate role of government'—for example, external defence, internal law and order and maintaining registers of titles, etc, in the interests of protecting our property rights.

Libertarians or free-marketeers share varying visions of a better future for our nation, but hold the common belief that without restraints on government encroachment on our individual liberties, Australia's true potential will forever remain a shimmering, but illusive, mirage just out there beyond our reach. In our present condition, swamped by a *tsunami* of 'entitlements', Australia will continue to wallow.

Hopefully, future governments will encourage a culture of individual initiative to replace our suffocating entitlement mentality, and allow Australia to evolve into dynamic adulthood. Meanwhile, please enjoy Bill Stacey's original works and this selection of supplementary readings.

*-Ron Manners, Chairman, Mannkal Economic Education Foundation*

# Libertarianism in Australia

*Andrew Pickford, Senior Fellow, Mannkal Economic Education Foundation*

Although the world in which Bill Stacey wrote his 1987 political science thesis was very different than today, many of the debates are strangely familiar.

There has been an enormous amount of activity in the libertarian movement. Technology has opened many new opportunities for collaboration and advocating ideas. This has made distance less of a tyrant and has created and connected diverse communities of libertarians. It has also meant closer alignment with international libertarian debates. Unfortunately, this also may have diluted some of the uniquely Australian flavour of the Workers Party era ideas and concepts. For this reason, we have deliberately included material about the Workers Party and traced their impact on Australian political thought.

In the period since Bill Stacy wrote *Libertarianism in Australia's 'New Enlightenment'*, many political leaders now use the language of liberty but often betray these ideas through their actions in government. This highlights the tactical risks of pinning hopes for liberty on the coat tails of any political party which is aiming first for power and office, and only incidentally for liberty.

The 1998 financial crisis was a seminal moment for libertarian ideas in Australia. It ushered back in many aspects of older, bad economic policy and was met with surprisingly little resistance, showing just how fragile the consensus for market economic policies was. This undermined the legitimacy of free market ideas in the popular mind, whilst reinforcing for libertarians the dangers of a middle way and the value of the more radical libertarian critiques of monetary and economic policies.

Another issue which has manifested post-1987 has been the excuse to expand the state in the name of the environment. It was one of the central perspectives that rolled back market friendly policies and was used to challenge both those policies and the ethical foundations of market views. Environmentalist views and associated communitarian thinking subsumed the traditional Marxist-influenced and social democratic arguments of the left. For the first time after many years, this mobilised the youth and larger numbers with some fervour for leftist causes. While this development became a global trend, it was particularly important in Australia. The libertarian movement's response has taken a long time to engage directly with the changed thinking of the left, but it is now doing so much more effectively.

Reprinting *Libertarianism in Australia's 'New Enlightenment'* and including an update on the role of libertarianism will help some of the next generation to better understand the history of the libertarian movement in Australia and the challenges which lie ahead. We have deliberately kept most of the original text of Bill Stacey's thesis, only adding minor editorial comments for subjects and individuals who in 2014 are as not well known as they were in 1987.

## Chapter One The Theory and Ideas of Libertarianism

*Bill Stacy, Chairman Lion Rock Institute, Hong-Kong*

Libertarianism has a background which can be traced to diverse origins. In many respects it is derived from the ideas of Classical Liberalism, Individualist Anarchism and Laissez-Faire and is a fellow traveller with modern schools of Public Choice Theory, Economic Rationalism, the Chicago School of Economics, Neo-Conservatism and other theories which are concerned about the role of the state. Nonetheless, when compared with these other contemporary developments, libertarianism emerges as a more radical defence of the free-market and limited government. Yet it is more than a radical development of other, more “moderate” ideas. Since libertarian theory can stand on its own as a proponent of its particular concept of liberty.

In outlining the important aspects of libertarian thought it will also be necessary to consider the most important criticisms of them.

Libertarianism cannot readily be classified in terms of a “left-right” political spectrum [John] Hyde<sup>1</sup> [former Member of the House of Representatives, well known “Dry” advocate and current Mannkal board member] has pointed out the free-marketisers in the French Parliament which gave rise to that classification sat on the left of the house. Despite this however those aspects of libertarianism, which support property rights, the market, and oppose state provision of charity, have often been associated with the “right” in contemporary usage. On the other hand libertarians will invariably defend personal freedom in areas such as the use of narcotics or the role of the state with respect to choice of lifestyle or private sexual habits, which are more commonly associated with the label “left”. Therefore, in both social and economic situations, the libertarian position can be described as “liberal”.

Separating libertarian ideas from what has been traditionally known as liberalism is a difficult task. The term libertarian has quite explicitly been coined to overcome what was seen as changes in the use of the term “liberal”, particularly in the United States, where it is used to describe “progressives” who advocate an active role for the state in the redistribution of income and the care for people and groups who are seen as disadvantaged by the operation of the market.

In “Why I Am Not a Conservative”<sup>2</sup>, F. A. Hayek,<sup>3</sup> while expressing disappointment with changing usage’s of the term “liberal”, acknowledges that a new label describing the beliefs of those advocating the principle of limited government, the rule of law and free markets might now be needed. He dislikes the “libertarian” label for aesthetic reasons more than any other. In the terminology of Hayek, libertarianism, though deriving from that school of thought described as classical liberalism is sufficiently unique to make it independent from the liberal tradition with which it shares common heritage. These differences are illustrated by the affinity which many libertarians<sup>4</sup> feel with “Individualist anarchist” writers.<sup>5</sup> The impact of these ideas on

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<sup>1</sup> Hyde, John. “The Dry Side” in *The Weekend Australian*.

<sup>2</sup> Hayek, F.A. “Why I Am Not A Conservative” in *The Constitution of Liberty*, Routledge and Kegan, Paul, London, 1956.

<sup>3</sup> [Twentieth century economist, philosopher, and defender of classical liberalism. Argued conservatives were only equipped to apply a ‘hand brake’ on undesired change, it did not present alternative positive action.]

<sup>4</sup> eg. see Rothbard, M. N. *The Ethics of Liberty*, Humanities Press, New Jersey, 1982.

traditional liberalism has been negligible. However, the conclusions of libertarian arguments are predominantly based on assumptions and approaches to the analysis of questions in political thought which are similar to those usually described as liberal.

Libertarianism has been thought of as a revival of the ideas of classical liberalism.<sup>6</sup> This elucidates some of the historical background of libertarianism, however libertarian authors and others influenced by their work have added to those earlier ideas original arguments and the benefits of contemporary experience. Liberalism in part emerged as a response to the rule of absolutist<sup>7</sup> European monarchs. Libertarianism draws on the experience of an era when monarchy has all but disappeared but the power of the state is seen as not having greatly diminished, still offering a threat to people and civil society.

### *Libertarianism, Rights and Government*

Libertarianism, in keeping with its heritage in classical liberalism, begins its consideration of the type of social organisation appropriate to the human race with assumptions about human nature. Only some, universally applicable, characteristics of human nature are relevant to libertarian theory. Considerations of “human nature” are the “state of nature”, as examined in the classical works of Hobbes and Locke, are closely linked since the “state of nature” is developed into an abstraction within which the consequences of “human nature” for human interaction can be examined.<sup>8</sup>

Amongst the fundamental characteristics of human nature stressed by libertarians are the requirement for purposive action to maintain one’s existence, the human capacity for reason as a means of guiding that action and the requirement for interaction between individuals to secure at least those minimal conditions for existence. From these first principles many libertarian theorists develop their entire theories of politics, economics, law and “human action”. However, important distinctions must be made between those theories essentially descriptive or analytical of human behaviour,<sup>9</sup> and those which use them to develop normative theories about the proper role of the state.<sup>10</sup>

A great deal has been said of the assumption of “self-interested” individuals in libertarian writing. Similarly, the characterisation of “market man” as acquisitive, naturally unequal and self-serving is regarded by critics of libertarian writing as ontologically prior to “social man” in libertarian theory and, therefore, inaccurate.<sup>11</sup> However, these characteristics must logically be of a secondary, or derivative, order to libertarian writers. With self-interest deriving from the reasoning of individuals and shelter and acquisitiveness deriving from the needs for existence (food, clothing). The logic of libertarian arguments must be universally applicable. Clearly, rights, and other factors in human interaction apply even to those who, like the critic, consider themselves guided by other than self-interest or acquisitiveness. Indeed, this very diversity of human ends is basic in libertarian theory.

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<sup>5</sup> eg. see Lysander Spooner, “The Indefensible Constitution” in Woodcock, G. *The Anarchist Reader*, Fontana, Glasgow, 1980. Pgs 103-107.

<sup>6</sup> pgs20-21, Sawyer, M. (ed) *Australia and the New Right*, George, Allen and Unwin, Sydney, 1982.

<sup>7</sup> [A system of governance characterised by unrestricted/unfettered power.]

<sup>8</sup> eg see Nozick, R. *Anarchy, State and Utopia*, Basil Blackwell, London, 1984. Pgs 3-25.

<sup>9</sup> such as Mises, L von. *Human Action*, 3<sup>rd</sup> Revised Edn., Henry Regnery, Chicago, 1966. esp. pg 11-29.

<sup>10</sup> such as Rand, Ayn. *Atlas Shrugged*, Signet, New York, 1956 .Or Nozick, R. *op. cit.*

<sup>11</sup> see Sawyer, M. *op. cit.* pgs 34-35.

These secondary characteristics derive from the concept of “individualism” which has two difference aspects: “ethical individualism” and “methodological individualism”. Ethical individualism as typified by the works of Ayn Rand,<sup>12</sup> founds ethics in the consideration of individuals actions and individual rather than collective effects and benefits. Typically a morality of “rational self-interest” or “rational egoism” is proposed as a guide to individual action and as a source of generalisations about what behaviour is legitimate in public affairs.

Methodological individualism is the means which authors in the libertarian tradition propose as the basis for the study of human societies. Founded in the study of “the actions of individual men”,<sup>13</sup> this approach is emphasised by the “Austrian School” of economics, and adopted by Public Choice<sup>14</sup> theorists<sup>15</sup> who seek to explain the actions of individual decision makers in terms of furthering their own interests, however they are defined.

Though the consideration of “rights” is amongst the most difficult problems of political philosophy and related studies, many libertarian writings are grounded in a theory of rights. Rothbard establishes a “non-aggression” axiom as the basis of the “libertarian creed”.<sup>16</sup> He suggests three general foundations for this axiom of which the natural rights foundation is only one. Utilitarian defenders of libertarianism reject the notion of “natural law” or “natural rights” on ground widely upheld by mainstream philosophy.<sup>17</sup>

This central axiom is epitomised by the fundamental principle of the Australian Progress Party [see Appendix 1], which states “No person or group of people has the right to initiate the use of fraud, force or coercion against any other person or group of people”.<sup>18</sup> This axiom is derived from a theory of rights rather than being a statement of the theory itself.

The foundations of a theory of “human rights” are divided between those who base the theory on a fundamental “Right to Life”<sup>19</sup> or those basing it on a Lockean formulation of property rights,<sup>20</sup> amongst which is the essential inalienable right to property in one’s person. From these rights - which form the basis of legal and ethical side-constraints against assault, slavery, conscription, murder and other crimes against the person - are derived rights to property in the form of the products of one’s labour and the right to trade those products. Whilst the status of “real property” presents problems to libertarians, these are usually met by following Locke’s argument that if “he hath mixed his labour with it, and joined it to something that is his own, [he

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<sup>12</sup> esp. Rand, Ayn. *The Virtue of Selfishness*, Signet, New York, 1965. pgs13-35. [Rand developed the philosophy of ‘Objectivism’. Best known for her works, *The Fountainhead* and *Atlas Shrugged*. Promoted the morality of self-interest or “ethical egoism”, claiming that altruistic behavior was destructive.]

<sup>13</sup> Mises, L von. *Human Action*, op. cit., pg 41.

<sup>14</sup> [Theory developed by James Buchanan, Nobel prize winning economist. Public Choice essentially applies economic methodology for political analysis.]

<sup>15</sup> See Buchanan, J. M. and Tullock, G. *The Calculus of Consent*, University of Michigan Press, Michigan, 1962.

<sup>16</sup> Rothbard, M. N. *For a New Liberty*, (1<sup>st</sup> edn.), Macmillan, New York, 1973. Pgs 23-24.

<sup>17</sup> This is the approach of von Mises, who as a Utilitarian liberal dismissed the “nonsense upon stilts” of Natural Law. His Utilitarian position is examined by Murray N. Rothbard in Dolan, E.G. *The Foundations of Modern Austrian Economics*, Sheed and Ward, Kansas City, 1976. Pgs 99-109.

<sup>18</sup> The Constitution of the Progress Party of New South Wales.

<sup>19</sup> eg Rand, Ayn. “Mans Rights” in *The Virtue of Selfishness*, op.cit., pgs 92-106.

<sup>20</sup> eg Nozick, R. *op. cit.*, pgs 28-35, 178-182.

thereby makes it his property.”<sup>21</sup> Friedman<sup>22</sup>, however, points out that only a fraction of all capital in the United States is “real property”; most is improved land, machinery, household items and such, which have clear origins in either the labour or thought of individuals and has subsequently been traded.

The consequences of these rights lie in the realms of individual action, politics, the role of the state, and the law. Libertarians see the law as prior to the state.<sup>23</sup> The law provides constraints on the action of all individuals, even those who might act on behalf of government. At this point “anarcho-capitalist” libertarians conclude that the state itself must necessarily infringe rights to choose those who will protect person and property, to choose an independent arbitrator, and will infringe rights to property by enforcing payment for those services which it monopolises:<sup>24</sup> thus the libertarian injunction that “Taxation is Theft”, turning Proudhon’s claims about property on their head.<sup>25</sup> Indeed taxation and theft are seen as almost exactly analogous; both involve coercively enforced appropriation of property which is then used for purposes decided independent of the wishes of the original owner.

In another formulation of the argument that taxation and therefore, the state, is immoral, Rothbard says the income tax is a form of slavery, or involuntary servitude, in which a percentage of one’s labour must be devoted to the state before private purposes can be considered.<sup>26</sup> The analogy is drawn between the taxpayer and medieval serfs who might give, say, a quarter of their produce or three months of the year to their overlord, in return for protection.<sup>27</sup>

The libertarian concept of “rights” limits individual action only to the extent that other people’s equal rights are not infringed. Thus it has been branded as a system of “negative rights”.<sup>28</sup> Commonly, libertarians will deny a right to welfare payments, minimise sustenance, shelter or support for those unable to support themselves, on the grounds that these are in themselves not rights (although there might be reasons for voluntary support), and that providing for these claims will infringe the actual rights of taxpayers. Similarly, “negative” liberty prevents the consideration in law of “victimless crimes” such as drug taking, prostitution, lewd writing, homosexuality, and other matters of private concern, which will not directly infringe the liberty of another person. Libertarians also acknowledge the problems associated with “public goods”, posing private ownership (property rights) and associated flowing responsibilities as a positive action to address the ‘tragedy of the commons’.<sup>29</sup>

To this point most libertarians who accept the “natural rights” argument agree, but in examining the question of how people’s “rights” will be ensured they diverge. According to the “anarcho-capitalist”,<sup>30</sup> rights should be secured by the actions of

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<sup>21</sup> Locke, John. *Two Treatises of Government*, Everyman Edition, Dent, London, 1984. Pg 130.

<sup>22</sup> Friedman, David. *The Machinery of Freedom*, Arlington House, New York, 1978. Pgs 3-14.

<sup>23</sup> Hayek, F.A. *Rules and Order* Vol.1 of *Law, Legislation and Liberty*, Routledge and Kegan Paul, London, 1973. Pg 72.

<sup>24</sup> see Rothbard, M. N. *The Ethics of Liberty*, op. cit..

<sup>25</sup> Proudhon in Woodcock, G. *op. cit.*, pg 65.

<sup>26</sup> Rothbard, M. N. *For a New Liberty*, op. cit., pgs 93-95.

<sup>27</sup> Dematteis, P.B. “What is Libertarianism” in *Southern Libertarian Messenger*, Vol.11, No.10, pg 4.

<sup>28</sup> eg Eric Mack “Individualism, Rights, and the Open Society” in Machan, T.R. *The Libertarian Alternative*, Nelson-Hall, Chicago, 1974. Pgs 21-37. or Machan, T. R. *Human Rights and Human Liberties*, Nelson-Hall, Chicago, 1975.

<sup>29</sup> Rothbard, M. N. *For a New Liberty*, op. cit., pgs 253-278.

<sup>30</sup> [Libertarians who support the abolition of the traditional ‘State’.]

agencies formed for this purpose by those wishing to secure their rights.<sup>31</sup>Based on the different choices which people might make about the rights protecting agency most appropriate to them, a complex system of institutional arrangements will evolve to prevent infringement of rights, provide restitution on the violation of rights and resolve disputes between parties involved.<sup>32</sup>This leads the anarcho-capitalist to reject the legitimacy of the state, and with it notions of sovereignty, nationhood (in particularly the modern nation state), and parliaments, among other things. This has lead critics to describe the anarchist strain of libertarianism as a denial of politics.<sup>33</sup>The anarcho-capitalist theorists combine the conclusions of anarchism that the state is immoral, with a well-developed theory about the mechanisms for voluntary action which will perform the necessary functions which have traditionally been the role of the state.

Another libertarian response to this problem of rights is to suggest that the preservation of rights provides the sole rationale for the existence of the state.<sup>34</sup> Thus, the state protects rights through a system of courts to prove determination of rights infringements and to arbitrate in disputes about property rights; a system of police to enforce those determinations; and a defence force with the function of protecting this framework from external threat. For the libertarian these functions are to be minimal. Hence the “minimal state” which is an essential, though not sufficient condition for libertarian democracy. It is at this juncture that the libertarian concern about the corrupting effects of power is most discernable. Thus, the need for institutional limits on both state and government through radical versions of such classic measures as constitutionalism, division of powers, Bills of Rights limiting the sphere of government interests, public scrutiny and other means. In these matters libertarians consider that the liberal state has failed, becoming manifestly *etatist*.

For all libertarians the essential characteristic of the state is its monopoly of the legitimised use of coercion in a given geographical area. Minimal state libertarians argue that this monopoly is legitimate if used in proportional retaliation against infringements of people’s rights. For anarcho-capitalists however, this monopoly itself infringes rights, and grants monopolies in the very area where they might be most dangerous. Advocates of a minimalist state are not hostile to government as a structure, but they are opposed to the expansion of State power without strict limitation.<sup>35</sup>

In providing a comprehensive critique of the modern state, libertarianism, at least superficially, shares ground with Marxism. However, as illustrated by Rothbard, it is grounded in concepts of natural law and shares with conservatism the idea of defending rights, not through legislation per se, but through appeals to longstanding traditions, precedents and procedures, which have evolved over time.<sup>36</sup>

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<sup>31</sup> *ibid.* pgs 219-250.

<sup>32</sup> eg see Barnett, R. “Pursuing Justice in a Free Society” in *Criminal Justice Ethics*, Summer/Fall 1985 and Winter/Spring 1986.

<sup>33</sup> Newman, S. L. *Liberalism at Wits End*, Cornell University Press, 1984. Pg 162.

<sup>34</sup> eg see Rand, Ayn. *The Virtue of Selfishness*, op. cit., pgs107-115.

<sup>35</sup> [John Locke – Second Treatise of Civil Government or ‘constitutionalism’]

<sup>36</sup> Rothbard, M. N. *The Ethics of Liberty*, op. cit.

The “Minimal-state” libertarian’s theory of government has strong affinities with the “laissez- faire” school of classical liberal thought, particularly concerning free trade and economic regulation.

Whilst the rights based theories of libertarianism are founded in philosophical speculation, utilitarian proponents of liberty base their conclusions on the study of the means appropriate to achieving given ends. They argue (and other libertarians agree) that if the desired ends are individual freedom and maximum prosperity then, of the alternatives proposed, that of the free-market is the most efficacious means of preserving liberty and economic prosperity. The market, according to libertarians, is based on voluntary exchange agreements and contracts, which through mutual consent can infringe the rights of neither party.<sup>37</sup> (There are some interesting issues here - Rothbard argues that since property rights in one’s body and will are inalienable - a voluntary commitment to service in the form of selling yourself into slavery is illegitimate and therefore void. Similarly, contractual agreements must not infringe the equal rights of third parties).

In this, libertarians have been greatly influenced by the “Austrian” school of economics. Through its critique of the “labour theory of value”, Austrian theory provides substantive grounds to challenge Marxism as an alternative means of examining capitalist production.<sup>38</sup> In particular, the Austrian school rejected the “economic planning” of socialism<sup>39</sup> and the very idea of a “mixed economy” which, Hayek, in *The Road to Serfdom*<sup>40</sup>, argues will lead to an ever increasing intervention in people’s affairs by government.

In the tradition of “value free” social science, the Austrian theory cannot comment, for example, on the ethical proposition that taxation is wrong. It can demonstrate the effects of different systems of taxation and provide criticisms of the uses of tax funds. According to the “Austrian” economists regulation will fail for numerous reasons. Amongst these are the Principle of Uncertainty (or imperfect knowledge) and the assumption of purposive human action.<sup>41</sup> Uncertainty will hinder regulation since the regulator can never know all of the factors which might impact on decisions and flow from them. The market, as a complex system of price signals sending information about the decisions of all participants, cannot be duplicated or anticipated by the regulator.

The classic example of the type of problem faced is that of price control.<sup>42</sup> If governments, or their agents, determine a fixed price for a good, they will do so either below the price it would otherwise trade at to prevent consumers becoming unable to afford the product, or above that price to provide support for producers. It is almost a truism in economics that the lower than market price will lead to shortages, an example being the availability of housing under rent controls, while the high price will lead to surpluses as the “mountains” of European Economic Community agricultural produce illustrate. Thus the would-be controller of prices must often seek to approximate the market price anyway. Even knowing the consequences of a control,

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<sup>37</sup> Barnett, R. *op. cit.* pg 48.

<sup>38</sup> eg see Mises, L von. *Socialism*, Jonathon-Cape, London, 1936. Pg 133.

<sup>39</sup> *ibid.*, pgs 211-222.

<sup>40</sup> Hayek, F. A. *The Road to Serfdom*, University of Chicago Press, Chicago, 1975.

<sup>41</sup> eg Mises, L von. *Human Action*, *op. cit.*, pgs11-29, pgs105-118.

<sup>42</sup> eg see Shenoy, Sudha R.(ed.) *Wage-Price Control: Myth and Reality*, CIS Readings No.1, Sydney, 1978.

the market or equilibrium price must be known. It is this prediction which is not feasible since the number of individual decisions which lead to a market price, are too large to anticipate and are not known in advance of the decisions which a control pre-empt.

The conundrum of price control has wide ramifications since it applies not only to markets for goods but also to markets for labour and money. To the extent that subsidies send incorrect information to market participants they will also lead to an allocation of resources which would not otherwise be the case and is based on the false assumptions of market participants. The discovery of this error can have drastic effects as appropriate changes are made to correct past actions. Again, these effects can be very wide as a subsidy, for example, to a tin producer, sends false information to the tin market, the stock market which listed the tin producer, the finance market which provided credit for the producer, the labour market which supplied labour to the producer and so on.

The mechanisms of such decisions lead to the Austrian theory of the business cycle which need not be examined here in detail. This theory has important implications for the understanding of the history of capitalism and the reasons why some people reject it.<sup>43</sup> The Great Depression is explained not as a failure of capitalism to automatically reach equilibrium between aggregate supply and demand and hence full employment as in a Keynesian model.<sup>44</sup> Nor as just the result of the monetary policy of the Federal Reserve Board, as suggested by Monetarists.<sup>45</sup> Rather, the Austrian analysis, based on the trade cycle work of Hayek<sup>46</sup>, looks at the effects of the monetary system on decisions and allocations of economic participants. The conclusions to be drawn from this analysis are not that an appropriate economic policy mix or a sound monetary policy would have solved the problems, but that in the dynamic mechanism of the economy, any attempt to guide the economy will potentially upset its operation.<sup>47</sup> According to Austrian theory a market free of regulation will not eliminate cyclical movements in the economy but will see the effects being limited to particular markets, thus ensuring less extreme cycles and the more rapid righting of the problems involved.

Ludwig von Mises described international free trade as the best means of preventing war and preserving peaceful co-existence between different nationalities.<sup>48</sup> Tariffs, quotas and bounties are all condemned by a large body of economic theory as costing particular consumers of goods for the benefit of sectional interests. Libertarians place particular emphasis on global free trade and its corollary of free-movement around the world for all individuals. State protectionism to secure the employment of people in Western countries is presented as one of the principle external limits to the further economic progress of “third-world” countries. Whilst accepting the good intentions of those who propose the protection of people and industries, their policies are rejected as misguided and counterproductive. They draw on historical experience to illustrate that protection actually increases conflict between people and nations, and compounds the problems it seeks to solve.

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<sup>43</sup> eg see Hayek, F. A. (ed) *Capitalism and the Historians*, Routledge and Kegan Paul, London, 1954.

<sup>44</sup> O’Driscoll, G. P. and Shenoy S. R. “Inflation Recession and Stagflation” Dolan E. G.(ed), *op. cit.*, pg 188-190.

<sup>45</sup> *ibid.* pgs 190-194.

<sup>46</sup> Hayek, F. A. *Monetary Theory and the Trade Cycle*, Jonathon-Cape, London, 1933.

<sup>47</sup> O’Driscoll, G. P. and Shenoy S. R. *op. cit.*, pg 206.

<sup>48</sup> Mises, L von. *Liberalism*, Sheed Andrews and McMeel, Kansas City, 1978.

Other economic arguments drawn on by libertarians include the suggestion that safety and quality regulations setting minimum standards inadvertently produce a maximum standard and reduce the incentives for improvement, in effect reducing average levels of safety or quality and depriving the consumer of the protection which reputation or goodwill can provide.<sup>49</sup> They also argue that the provision of welfare not only removes incentive, but also in combination with minimum wage laws reduces the welfare of people whose labour would otherwise provide an income between the value of welfare and that of the minimum wage. A great deal of recent Australian writing considers the impact of labour market regulation, concluding that its detrimental effects include higher unemployment, lower wages for some, inflationary effects and productive inefficiency.<sup>50</sup>

Economists provide two standard arguments for the larger role of government in an essentially capitalist economy.<sup>51</sup> The libertarians are necessarily revisionist in this area. Some economists suggest that “market failure” is manifested in the rise of monopolies, or collusion between the major competitors at the expense of smaller competitors. The solutions offered include measures such as the United States antitrust laws. Libertarians attribute the rise of most monopolies to the granting of privilege through tariffs, subventions, infrastructure support, and similar measures to established firms, limiting competition. It is suggested that on a free market, collusion will inevitably break down and fail as the benefit of being the first firm to breach an agreement and the costs of being the last adherent are weighed up. The monopolist will always be subject to smaller competitors. It is also pointed out that the largest monopolies are controlled by the state. Legislation is the basis of monopolies in post and telecommunications, the marketing of agricultural products, railways, suburban transport, public utilities, duopoly in airlines, and similar circumstances in other industries.<sup>52</sup> [Many of these monopolies have been dismantled and privatised during the 1980s and 1990s, although this process is incomplete.]

The other aspect of “market failure” is in the provision of “public goods”. Public goods are goods of such a nature that they cannot be provided to an individual without also providing them to a wider group. Given this, there is an incentive for each person to opt out of paying for the good, in which case it will not be provided at all even if each person would benefit from its provision. The solution is to force each person to pay for the good, through the taxation system. Thus government becomes the provider of “public goods”, a function envisaged by Adam Smith.<sup>53</sup>

Examples of “public goods” are clean air, national defence, open roads and items of aesthetic beauty. The “public good” problem is considered in detail by David Friedman, the libertarian son of economist Milton Friedman.<sup>54</sup> He suggests that several solutions to the problem exist. They include contracts with unanimous acceptance clauses, making a public good private through the institution of property rights (or in the case of pollution, enforcing rights which government legislation has waived), or

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<sup>49</sup> Greenspan, Alan. “The Assault on Integrity” in *Capitalism the Unknown Ideal*, Signet, New York, 1967. pg 118-121.

<sup>50</sup> eg see Hyde, John. And Nurick, John. *Wages Wasteland*, Hale and Iremonger, Sydney, 1985.

<sup>51</sup> This can be found in almost any elementary economics text. eg Jackson, J. and McConnell, *Economics* (Australian edn.), McGraw-Hill, 1980. Pgs 99-114.

<sup>52</sup> Examples of analyses of these problems abound. eg see Albon, R. *The Telecom Monopoly: Natural or Artificial*, AIPP, Policy Paper No.5, Perth, 1986.

<sup>53</sup> Smith, Adam. *The Wealth of Nations*, Penguin, London, 1985.

<sup>54</sup> Friedman, D. *op.cit.*, pgs 185-197 and pgs 213-217.

voluntary sanctions on those who don't contribute. However, national defence still provides the most difficult problem for libertarians.<sup>55</sup>

The consideration of economics by libertarians outlined above leads them to the conclusion that market solutions are efficient, in accord with people's rights and better at securing people's welfare than any of the alternatives. However, the libertarians' strongest reasons for endorsing laissez-faire approaches derives from the argument that denial of economic liberty in whole or in part leads to the arrogation of liberty in general. This is the thesis of Hayek's *The Road to Serfdom*.<sup>56</sup>

In an argument, which has had a profound impact on contemporary advocates of the free-market, Hayek suggests that the central direction of economic resources necessarily involves ever-increasing infringements on liberty. For example:

- The determination of the uses of paper and limited printing resources, if not determined by choices in a free-market, will lead to judgments by those in authority over what should be printed, limiting freedom of speech.
- The difficulties of many people desiring entry to the same jobs, and none wanting to perform others will prompt central labour planning if a wages market is not allowed to operate.
- Limited means available to support artists, musicians and others whose income is based on the different valuations of a multitude of people would require judgments to be made by arbitrary means

Apart from these restrictions in a more totally planned economy, Hayek argues that the economic problems with planning of any kind will lead to increasing restrictions on individual choices and actions as well as greater limits to the operations of business. The limited knowledge of the planner can only be rectified by directing the operations of the economy. This process of misconceived planning leading to economic restrictions, undermining democracy, promoting the "rise of the worst" to positions of power is what Hayek described as the "road to serfdom".

For Hayek the alternative path of capitalism provides many benefits which act against the tendency for a concentration of power. In traditional pluralist terms Hayek and his successors point out that capitalism provides the means by which its opponents propagate their ideas.<sup>57</sup> It disperses economic resources widely so that no group or government can have a monopoly on sources of information or media presenting it. These are benefits in addition to those of prosperity and justice.

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<sup>55</sup> On this issue minimal state libertarians suggest that defence could be paid for by the surplus generated from the user paying for certain governmental services such as the enforcement of contractual arrangements by the courts. This has problems if a choice of using private services of arbitration is allowed. These services which do not have the burden of paying for defence will necessarily be cheaper and undermine the official service. Other proposals include provision by insurance, which faces similar problems, and Friedman's suggestion that in the process of dismantling the government, defence providing institutions might emerge endowed for that purpose. Friedman concedes that if hostile nations continue to threaten others, the last vestiges of coercive taxation and government might linger a bit longer.

<sup>56</sup> Hayek, F. A. *The Road to Serfdom*, op.cit.

<sup>57</sup> *ibid.*, pg 100.

If one accepts the economic achievements claimed for laissez-faire capitalism, and many do not, it is relevant to question why it is not popular with either governments or voters. Many critics dispute the claims made for laissez-faire, blaming it for child labour in coal mines and textile factories, the relatively poor living conditions of most people in 18<sup>th</sup> century Britain, massive inequality in wealth, and powerful economic, and landed interests dictating terms to governments.<sup>58</sup> Libertarians would challenge many of these assertions about the effects of laissez-faire capitalism contrasting this period with earlier periods and alternative systems.<sup>59</sup> Other critics, including [Karl] Marx, have accepted that capitalism has increased people's welfare and produced great material wealth, but nonetheless reject it as a desirable form of government.<sup>60</sup> The reasons why they do this, point to one of the major characteristics of contemporary libertarian thought: the attempt to define a moral basis for laissez-faire. There are many approaches to this, but two are broadly representative of others. The first points to the utilitarian aspects of a superior performance in providing for people's wants and needs, before it attempts to demonstrate that laissez-faire, or libertarian proscriptions do not infringe moral constraints and they fulfil other desirable functions, a libertarian society would be moral, indeed more moral than any of the proposed alternatives.<sup>61</sup> This approach can be further bolstered by introducing the consideration of rights.

The second and most distinctive approach to a moral defence of libertarianism is that typified by the work of Ayn Rand, which proposes a morality of "rational self-interest" which is uniquely compatible with a political order based on laissez-faire capitalism and the minimal state.<sup>62</sup> Whilst Rand's political theory is rights based, her system of ethics rejects altruism as a basis for ethical behaviour. Rand's system of ethics is based on an individual hierarchy of values. Living one's own life is necessarily the foremost of these. Rand condemns altruism on the ground that it sacrifices higher values for the sake of lesser ones, and raises this to a supreme virtue. Thus she dismisses the idea that citizens have a duty to attend to the material welfare of others. She argues that the individual value of one's own life is supreme. Within this framework Rand sees a role for benevolence based on the free choice of an individual to assist others in recognition of one's own values manifested in another. For Rand it is a denial of the most fundamental rights for the state to use private monies (which might be used to finance support for family and friends, charitable trusts, a new car or a fashionable hairdo) for general purposes which they might not agree with and have no duty or obligation to observe.

Rand has many strident critics. According to some of them her "philosophy" amounts to little more than a justification of a narrowly based self-interest and hedonism.<sup>63</sup> This is also a common response to the libertarian minimal state, which will not protect people's moral wellbeing, but only their rights. These responses to Rand do not recognise the subtlety of her position (which might however be challenged on other

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<sup>58</sup> eg see Finer, H *Road to Reaction*, Little Brown and Co, Boston, 1945.

<sup>59</sup> Hayek, F. A. (ed.) *Capitalism and the Historians*, *op. cit.*

<sup>60</sup> Karl Marx in Cohen, C. *Communism, Fascism and Democracy* (2<sup>nd</sup> edn), Random House, New York, 1972. Pgs 81-83.

<sup>61</sup> Friedman, D. *op.cit.*, pgs 18-23.

<sup>62</sup> Rand, Ayn. *For the New Intellectual*, Signet, New York, 1961. Pgs 117-192.

<sup>63</sup> see Fryer, R. G. *Recent Conservative Political Thought*, see also a book on Rand's philosophy by Sidney Hook and the reviews of Rand's novels in *The New York Times Book Review*.

grounds).<sup>64</sup> Whilst her account of politics insists on complete liberty to pursue subjective values as long as the rights of others are not infringed, her account of ethics seeks to place personal ethics on an objective basis. In some ways it is a highly radicalised version of Enlightenment thought combined with more recent variants of political economy. She posits reason; productivity and self-esteem as the personal virtues on which civil society and mutual benefit are founded.<sup>65</sup> However, for Rand, objectivity eschews collectivism since each person must come to these conclusions by themselves. She assumes that these conclusions are not only desirable and necessary for human progress, but are also likely to be reached given the removal of the intellectual, moral, and ethical stumbling blocks to what she posits as right reason.

The major writings of Ayn Rand are contained in fictional novels and are therefore open to a variety of interpretations, so much so that the former Australian Prime Minister, Malcolm Fraser, found an affinity with her writing.<sup>66</sup> However, integral to Rand's moral defence of capitalism is a rejection of altruism, collectivism and anything that might involve mystical belief. In these areas, the work of Rand is indispensable to any understanding of contemporary libertarian thought and directions.

Moral and ethical considerations are important in many libertarian critiques of contemporary politics and government. Hayek's critique of the very concept of "social justice" is also motivated by moral and ethical considerations.<sup>67</sup> In fact, his position is advanced in defence of morality, ethics and justice. Hayek argues "with reference to a society of free men, the phrase (social justice) has no meaning whatever".<sup>68</sup> He further argues that only the conduct of individual actors can be termed just but not the result of their actions, assuming that their conduct was itself just. Thus the process of a market with a series of individual actions; be they guided by beneficent processes which give rise to the "invisible hand" analogy, or not, cannot be subjected to criteria such as justice. The market is like a game in which if the rules are followed the end result is valid. It might not be considered laudable that Michael Jordan [arguably one of the most talented athletes playing basketball for the Chicago Bulls in the N.B.A. during the 1980s and 1990s] is a richer man than the great scientist or painter, but it cannot be considered unjust, and none can be held responsible for an injustice. If justice is a term with meaning then in Hayek's system it must refer to those rules of individual conduct, which, once observed, cannot be contradicted by a situation which emerges after the event. In other words, one cannot do the right thing in terms of justice and at the same time do the wrong thing according to "social" justice.

At this stage Hayek's argument becomes very similar to that of Nozick in his critique of "end state" principles of justice.<sup>69</sup> Not only do "end state" or "patterned" principles of justice infringe rights themselves, but under liberty they are not stable and will inevitably be upset. For Nozick procedural justice and just acquisition are the relevant considerations for a "just" society. However, Nozick's conception of justice can still lead to proposals for radical reform. It is quite possible that, particularly with land, a

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<sup>64</sup> For a Libertarian critique of Rand see Branden, N. "The Benefits and Hazards of the Philosophy of Ayn Rand" in *Journal of Humanistic Psychology*, Vol.24, No.4, Fall 1984, pgs 39-64. Other authors include papers by Nozick and Jerome Tuccille's *It Usually Begins With Ayn Rand*.

<sup>65</sup> Rand, Ayn. *For the New Intellectual*, op.cit, pg 128.

<sup>66</sup> Singleton, John and Howard, Bob. *Rip Van Australia*, Cassell, Sydney, 1977. Pg 50.

<sup>67</sup> Hayek, F. A. *The Mirage of Social Justice*, Vol.2 of *Law, Legislation and Liberty*, Routledge and Kegan Paul, London, 1977.

<sup>68</sup> Hayek, F. A. *New Studies*, Routledge and Kegan Paul, London, 1978. Pg 57.

<sup>69</sup> Nozick, R. *op. cit.*, pgs 153-163.

just procedure for acquisition and transfer has not been followed. As Nozick points out, the concept of “social justice” begs the question as to what type of “end state” distribution of distributional pattern is to be considered just.<sup>70</sup>

### *Critics of Libertarianism*

There are many important critiques of libertarian ideas which date back to the responses of Marx or Hobhouse to *laissez-faire*.<sup>71</sup> However, a number of works have considered libertarian ideas, and others are specifically relevant to the application of these ideas in Australia. Whilst not debating these criticisms they should be kept in mind as possible explanations for any resistance to libertarian ideas in Australia.

The most prolific academic critic of libertarianism in Australia is Marian Sawer.<sup>72</sup> Her critique draws on criticisms of earlier “liberals” which dismissed *laissez-faire* for its lack of social provision for those who fail in the market place and for failing to tackle the problems of unequal power based on wealth, in contractual arrangements.

Sawer starts with the libertarian notion of property, suggesting that it ignores the social basis of property, knowledge and the products of the entrepreneur. In suggesting that individual rationality might add up to collective irrationality (the fallacy of composition),<sup>73</sup> Sawer asserts notions of social justice as a historical reality and a response to “collective irrationality”. In these areas Sawer is representative of critics of libertarian ideas, and seeks to tackle them head on by reasserting the ideas libertarian authors have rejected. However, in considering the libertarian concept of human nature Sawer presents a caricature of “libertarian man” which reflects what she sees in later works as the merging of “neo-liberal” and “neo-conservative” thought in Australia.<sup>74</sup> This caricature relies on extending the notion of the way in which people interact in a market to all realms of human action, and an emphasis on a perceived hostility to women and their interests. Whilst libertarians do not suggest a split in human nature between business and the rest of people’s lives they do envisage a range of voluntary forms of collective action, which do not involve the state and the ultimate sanction of legislation. Libertarians do not seek to deny those aspects of people’s nature which complement the distinctive and relevant characteristic of rationality. Similarly, the tensions Sawer sees between emphases on the family as a basic social unit and the interests of women is not a tension within libertarian thought,<sup>75</sup> but, as Sawer acknowledges elsewhere a tension between libertarians and others who defend the free-market.<sup>76</sup> Libertarian thought cannot encompass any legislative or social restrictions on the actions and careers women might wish to pursue. Whilst Sawer suggests that the desire to do away with the public sector will remove the area where women have been most successful,<sup>77</sup> it might be pointed out that women are least well represented in the most heavily unionised industries. It should also be noted, this correlation need not represent causal effects.

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<sup>70</sup> *ibid.*, pg 157.

<sup>71</sup> Hobhouse, L. T. *Liberalism*, Williams and Norgate, London, 1926.

<sup>72</sup> Sawer, M. (ed.) *op. cit.*

<sup>73</sup> Sawer, M. “The Philosophy of the New Right” in *Current Affairs Bulletin*, Vol. 64 (2), July 1987. pg 30.

<sup>74</sup> *ibid.*, pg 27.

<sup>75</sup> Sawer, M. (ed.) *Australia and the New Right*, *op. cit.*, pgs 36-37.

<sup>76</sup> Sawer, M. “The Philosophy of the New Right” *op. cit.*, pg 27.

<sup>77</sup> *ibid.*, pg 31.

The most common point raised against libertarian thinkers is that they have not developed an understanding of the full sweep of power.<sup>78</sup> It is suggested that libertarians are obsessed with political power and consequently ignore the exercise of economic and social power. Economic power is wielded through the necessity to purchase the rudiments of survival and through disproportionate access to the origins of justice in the legal system. The libertarian response suggests that its critics here cannot see the other side of the coin, with the link between political and economic freedom.

Some typical Australian responses to libertarian ideas suggest that whilst they might be relevant in America they are inimical to the Australian character.<sup>79</sup> These critics point to the historical dependence of the Australian people on the state for the provision of infrastructure, the convict heritage, the long tradition of protectionism and an “egalitarian” national tradition.

Many other areas exist in which libertarian ideas can be tackled. They include the realms of rights theory, economics, historical context and logic. These remain part of ongoing debate which can be followed up elsewhere. Typical of this debate is that surrounding the work of Rawls and Nozick. There is also a conservative critique of libertarianism which denies libertarian concepts of human nature, asserting that man is innately flawed by original sin, rejects most concepts of “rights”, and suggests some essential need for order, direction and community links. These arguments, typified by the response of Edmund Burke to the French Revolution<sup>80</sup>, or more recently expounded by Roger Scruton are important, but have few articulate Australian Exponents.

#### *Summary of Libertarian Thought*

There are a number of libertarian authors who consider a range of other aspects of social thought, including philosophy, democracy, the role of women, critiques of egalitarianism, welfare state policies, vested interest groups, corporatism and public corruption, revisionist history, the history of ideas and the rise of fascism. Not all of these can be considered here, but they are based on the essential characteristics of libertarian thought discussed above.

These characteristics include:

- A concept of human nature based on rational individuals pursuing self-determined ends.
- Emphasis on ideas (self-interest) motivating human action.
- The defence of limited government to preserve the right of the individual to pursue their individual (subjective) ends.
- In some cases, the State should have no regulatory/intervening function at all.
- Support for a laissez-faire free market economy, based on a system of property rights and contractual arrangements.
- “Social” as well as “economic” liberty, based on the removal of government from the sphere of “victimless crimes” which, by definition, infringe no other person’s

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<sup>78</sup> Newman, S. L. *op.cit.*, pgs 161-162.

<sup>79</sup> Coghill, K. (ed.) *The New Right’s Australian Fantasy*, McPhee and Gribble/Penguin, Melbourne, 1987. pg 130, pg 140.

<sup>80</sup> Burke, E. *Reflections On The Revolution In France*, Everyman Edition, Dent, London, 1964.

rights, such as homosexuality, drug use, being a capitalist, communist, or even a bigamist.

- The pursuit of limited government through procedural limits such as bicameralism, constitutions, separation of powers, federalism, and democracy based on a wide franchise and other measures with a basis in the liberal tradition.

To consider a person or group libertarian, all of these positions should be reflected to some degree. In the diversity of thought that makes up the intellectual climate of a country or people will accept some aspects of libertarian thought and dismiss others. They will derive ideas similar to libertarian ideas independently or from different sources. Libertarians themselves will be influenced by other ideas and by circumstances independent of intellectual debate. The extent to which libertarian influences are manifested in Australia is considered in the rest of this paper.

Libertarians question the role of government in every aspect of its activities. Yet, it has traditionally been thought that to change something in society, like government, one must get involved in it. However, for libertarians, modern government is not just in error and capable of being altered. At every step governments and their agents are seen as being involved in immoral activity. How then, will libertarians change government without themselves becoming a part of its activities? This presents a difficult problem for libertarians. The recent efforts of Australian libertarians at achieving change by “moral” means are the subject of the following chapters.

## Chapter Two Theory in Practice 1: Political Parties

*Bill Stacy, Chairman Lion Rock Institute, Hong-Kong*

In many areas libertarian ideas follow the same lines of thought as those presented in the rhetoric of the major political parties and other significant actors in the political process. Liberal or conservative parties call for less taxation while libertarians would look to its eventual abolition. “Civil Libertarians” associated with the left and the Labor Party call for freedom of thought and conscience, but libertarians advocate the further freedom to trade, even if this results in monopoly or the concentration of economic resources. There is a role for people advocating libertarian ideas to do so within the major political parties, yet the experience of people doing this [during the 1970s and 1980s] has led to disenchantment, cynicism about the motives of the members of large parties, and a range of attempts to find other means of achieving their goals within the democratic process. The distaste of libertarians for many aspects of the political process derives directly from their ideas about what the state should do and how it should be done.

Libertarians’ primary political goals are to stop or limit the political means rather than gain control of it. Since this is seen as a matter of principle rather than prudence, institutional barriers to the actions of parties and governments are preferable to simply having a favourable government. Measures such as a Hare-Clarke electoral system<sup>1</sup>, differently constituted dual chambers, Bills of Rights enforced by a High Court, federalism, division of powers, constitutional enforcement of balanced budgets and constitutions themselves are seen as the long-term means of maintaining a free society. These are the type of projects which find little favour or low priority with political parties pursuing government. However, these themes are not themselves exclusively libertarian.

[Perhaps the most important “institutions” are to be found not within the law, but within the culture, that is the habits, beliefs and practices of most people. In relatively benign states those who make and enforce the law tend to follow, rather than lead, and seldom get far ahead of public opinion. While under not so benign governments, laws such as the French Declaration of the Rights of Man and the Soviet bill of rights have been ignored. Laws that constrain the exercise of governmental power are to be desired but most can be subverted in particularly cases. They are in their nature too general in their application even when supported by case law, and they cannot address the myriad of sometimes unforeseeable circumstances that arise. Hayek once argued to Anthony Fisher that there is ultimately no more important way to achieve liberty than to instil preference for it in as many minds as possible. The politicians will then follow.]

There are many important criticisms of the operation of the political process which have particular relevance to libertarians. The Public Choice argument<sup>2</sup> that politicians pursuing votes will favour particular interest groups who can deliver a definite parcel of votes, at the expense of all other people, supports the implicit reluctance of libertarians to place their faith in particular politicians. Hayek’s<sup>3</sup> description of

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<sup>1</sup>[Named after Thomas Hare [1806-1891] and Andrew Clark [1848-1907], this particular system is based on proportional representation (single transferrable vote). Essentially gives greater weight to individual candidates rather than political parties.]

<sup>2</sup> Buchanan, J.M. and Tullock, G. *The Calculus of Consent*, University of Michigan Press, Michigan, 1962.

<sup>3</sup> Hayek, F.A. *The Political Order of a Free Society*, Vol. 3, Law, Legislation and Liberty, Routledge and Kegan Paul, London, 1978.

modern democracy presents it as confusing the “Nomos”, or the Rule of Liberty which is universally applicable, with “Thesis”, the law of legislation which dominates the consideration of most parliaments. Many parliamentary systems can be seen as majoritarian rather than representative. Given that a legislature is restricted to those minimal functions of preserving people’s rights it should, in a libertarian model, be as broadly representative as possible. Tullock<sup>4</sup> has gone so far as to propose a system where each person could be individually represented in the decisions of the Legislature if they desired. Many authors have identified a tension in Australian politics between an American model of democracy, and a Westminster model.<sup>5</sup>

Most people in the libertarian tradition, when considering democracy, would come down on the side of the American model. However, effective means of promoting these ideas to those people who’s actions they seek to constrain are not readily apparent.

The short-term considerations of winning elections and governing people are alien to many libertarians who wish to live by the creed “live and let live”. The choices which emerge in the daily work of a Legislature or the debate of a political party are seen by libertarians as being between different types of intervention, regulation and taxation, ignoring the more fundamental option of non-intervention.

The experience of libertarians with each of the major political parties in Australia has differed, reflecting the divergent origins of those parties, but leading to similar conclusions.

#### *The Liberal Party*

The Australian party apparently closest to the ideas presented in libertarian thought is the Liberal Party. It claims to adhere to “Liberal Philosophy”, believe in free-trade, property, and, like all parties, liberty and freedom.<sup>6</sup> Because of this it is the party which has drawn to it the largest number of people who have been influenced by libertarian thought. It is also the party which has contributed to the disenchantment of more people who combine a belief in both social and economic liberty than any other Australian political party.

In practice Liberal governments at the State and Federal level can, with some justification, be seen as neither particularly inclined towards the free-market or individual liberties. No libertarian would expect to dominate that wide historical alliance of different views represented by the Liberal Party.

What has led to disenchantment with the Liberal Party is that even when free-market policies have been widely accepted in the party and the electorate, Liberal governments have not lived up to the expectations of their more libertarian supporters (and no doubt others) and often acted contrary to some of the most important libertarian principles.

Perhaps the most important departure from the more libertarian principles of Liberal Party members was the introduction of retrospective tax avoidance legislation by the Fraser government in 1982. Before then a long tradition of protectionism under the Menzies government, particularly under the influence of Country Party Trade Minister McEwen, was only opposed with any degree of consistency by Mr Bert Kelly M.H.R.<sup>7</sup> This is a tradition which has only been withdrawn from reluctantly and over a

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<sup>4</sup> Tullock, G. *Towards a Mathematics of Politics*, University of Michigan Press, Michigan, 1967. pgs 144-157.

<sup>5</sup> Parkin, Summers and Woodward (eds) *Government, Politics and Power in Australia*, 2nd edn, Longmans, Melbourne, 1980. pg 5.

<sup>6</sup> The Liberal Party of Australia Federal Constitution, 1980, pg 1.

<sup>7</sup> [See Appendix 2]

long period of time. Similarly, state Liberal governments preside over a panoply of subsidies and market interventions in agriculture, mining and housing; restricted trading hours; transport regulation; government-owned banks, insurance companies, utility monopolies; licensing of professions, tradesmen, vehicles, businesses, and a range of other interventions which are a long way from the ideals of proponents of the free-market. Liberal Party governments have been reluctant to remove any of these measures and despite the suggested change towards a 'dry' or economic rationalist policy many leading Liberal politicians remain sceptical about such change.

Beyond the economic policies of Liberal governments are the more conservative responses of the Liberal Party to such issues as the primacy of the family and "proper" social institutions, a reaction against "alternative lifestyles", and a defence and foreign policy which is seen as having interventionist pretensions, which those with libertarian inclinations are likely to reject. The best examples of controversy over these issues are the attempt to ban the Communist Party in 1951, and the debate over conscription, particularly at the time of the Vietnam War. These challenges to civil liberties aroused the more libertarian feelings of Australians across partisan political affiliations.

The actions of Liberal Party governments have drawn particular acrimony from free-marketeers who, with the benefit of hindsight, see the Liberal Party as having discredited the ideas of free-enterprise and individual liberty. From a libertarian viewpoint, Bob Howard and John Singleton, describe the platforms of the Liberal and National-Country Parties as "a sick joke"<sup>8</sup> and characterise the senior members of these parties as charlatans interested only in power.

The small group of "dries" on the backbench of the Fraser government were people who whilst not "libertarian", were influenced by libertarian writings and sentiments. They believed in free trade and were amongst the more "liberal" parliamentarians on those social issues which rarely come before the federal parliament.<sup>9</sup> When in government this "dry" influence appeared to have a minor but constant influence on such issues as trade and tariffs, welfare policy and the de-regulation of airlines and financial institutions. These positions were backed up by a number of reports from the Industries Assistance Commission<sup>10</sup>, and government committees such as that which produced the Campbell Report<sup>11</sup>.

Since the 1983 election loss of the Fraser government it has been widely suggested that the Liberal Party opposition is dominated by a "dry" point of view. This is more accurate in relation to the economic policy of the party than other policy areas. It reflects changes in economic theory and a response to the stagflation of the 1970s as much as a fundamental change in the orientation of the party to a "dry" philosophy. These are changes that have been reflected in the policy of the Labor government of the same period, which has continued the efforts at financial deregulation of their predecessors and proposed measures such as ending the two-airline agreement. The changes in the Liberal Party towards a "dry" policy stance mirror the changes in almost all other political parties. Although it is too soon to make such judgment in a definitive way, it would seem that the ideas current in the Liberal Party are, with a few exceptions, influenced more by trends outside the party than a "classical liberal" revival from within. There have been no "libertarian" parliamentarians, or speeches indicating a large debt to libertarian ideas, from Liberal Party members of state and federal Parliaments. Debate on such issues as the Bill of Rights Bill 1986, aboriginal land rights, and social policy would tend to reinforce the point of view that

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<sup>8</sup> Singleton, John and Howard, Bob. *Rip Van Australia*, Cassell, Sydney, 1977. pg 153.

<sup>9</sup> eg see Hyde, J. *The Year 2000: A Radical Liberal Alternative*.

<sup>10</sup> [Formerly part of the Tariff Board in the 1920s, now forms part of the Productivity Commission.]

<sup>11</sup> [Catalyst for major economic reform, floating Australian Dollar and deregulating financial sector.]

conservatism is a powerful influence on the Liberal Party. Few members of the Liberal Party would make the mistake of Ronald Reagan, who, after describing himself as a libertarian, was criticised in an avalanche of letters from libertarians defending the meaning of the term. The loose catch-all labels “liberal-conservative”, “neo-conservative”, “economic rationalist”, “economic libertarian” or “social libertarian” are usually more amenable to the major political actors in the Liberal Party.

It is perhaps significant that in the eleven factions which Professor O’Brien<sup>12</sup> has identified in the Liberal Party, not one is “libertarian”. Yet of those across the factions many would have read or have an opinion on the works of Hayek, Milton Friedman, or Ayn Rand, and a few know of Murray Rothbard, David Friedman and Robert Nozick. Many libertarians have lost interest in the Liberal Party, but it seems that sections within the Liberal Party have not lost interest in libertarian ideas.

#### *The National Party*

The evolution of the National Party from its origins in the rural lobbying organisations shows little impact of any explicit theories of political ideology. The support of rural industry was sought through protectionist policies and subsidies pursued by the Menzies Governments of the post war period. McEwen was seen to actively court industrial leaders through the offering of protection to manufacturing industries. Later, the National Party under Doug Anthony was blamed for the failure of the coalition government to float the currency.

With the continued electoral success of the National Party in Queensland some libertarians have thought that its small size and very lack of ideas provided an opportunity for the National Party to become the new party of “free enterprise”. The influence of some libertarians on the National Party can be seen in the recent advocacy of single-rate tax. This was evidenced by explicit statements in libertarian journals and the National Party’s endorsement of James MacDonald, formerly a prominent member of the libertarian Workers and Progress Parties, as a Senate candidate in Western Australia.

Earlier, the Western Australian National Country Party had been supported by Lang Hancock, who had also expressed moral support for the objectives of the Workers Party. However, his support for the aborted “Canberra push” of John Bjelke-Petersen was not an indication of their common libertarian belief, but rather common attitudes to development of the north, conservation and mining and a shared picture of social and economic ills of the country.<sup>13</sup> The role of the Queensland National Party is linked with the notion of the “new right” which will be considered later. Support for the National Party is certainly not an obvious course for libertarians. The record of the National Party in Queensland is a long way from the libertarian ideal.<sup>14</sup> Evidence about the role of the state in health, business investment, regulation and patronage does not show the influence of free-market ideas. The infamous restrictions on public assembly, homosexuality and contraceptive vending machines suggest that the Queensland National Party would be the subject of criticism from those promoting libertarian ideas. Nonetheless, some libertarians have identified the need for some links with people who have different but related objectives and hence attempt to influence mainstream parties through a broad alliance. The idea of an anti-Labor popular front is what leads to the involvement of some libertarians (particularly those who see the ALP as a socialist party) in the National Party, rather than ideas or policies which are other than incidentally similar.

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<sup>12</sup> O’Brien, P. *The Liberals: Factions, Feuds and Fantasies*, Penguin, Melbourne, 1987. pgs 4-9.

<sup>13</sup> Hancock, Lang. *Wake Up Australia*, E.J. Dwyer, Perth, 1980.

<sup>14</sup> Rocher, A.C. “41 Questions for the Joh Party” in Current Issues Brief, No. 12, March 1987.

The National Party has tended to draw support from its image as a party of farmers, miners and “rugged individualists”, but behind this image is the lingering suggestion that it is only the “rugged” individual which is of value rather than the celebration of diversity, innovation, intellectual thought, and uniqueness which characterises most libertarian thought.

#### *The Australian Labor Party*

The Australian Labor Party (ALP) is apparently the party least susceptible to libertarian influence. However the endorsement by the Hawke Government of financial deregulation and the proposals to sell certain business operations of the government (privatisation) combined with the support for the ALP by former Workers’ Party Chairman, John Singleton, raises interesting questions. Singleton and Howard in *Rip Van Australia* conceded that the ALP was the most honest, consistent and principled major party;<sup>15</sup> believing openly in socialism. It was suggested that many who had been “seduced” by socialism have a genuine commitment to individual liberty. All that they needed was to understand the importance of the free-market in preserving liberty. It has been the New South Wales based Labor Unity faction of the ALP which has shown the most interest in market based solutions for problems which have been the traditional concerns of the ALP.

Any changes in these elements of the ALP can be seen as the result of much wider trends in thought rather than the specific influence of libertarians or libertarian ideas. Robert Nozick has been widely read amongst academics and many involved in the Labor Party. His work and others might aid in a questioning of some traditional socialist values and methods. For a long time ALP professionals formed the basis of the Civil Liberties Councils, which were faced with a dilemma over support for the ID card proposals of the Labor Government. Faced with this dilemma, it was the libertarian response that was predominant.

The ALP is also important as the focus for a response and opposition to the goals and ideas of libertarians.<sup>16</sup> Thus many libertarians have been grouped with others in speeches by members of the ALP warning against the “new right”. That these responses are made is an indication of the impact of libertarian ideas in a range of unexpected places.

#### *The Workers and Progress Parties*

The Workers Party has its origins in Sydney amongst a group of libertarians who met under the banner of the “Alliance for Individual Rights”. The Alliance had begun as an Ayn Rand discussion group.<sup>17</sup> Some members had published the journal *Free Enterprise* since October 1973.<sup>18</sup> The Party was launched after the successful advertising executive John Singleton had expressed an interest in forming a new political party, having become disenchanted with the Liberals in New South Wales. At its launch on the January 25, 1975, the Workers Party brought together libertarians, people involved in the mining industry, small business people, professionals such as Dr John Whiting (the Foundation President) and Dr Duncan Yuille (a Party Director), and a number of others who were frightened by the apparent future of Australia under the Whitlam Labor Government, but were cynical about the Liberal Party alternative.

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<sup>15</sup> Singleton, J. and Howard, B. op.cit., pgs 149-151.

<sup>16</sup> eg see Coghill, K. (ed) *The New Right’s Australian Fantasy*, McPhee Gribble/Penguin, Melbourne 1987. Coghill is a member of the Victorian Lower House and the book contains essays by Federal Minister John Button, and others associated with the ALP and the Labour Movement.

<sup>17</sup> “*The Alliance for Individual Rights*” - Introductory Pamphlet.

<sup>18</sup> *Free Enterprise*, Vol. 1, No. 1, October 1973.

The publicity which the Sydney Opera House launch received contributed to an early growth in membership from a broad spectrum of supporters. By May 3, 1975, the new party had a national membership of 600.<sup>19</sup> Its first electoral test was the Greenough by-election on November 1, 1975, where the party gained 841 votes representing 13 percent of the total votes cast.<sup>20</sup> This result and the hope of a Senate seat led to a vigorous National campaign in the double dissolution election of December 13, 1975. In the dramatic battle between Malcolm Fraser and Gough Whitlam the Workers Party was unable to gain a foothold with figures of about one percent of the vote in Western Australia, and only slightly better results elsewhere.<sup>21</sup>

Arguably, the Workers Party never fully recovered from this. The overwhelming electoral success of the Liberal Party in the 1975 election mitigated against potential support from those believing that the Liberal Party was ineffectual, although perhaps its record in government contributed to the revival of the Progress Party in later years. At the time, the issues identified<sup>22</sup> as the biggest problems of the Party in various states were, by and large, the pragmatic considerations of its name, the organisation and constitution and the role and status of its platform. These problems represent the concrete manifestations of more general difficulties which the Party had.

It was primarily these problems which were at issue in the Party split of 1977 which saw the inception of the Progress Party and the literal end to the Party which had begun to decline after the 1975 election. Before this the fledgling Party in Western Australia had divisions over what, in retrospect, can be seen as minor organisational matters. Seeing the Workers Party as a party committed to the implementation of certain well-established ideas, its early members were concerned about the risk of being dominated by an influx of people less committed to the objectives of the new party. Howard has said that they “did not want to start the party only to see it pass into the hand of some organised group of political opportunists”.<sup>23</sup> The Constitution emerged as a document giving great power to the Governing Directors, making the name almost impossible to change and the platform sacrosanct.<sup>24</sup>

The Party Platform was seen as the primary means of ensuring that the Party remained libertarian. It outlined the Party objectives, the fundamental that “no man or group of men has the right to initiate the use of fraud, force or coercion against any other man or group of men” (it was later amended to include women).<sup>25</sup> It derived from that, a platform outlining eventual goals and objectives. These included such issues as voluntary voting<sup>26</sup>, opposition to conscription<sup>27</sup>, a constitutional “Bill of Rights” designed to limit government<sup>28</sup>, and support for a form of Aboriginal Land rights based on returning Common Law title to land now held by the Crown.<sup>29</sup>

In the realm of economics and all other areas of contemporary political concern the writers of the Platform outlined market solutions to problems. These solutions were based on property rights and free trade. In keeping with its philosophical background the Platform took a stance on Foreign Affairs which had considerably less pretensions

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<sup>19</sup> “Workers Party Meetings Tape No. 3” (Private Collection).

<sup>20</sup> W.A. Electoral Commission - Official Records.

<sup>21</sup> Newman, G. Federal Election Results 1949-87., Parliamentary Library Legislative Research

<sup>22</sup> Yuille, D. “The First Two Years” January/February 1977.

<sup>23</sup> Howard, B. “Up the Workers!” in Australian Playboy, May, 1979, pgs 105-110. pg 106.

<sup>24</sup> Workers Party Platform, 1975.

<sup>25</sup> *ibid.*, pg 2.

<sup>26</sup> *ibid.*, Section 1.1.7.

<sup>27</sup> *ibid.*, Section 4.3

<sup>28</sup> *ibid.*, Section 1.2

<sup>29</sup> *ibid.*, Section 1.1.4

to intervention in politics on a world stage than that of the other major political parties.<sup>30</sup>

Bob Howard recognised the Platform contained some very “unpopular political positions”<sup>31</sup> about drugs, economics and welfare, which, in accord with the objectives of the Party, had to be adopted. These unpopular positions were fundamental to the formation of the Workers Party: but, to the extent that these positions affected electoral success, they were the source of discontent amongst members not committed to libertarian philosophy. The position of the Platform on areas such as drugs, limited support from businessmen and more prominent public figures worried about their reputations. In the end these unpopular parts of the Platform were maintained, but rarely emphasised. This added to a concentration on economic matters.

The Party’s name was controversial for two major reasons. Firstly, it could easily be confused with the names usually adopted by socialist parties. Secondly, it was readily dismissed as an advertising stunt, designed by Singleton for greater publicity. The consensus at the end of the day was that even if the name was a good idea, it did not really work.

The concept behind the name is the belief that a libertarian party represented the “real workers”; those on salaries, the business operator who invests capital and labour and the competitive entrepreneur. Those excluded were people unwilling to work: the alleged parasites on the workers such as most public servants, and the businessmen who benefited from coercive monopolies, tariffs and other forms of protection. The very name was a challenge to many of those people whom the party later was held to represent.

Moves to change the name were acknowledged as early as June 1976.<sup>32</sup> The main barriers were the resistance of some members and States to change, and the original Constitution, which made change difficult.

The Workers Party constitution formed the basis of controversy during the split in 1977. This split challenged not only the particular Workers Party experience, but the very notion of using a political party to promote libertarian ideas. A New South Wales party member, Hugh Frazer, wrote that, “the organisational structure of the party is critical. In the same way that governments consume wealth and do not create it, our experience with the Workers Party structure indicates that too much organisation consumes much money and a great deal of time but produces little”.<sup>33</sup>

At the same time as a debate along these lines raged in the Workers Party and fledgling Progress Party, the Australian Democrats were formed around a constitution which specifically emphasised the rights of members and instituted National referenda of members to decide on policy and elect important office bearers.<sup>34</sup>

This further illustrated one of the dilemmas confronting libertarians. The very notion of bureaucratic organisation and other than individual enterprise does not come easily to most libertarians. Yet, the Workers Party constitution was very thin on measures which involved the participation of Party members, and rather strong on attempts to prevent the party platform objectives being “watered down”.

The split in the Workers Party which saw the formation of the Progress Party was initiated by Viv Forbes<sup>35</sup>, the initial convener of the Workers Party in Queensland.

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<sup>30</sup> *ibid.*, Section 4.

<sup>31</sup> Howard, Bob. *op. cit.*, pg 106.

<sup>32</sup> Letter from Bob Howard to Ron Manners June 1976.

<sup>33</sup> Fraser, Hugh. “*The Progress Party of New South Wales - Newsletter*”, July 1977. pg 1.

<sup>34</sup> The Australian Democrats National Constitution.

<sup>35</sup> Forbes, V. “*Notice to Members*”, 19th January 1977.

The Northern Territory and Western Australian branches followed closely behind in forming a new party. They drafted a slightly revised and less important Platform or policy statement. The strongest opposition to the change came from the South Australian branch, home base of the National President John Whiting, which maintained the Workers Party name until the 1980 elections when they adopted the name, Libertarian Party.<sup>36</sup> Eventually, New South Wales joined the new loosely federated Progress Parties with a new constitution. This process produced some heated exchanges and lingering cynicism amongst Australian libertarians. It was effectively the end of a National libertarian movement.

However, the new Progress Party overcame many of the organisational problems which had plagued the Workers Party, with its loose federation of independent, state-based and like-minded parties and the drafting of new, and extraordinarily open constitutions.

In its first electoral test in the Northern Territory in 1977 the new Progress Party performed relatively well across the state with an average vote of 13 per cent. Many could have seen this as vindicating the decision to abandon the Workers Party label. However, the 1977 Federal election results were well below expectations as the Liberal Party swept to power on policy and with rhetoric very similar to that which the Workers Party had campaigned on. In Western Australia the Progress Party secured the former Liberal Party member for Tangney, Dr Peter Richardson, to lead its Senate team. Dr Richardson had left the Liberal Party because of disenchantment with the centralism of the Fraser Government and what he perceived as the diminishing role of Parliament in general. He saw his candidacy as the best means of protecting against the Liberal government whilst lending support to a group which he considered had valuable ideas. Richardson's candidacy and other changes however, had no real impact on the electoral result.

The 1977 election marked the end of real prospects of electoral success for the libertarian parties and gradually the emphasis moved from the expensive attempts at fighting elections, to education and interaction between members and the use of elections to expose voters to new ideas and a choice. [In 1987] the Progress Parties and their allies in South Australia continued to run candidates in elections, but on an ad-hoc basis as interested people emerged.

Since 1977 the people who were involved in the Workers Party and Progress Party have by and large maintained an interest in the promotion of libertarian ideas through other means. [As of 1987] the Progress Party still exists and is fairly active in New South Wales while the same people have continued to maintain the structure of the Party in Queensland and South Australia. It can be said that whilst the libertarian parties are no longer an active participant in the electoral process, they have kept open the option of such activity in the future. Any future libertarian party would be likely to maintain continuity with past organisations, and have an awareness of their problems and pitfalls.

#### *Myths About the Workers Party/ Progress Party*

Over time a number of myths have emerged about the Workers Party which have served to obscure the real basis of the Party and its history. Amongst the greatest of these, the suggestion the Party was supported by, and the tool of "Big Business". Party members tried to point out that there is nothing big business fears more than free competition. An examination of Party financial records shows no examples of support from major public corporations. Most of this has gone to major political parties. This

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<sup>36</sup> Sawyer, M. (ed) *Australia and the New Right*, George Allen and Unwin, Sydney, 1982.pg 5.

myth obscures an understanding of the breakdown of the actual membership of the Party and the extent to which members were willing to contribute a great deal of time and personal resources to the Workers Party thereby furthering libertarianism. The Party had a diverse membership. What unified members was a commitment to ideas in the libertarian tradition rather than support for a particular interest, or socio-economic group. In any case the number of people involved is too small for more sociological explanations to be either accurate or useful. Indeed, the reluctance of large corporations and their employees to associate themselves with the Workers Party and its radical libertarian ideas is a more fruitful path for analysis than trying to attribute great corporate support for the Workers Party.

A related myth which perhaps reinforced the first is the suggestion that the Party was heavily funded or manipulated by Lang Hancock. It is quite true that the Workers Party and Progress Party sought support and finance from Hancock and that Hancock's reservations about the Party prompted him to advocate changes in the Party to members. Some people involved in the Workers Party and Progress Party were either friends of Lang Hancock or met with him. Some of them flew to his Wittenoom property to discuss their plans and goals with him. The involvement of Hancock in other political parties and the WA Secession movement is also widely known. However, Hancock is not a libertarian and had grave reservations about "the image of anarchy which it germinated at its launching"<sup>37</sup> and certain other aspects of the libertarian package of ideas. In part this was based on the common conservative mistrust of "ideology". His daughter, Gina, was perhaps more inclined to support the new party and both thought there was a need for advocating "free-enterprise" and perhaps a new "genuine free-enterprise party". The result of these reservations and Hancock's well-founded doubt about the electoral prospects of the Workers and Progress Parties was that he never gave any financial support but offered "moral" support through attendance at the launch and by speaking at meetings in acknowledgement of the fact that he and the Workers Party were on the same side on many issues.<sup>38</sup>

The image which John Singleton's role in the Party produced is the source of another myth about the Workers Party. The idea that the Party was a clever advertising campaign designed to con people in to supporting certain interests and to allow Singleton to vent his fury at the New South Wales division of the Liberal Party, has some elements of truth, but is more misleading than helpful. Many people who were involved in the Workers Party have questioned Singleton's commitment to libertarian ideas. This is reinforced by his role in the 1987 election campaigns of the ALP. Some have put the failure of the Workers Party at his feet. His close associate at the time, Bob Howard is more magnanimous.<sup>39</sup> He does not question Singleton's general commitment and indeed compliments his ability to grasp the implications of the draft Party Platform and accept it. Howard's assessment is that they used Singleton's talents poorly. Mass marketing, Singleton's forte, should not have been a goal, until more fundamental elements of the Party had been developed. Singleton's high public profile made him the most sought after spokesman for the Party, against his wishes and those of the Party. Despite this, recordings of early party meetings in Sydney suggest that Singleton was an effective exponent of many of the Workers Party positions.<sup>40</sup> The reason why the role of Singleton has been questioned by former members of the Workers Party is that the "marketing image" was so far from the ideal, placing

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<sup>37</sup> Correspondence from L.G. Hancock 1976.

<sup>38</sup> Hancock attended the 1975 Launch, some Party meetings, and wrote the forward to *Rip Van Australia*.

<sup>39</sup> Howard, Bob. op.cit., pg 108.

<sup>40</sup> "Workers Party Tapes" (Private Collection).

“principle before votes”. It was precisely the impact of the emphasis on winning votes through clever tactics and catchy advertising which in the first instance lead to disenchantment with the major political parties.

Although members of the Workers Party maintained some communications with the American Libertarian Party and many Australian libertarians subscribe to journals and publications produced by US libertarian organisations, it would be wrong to suggest an undue influence on the Party by Americans. Certainly, libertarian ideas have had their greatest proponents in the United States as have many other causes. But the Workers Party never received money or financial assistance from those American libertarian groups. Indeed, through donations and subscriptions [to organisations, newsletters and periodicals] the flow of money was probably in the opposite direction (i.e. towards the US).

The Workers Party was occasionally categorised by opponents as “far right”, “fascist”, or “neo-fascist”. Indeed, some former Workers Party members suggested the groups that would better fit such descriptions made early and unsuccessful attempts to take over the Workers Party. As the earlier examination of libertarian ideas makes clear these suggestions of “authoritarian” leanings are unfounded. Supporters of authoritarianism usually shun libertarian ideas seeing them as a later date variant of anarchism.

#### *Conclusions on Political Parties*

It is not possible to judge whether or not the Progress Party/ Workers Party experiment failed or succeeded in its goals - although it is directly no longer an influence on politics, it can be argued that it has had a degree of influence. Certainly the Workers Party/Progress Party experience has had an influence on the contemporary advocacy of libertarianism.

A number of problems can be pointed to other than those organisational problems which contributed to the 1977 split. Not the least of these were the problems of operating in a federal system. The simple logistic problems of coordinating and financing national campaigns proved an enormous hurdle. Differences between states on matters of tactics revealed more basic issues about how a political party should promote liberty.

Former members pointed to the perennial gripe of those involved in politics - a lack of media coverage. This was particularly pronounced in Western Australia where the Greenough by-election result attracted less attention in local newspapers than it did in the Sydney and National press. Certainly, when compared to the Australian Democrats during their first years of existence, the Workers Party/Progress Party gained little coverage despite some electoral successes.

A number of issues of concern to the Workers Party were given a hearing in the media. In particular, the economic problems of taxation, inflation, unemployment, tariffs and a highly regulated economy, were aired in the media at the time as were debates concerning sexual relations, censorship and drugs. However, the Workers Party was never recognised by the press as the natural spokesman on these issues. Rather, they tended to concentrate on academic commentators, journalists and columnists or the Liberal Party dries, frequently ignoring the fact that without the input of the libertarians, these debates, and the issues which they raised may never have reached the proportions which they did.

In matters of strategy and tactics the Workers Party and Progress Party were torn between different means of achieving their goals. Some advocated an “activist” approach, emphasising publicity through civil disobedience over seat belt laws, or

public demonstrations.<sup>41</sup> The alternative was the long-run task of educating members and the public through debate, writing, reading and arguing. This was illustrated by meetings with long speeches explaining Party policy, criticising the current state of affairs and by the various “Schools for Workers” conducted at a state level. There was also the conflict over whether organisation of the Party should be rigid and efficient or more open and participatory. It was also a conflict over the role of central direction and party hierarchy in running or organising a political party. This involves two rather contradictory characteristics common in libertarian movements. On the one hand, it reveals an antipathy towards the organisation or structuring of any group of people, but on the other hand illustrates personal drive and direction which seeks emphasis on efficiency in personal business activity. Personality conflicts tended to take place on this level rather than over major differences in philosophy, or specific policies.

In addition, a large number of people who were supporters of the libertarian ideas of the Workers Party/Progress Party were reluctant to offer support because of the prescriptions of Ayn Rand<sup>42</sup> with respect to organised “objectivist” political activity. If anything the experiment with the Workers and Progress Parties reinforced this view. Rand argued that an organised political movement was putting the cart before the horse. She expected political activity to be the result, rather than the cause of an intellectual movement and the acceptance of the ideas of liberty and the free-market.

Bob Howard<sup>43</sup> suggests that the dilemmas of the Workers Party and Progress Party result from a dichotomy between ideological and pragmatic political parties. He says that the essential problem of the Workers Party was in defining success and seeking to achieve it on the terms of those parties which are not based on ideology. Howard, like Murray Rothbard<sup>44</sup> and other American libertarians, is not frightened to draw the parallel between some of the methods of operation of the Marxian parties of Western Europe and the way which they think a libertarian party might work. This parallel stops at a similar concentration on long-run success and developing the ability to members of the Party to promote their goals.

The problem of seeking the wrong type of success was reflected in the Party membership.<sup>45</sup> The drive for numbers, a broad base and money inevitably lead to the recruitment of people not well grounded in the values, ideas and the commitments of libertarianism. Howard stresses that the image projected by the Party failed to attract the young, radical elements of society, who he believes must form the core of any such party.

Despite the ideals of their founders the Workers Party and Progress Party were always in competition with the Liberal Party. The support for the Workers Party might properly be categorised as reactionary. People were reacting to a growth in the size and functions of government, intrusive bureaucracy, high and new taxes, ineffective major political parties, failures in economic policy and other related problems. As an opposition, the Liberal Party also counts on such support. When in government Liberal Party promises to make these concerns of people no longer reactionary, but a possibility. With no real chance of winning government minor parties receive many negative or protest votes. The hope of winning the battle of ideas is difficult to communicate to voters.

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<sup>41</sup> eg see Whiting, John. “A message from the President” 15th July 1976. Also “Workers Party: South Australia Bulletin No. 9”, November 1976.

<sup>42</sup> Rand, Ayn “What Can One Do?” in *Philosophy: Who Needs It.*, Signet, New York, 1982.

<sup>43</sup> Howard, B. op.cit., pgs 108-110.

<sup>44</sup> Rothbard, M.N. *For a New Liberty*, (1st edn.), Macmillan, New York, 1973. pgs 316-317.

<sup>45</sup> Howard, B. op.cit., pg 108.

Singleton, Howard, Richardson, McDonald and other prominent figures in the Progress Party and Workers Party were all aware that the major impact of the Party would be to influence the overall political debate, the hope being that the major parties would take on board Workers Party and Progress Party policies. Nonetheless, some of the most important aspects of libertarian thought are unlikely to win acclaim in these terms. The ideas of limited government, decentralisation in a federal system, absolute individual liberty and non-intervention of the political process in many matters of great importance, must win debates on their own terms since they offer little in political advantage to those seeking higher office and political power.

The importance of achieving the influence sought will be the subject of the final chapter. However, [in 1987] it should be noted that the idea of a new libertarian party is now on ice, with the old Progress Party and Workers' Party a small but dedicated group, whilst most libertarians pursue other means of achieving their goals.

## Chapter Three Theory in Practice 2: Think-tanks and Associations of Ideas

*Bill Stacy, Chairman Lion Rock Institute, Hong-Kong*

The experience of Australian libertarians with active involvement in politics has lead fairly directly to the widespread support by libertarians for groups promoting the free-market through education, publication and research. For a variety of reasons these groups have concentrated on the economic aspects of libertarian thought.

One of the earliest models for this approach to the dissemination of libertarianism is the American, “Foundation for Economic Education” (FEE), formed by Leonard E Reed in 1946. It is an approach backed up by the libertarian concept of human nature and its understanding of politics. The resort to education, reflecting the belief in the capacity of men and women to reason and exercise choices based on that reason, is the mainspring of much liberal thought and at the basis of many liberal proscriptions for public policy.

The reaction against deliberate political involvement has affinities with Ayn Rand’s approach to guarding her philosophy against an unholy alliance with American conservatives and urging her supporters to involve themselves only in ad-hoc groups formed for specific purposes in which no compromise of ideals is required. Rand was consistently opposed to involvement in political parties or groups formed in her name.<sup>1</sup> Much as Rand’s views have been criticised for failing to accommodate differing opinion, her understanding of the mechanisms by which ideas, and in particular her ideas, can influence the future development of society is sophisticated. Rand acknowledges that the widespread acceptance or rejection of ideas by people is required for them to be properly implemented rather than just a short-term political success. In her essay, “For the New Intellectual”<sup>2</sup>, Rand describes the transmission of ideas through an intricate process, from the originators to the people who adopt, criticise, comment and propagate them, to a wider movement with popular support then into the mainstream of influential ideas, and ultimately in to the particular policies of governments.

Whilst the Randian emphasis on ideas and a broad movement would seem to typify the current approach of free-market advocates, her unwillingness to compromise with promoters of other ideas, particularly with those of conservatism, has not been reflected in Australia. This in turn is a reflection of the extent to which some libertarian positions have become orthodoxy amongst a range of different people involved in the study and practice of politics.

As the libertarian advocacy of laissez-faire has contributed to growing acceptance of the free- market ideal (the failures of Keynesian economics might well have contributed as much), the libertarian is found in an alliance with people ranging from conservative to classical liberal, dry, neo-conservative and others unified by a reaction against the growth in the power of the state and the areas in which it has grown.

Thus, the increasingly significant private “think-tanks” are by no means predominately libertarian in terms of their supporters and publications, despite the

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<sup>1</sup> Rand, Ayn. (ed.) *The Objectivist*, numerous issues.

<sup>2</sup> Rand, Ayn. *For The New Intellectual*, Signet, New York, 1961.

often significant influence of libertarian authors on those involved. Some groups are more, some less, libertarian than others.

The result of the advocacy of libertarianism in Australia in the 1970s is a greater diversity of approaches to promoting libertarian ideas in the 1980s. Any suggestions of a conspiracy or putsch, of the “New Right” should be examined in this light.

#### *Think Tanks*

Amongst the most obvious and widely publicised efforts to further the ideals of the free-market is the emergence of “think-tanks”. These organisations concentrate on research, publications, public debate, and lobbying. They aim to publicise, teach and convince people of the value of free-market and libertarian ideas in the community on a non-party political basis. A number of prior overseas models for these organisations exist promoting a range of different ideas (including conservative, American liberal democrat, etc.). They include the American, FEE, and the British based Institute for Economic Affairs or Adam Smith Institute, though there are of course others. More conservatively oriented think-tanks such as the Heritage Foundation in the United States have been credited with considerable influence, particularly on Republican administrations.<sup>4</sup>

A number of these Institutes, Foundations and other associations have been actively encouraged by well-known advocates of libertarian or free-market ideas, such as F.A. Hayek. He had described their method of promoting the ideal of the free-market as “the only one which promises any real results”.<sup>5</sup> These institutes have been formed on a national basis, but they have done so with international encouragement and the experience of overseas organisations. In 1981 the Atlas Economic Research Foundation was formed with the aim of supporting international organisations through the provision of information, experience, communication and some funding support. However, it does not provide any significant financial support to Australian think-tanks.

In the United States some research is done through libertarian organisations such as the Institute for Humane Studies, which are affiliated with private universities.<sup>6</sup> However, in Australia it would seem that the broad support required to fund a research organisation on the think-tank model requires an appeal to more people than those interested in libertarianism. This has led to a few Australian think-tanks which are quite well funded producing a range of material to which at most there could be attributed libertarian “influences”. Some much smaller groups produce more consistent libertarian material. However, prominent libertarians have supported the whole range of free-market oriented think-tanks in Australia and overseas.

Amongst the Australian think-tanks there is something of a division of labour with different groups emphasising different aspects of those activities which they might pursue. This is a function of the money available and the areas of expertise of the small numbers of staff employed.

Unifying the methods of the think-tanks is an emphasis on the secondary stage of the transmission of ideas which aims to take up the ideas of their originators in academic and other circles and disseminate them more widely through the options suggested above.

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<sup>3</sup> For an example of this type of critique see Moore, B. and Carpenter, G. “Main Players” in Coghill, K. (ed) *The New Right’s Australian Fantasy*, McPhee Gribble/ Penguin, Melbourne, 1987. Pgs 145-159.

<sup>4</sup> “1986 Annual Report”, The Heritage Foundation, pg 1.

<sup>5</sup> *On Liberty*, Vol.2, No.1, October 1980. Pg 1.

<sup>6</sup> *Account*, Institute for Humane Studies, No.4, 1983.

The first of the new wave of free-market think-tanks to be formed in Australia was the Centre for Independent Studies (CIS). Founded in 1976 and based in Sydney under Greg Lindsay (Executive Director), the CIS has gradually grown in size, funding and scope to a position where it is widely acclaimed as producing some of the best books and papers in the examination of the “principles underlying a free and open society”.<sup>7</sup> The CIS also has a particularly strong libertarian influence when compared to other Australian think-tanks. Formed whilst the Workers Party was still hoping for greater influence, it drew on the support of many people who were involved in the libertarian political parties. An early contributor to research was the economist Sudha Shenoy who had worked with Ludwig von Mises.<sup>8</sup> Members of the first council of advisors included well-known libertarian Mark Tier and Murray Rothbard. F.A. Hayek has also been a member of the Advisory Board.<sup>9</sup>

CIS publications are notable for the range of issues they cover, from economic debate about, for example, the Two Airline Policy<sup>10</sup> to a response to a combined churches statement on public policy in Chaining Australia.<sup>11</sup>

Publications also include examinations of matters of interest to the student of politics such as constitutionalism in *The Constitutional Challenge*<sup>12</sup>, Public Choice theory in *Democracy in Crisis*<sup>13</sup> and constitutional change through initiative and referendum in *The Peoples Law*<sup>14</sup>. The CIS has promoted libertarian and related ideas through holding forums with prominent speakers and major conferences. It was the sponsor of the Mont Pelerin Society’s Pacific Regional Meeting in 1985 and, in 1987 conducted a critical conference on “The Liberal Tradition” with papers by John Gray, Shirley and Bill Letwin, Alan Ryan, Kenneth Minogue and others examining the extent to which Locke, John Stuart Mill and Adam Smith could be considered liberal or should be endorsed by those holding liberty as their ideal.<sup>15</sup> These activities demonstrate the concern of the CIS with the basis and dissemination of ideas as much as any attempt to influence day-to-day matters of public policy.

The wealth of publications of the CIS is dependent on the commissioned work of academics and commentators outside the paid staff of the Centre. These publications have been available through direct subscription and are in the collections of many university and some public libraries. Subscribers include a number of politicians, academics and other public figures.

As a think-tank, the CIS provides a model as a well-established organization, drawing on the belief in the efficacy of ideas and rational debate. A measure of its success, at least in organisational terms, is the recent expansion of the Centre into New Zealand.<sup>16</sup>

The Institute for Public Affairs (IPA) dates back to the time of the dissolution of the UAP<sup>17</sup> in the 1940s. Its interest in ideas along the lines of other free-enterprise think-tanks, is more recent, reflecting the influence of its Director Rod Kemp a son of its founder. The activities of the IPA concentrate on two publications, IPA Facts and the

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<sup>7</sup> Inside Cover of Jensen, M. C. and Meckling, W. H. *Democracy in Crisis*, CIS Occasional Papers No.8, CIS, Sydney, 1983.

<sup>8</sup> Shenoy, S. (ed) *Wage-Price Control: Myth and Reality*, CIS Readings No.1, CIS, Sydney, 1978.

<sup>9</sup> *ibid.*, inside cover.

<sup>10</sup> Kirby, M. G. *Domestic Airline Regulation*, CIS, Sydney, 1981.

<sup>11</sup> Brennan, G. and Williams, J. K. (eds.) *Chaining Australia*, CIS Readings No.6, CIS, 1984.

<sup>12</sup> James, M. (ed.) *The Constitutional Challenge*, CIS Readings No.4, CIS, 1982.

<sup>13</sup> Jensen, M. C. and Meckling, W. H. *op. cit.*

<sup>14</sup> Walker, G. *Then People’s Law*, CIS Policy Monographs No.10, CIS, 1987.

<sup>15</sup> See the unpublished Conference Papers.

<sup>16</sup> *CIS Policy Report*, Vol.2, No.5, October 1986.

<sup>17</sup> [United Australia Party].

IPA Review, although two series of Occasional Papers are also published. These publications are notable for the influence of “economic rationalism”, the promotion of market solutions, the defence of private property and the deregulation of industry and the advocacy of traditional concepts of rights. There is a tendency towards conservatism in moral and ethical questions which conflicts with libertarian positions. However the wide distributions of the IPA *Review* in its magazine format since 1985 has included a range of “free- enterprise opinion”, from the libertarian to conservative.<sup>18</sup> *Review* can be seen as evolving into a critical journal with an inclination towards economic matters along with considerations of philosophy, foreign affairs, public policy and a limited government.

Another major feature of the IPA is its recruitment of prominent academics and public figures as Visiting Fellows and staff. These have included John Stone and Les McCary from the Public Service and Dame Leonie Kramer will be attached in 1988. As the names of these fellows suggest that there is no particular libertarian influence on the IPA. In the main the history of the IPA has reflected the wider changes in ideas holding sway with businesses and in economic theory towards a greater emphasis on the importance of the private sector and devaluing the role of government in economic management. Its Western Australian unit studies the expenditure and activities of state governments, further reflecting a concern with the overall size of government.

In the division of labour between Australian think-tanks, the IPA has achieved predominance in the market for a regular magazine. With councils in four states and the Australian Capital Territory it is amongst the most widely based think-tanks, but it remains strongest in Melbourne and Victoria.

On leaving federal parliament after losing his seat in the 1983 election John Hyde joined with other Western Australian advocates of the free-market to form the Australian Institute for Public Policy (AIPP) in Perth where he is the Executive Director. However, his links with the Liberal Party have been used by opponents of its ideas to associate the Institute with a partisan political affiliation, though this is not the case.<sup>19</sup> Hyde was a strong critic of the Fraser Government in its later years.<sup>20</sup> The formation of AIPP provided the means by which Hyde, and others, could respond to the problems of presenting necessary but potentially unpopular ideas through political parties. The Institute assumes that any political party is likely to assimilate good ideas if they are well presented and have been tested in the market place of opinion. The evidence suggests that several AIPP proposals (especially those relating to budget cuts and the deregulation of public utilities) have been adopted by Federal Labor Government. AIPP’s method effectively illustrates the libertarian assessment of the effectiveness of parties as a means of achieving limited government. As to the Liberal Party, many of its prominent members are reluctant to be seen as being influenced by an outside group such as the AIPP.

Hyde is not a libertarian in the intellectual mould of a Rand or Rothbard, but has ideas more akin to the utilitarian laissez-faire liberals of the late 19<sup>th</sup> century. AIPP has a particular concern in its publications with the more immediate matters of public policy. Its “Policy Papers” series includes monographs about government regulation,<sup>21</sup> State monopolies<sup>22</sup> and health<sup>23</sup>. The “Critical Issues” papers present a broader

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<sup>18</sup> eg contrast Rummel, R. J. “Deadlier Than War” and Kirk, R. “Ten Conservative Principles” in *IPA Review*, Vol. 41, No.2, August/October 1987.

<sup>19</sup> eg see Sawyer, M. “The Philosophy of the New Right” in *Current Affairs Bulletin*, Vol. 64 (2), July 1987.

<sup>20</sup> Hyde, J. *Vested Interests in The Public Interest*, AIPP Policy Paper No.3, AIPP, Perth, 1985. pg 8.

<sup>21</sup> eg McLean, R. *Australian Coastal Shipping*, Policy Paper No.1, AIPP, Perth, 1984.

<sup>22</sup> Eg Albon, R. *The Telecom Monopoly*, Policy Paper No. 5, AIPP, Perth, 1986.

<sup>23</sup> McLeod, R. *Empty Bed Blues*, Policy Paper No.9, AIPP, Perth, 1986.

perspective on subjects from arts<sup>24</sup> and environmental policies to land rights.<sup>25</sup> The particular interest of the Institute in labour market studies is presented in a number of those papers and in the published book *Wages Wasteland*.<sup>26</sup> The major project *Mandate to Govern*<sup>27</sup> produced a detailed sketch of problems confronting Australian government and offering guidelines for policy. The AIPP also conducts dinners and forums for guest speakers in an attempt to broaden the reach of the ideas which it promotes. Its “Economic Witness” papers seek to produce timely commentary on topical issues such as the federal budget.<sup>28</sup>

These publications reflect the nature of the interests of AIPP and the concentration on the analysis of short term policy. Libertarians have criticised two particular positions taken in AIPP publications. Firstly, the position that the taxation structure should not be significantly altered without first addressing other economic problems. Secondly, they have condemned a gradualist approach to removing Medicare<sup>29</sup>, which has long been a particular libertarian concern. Similar criticisms have been made of the gradualist approach taken in *Mandate to Govern*.<sup>30</sup>

AIPP employs six full time staff with experience from politics and journalism to academic study. However, the reputation and respect for John Hyde as one of the few to criticise the Fraser Government and an instigator of the “dry” influence on the Liberal Party is still important to the support, and credibility of the Institute.

The Centre of Policy Studies (COPS) at Monash University has produced a number of papers and academic analyses of the effects of regulations, high tax, debt and “big government”. COPS has provided support for those urging tax reform through economic modeling and computer based analysis of different plans, from flat-rate tax to the Liberal Party’s 1987 election policy. The emphasis of COPS is on the study of economic policy decisions and their consequences.<sup>31</sup> Like the institutes already mentioned COPS has a greater interest in the micro-economic analysis of a wide spectrum of human activity. Frequently, the conclusions of this analysis can provide support for libertarian skepticism about the role of the state. However COPS is more interested in study than the spread or dissemination of ideas and, in the tradition of “value-free economics” will not produce work prescribing particular ends for people or government, be they libertarian or otherwise.

These four groups represent the major think-tanks which might be said to have an interest in libertarian ideas or have been influenced by them. Whatever ideas they promote these groups use methods of operation in accord with the libertarian experience in Australia. Because of this and the general direction of the ideas which they promote they have received the support of many people who have a more direct interest in libertarian ideas. A number of other “think-tank” groups exist including the S.A. Based Institute for Labour Studies and the now small but more conservative Australian for Common Sense, Freedom and Responsibility lead by Professor Mark Cooray. Amongst small groups are those with a more libertarian output, deriving

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<sup>24</sup> Harper Nelson, J. *Government and the Arts*, Critical Issues No.9, AIPP, Perth, 1987.

<sup>25</sup> Scruton, R. (et.al.) *Land Rights and Legitimacy*, Critical Issues No.1, AIPP, Perth, 1985.

<sup>26</sup> Hyde, John and Nurick, J. *Wages Wasteland*, Hale and Iremonger and AIPP, Sydney, 1985.

<sup>27</sup> Nurick, J. (ed.) *Mandate to Govern*, AIPP and Australian Chamber of Commerce, Perth, 1987.

<sup>28</sup> *ibid.* pgs 31-38.

<sup>29</sup> [Public health insurance provider, delivered administered through the Australian Federal Government Department of Human Services on behalf of the Department of Health.]

<sup>30</sup> McLeod, R. *op. cit.*

<sup>31</sup> eg Freebairn, J., Porter, M. and Walsh, C. (eds) *Spending and Taxing: Australian Reform Issues*, Allen and Unwin, Melbourne, 1987.

from the libertarian movement of the 1970s. There are also efforts other than think-tanks to promote the spread of libertarian ideas. These associations draw on the experience of other community groups who seek maximum public exposure with very limited financial resources.

Centre 2000 in Sydney, closely linked with the Adam Smith Club, has, since its formation in mid-1983, developed programs to distribute libertarian literature, publishes *The Optimist*<sup>32</sup> magazine, runs tax freedom day campaigns (involving the humorous “Taxtralia Dollars”), launched the Grassroots 2000 campaign to mobilise local opposition to excessive government intervention and forms political action committees on topical issues. The Centre 2000 has amongst its Sydney supporters a number of people who were involved in the Progress Party. *The Optimist* takes its name from a series of libertarian journals. The original aims of *The Optimist* were similar to the IPA *Review* drawing on the whole range of thought sympathetic to the free-market and hoping to achieve a wide distributional base.<sup>33</sup> However the print-run of about 2000 copies suggests that this is unlikely to be achieved. The Centre 2000 seeks an audience amongst all people disenchanted with “big government, big business and big unions”. Clearly, this involves many people who are not necessarily libertarian, or sympathetic to other libertarian ideas. This has led to controversy over support for the “Canberra push” of Joe Bjelke-Petersen and the Queensland National Party. To secure funds Centre 2000 developed closer links with some small business groups during 1987. This must eventually lead to a questioning of the credentials of Centre 2000 as a traditional think-tank.

Despite this more populist appeal of Centre 2000 it has tried to maintain credibility as a traditional think-tank through doing commissioned research for other organisations and publishing its own papers.

The Foundation for Economic Education (Australia)<sup>34</sup> has primarily served as a source for material from its United States counterpart, and the self-education of its members. Founded in 1976 by Viv Forbes and a number of others familiar with the work of Leonard Read and the FEE (US), the FEE is amongst the most consistently libertarian groups in Australia. Whilst it concentrates on education rather than the research typical of other think-tanks, it is able to maintain a relatively high level of activity on small funding from private sources. FEE (Aust) is perhaps best considered as a part of a group of organisations formed by Viv Forbes to promote libertarianism.

#### *Libertarian Clubs and Societies*

Before the growth in free-market oriented think-tanks which became possible with an increased availability of funds through individual and corporate sponsorship, many private clubs and associations of people with an interest in ideas promoting individual and economic liberty existed.

Internationally some of these groups have assumed a leading role in bringing together scholars, businessmen, politicians and others to examine the directions which countries and governments take, as measured against the standard of free-market liberalism. The Mont Pelerin Society formed in 1947 at the instigation of F.A. Hayek is the best known of these.<sup>35</sup> A number of Australians have had involvement with the conferences and discussions which are the *raison d'être* of the Mont Pelerin Society. The loose “Libertarian International” with a membership in many countries, which

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<sup>32</sup> *The Optimist*, Vol.1, No.1, Centre2000, 1985.

<sup>33</sup> *ibid.*

<sup>34</sup> see “Introducing the Foundation for Economic Education”-pamphlet.

<sup>35</sup> Machlup, F. (ed) *Essays on Hayek*, Hillsdale College Press, Hillsdale, 1976. Pg xxxi-xxiii.

also holds regular conferences, has also drawn on Australian support, particularly from those who have had involvement in the libertarian political parties.<sup>36</sup>

With objectives which do not require wide popular support it is in these associations that the most active consideration of consistently libertarian thought can be found. In Australia, as in many other countries, a number of small groups have formed to study the work of Ayn Rand through such taped lecture courses as “An Introduction to Objectivism”. These groups have existed on university campuses and elsewhere. Objectivists are an important part of the development of libertarian movements both in Australia and the United States.

These libertarian groups illustrate the observation that as small groups predominantly concerned with philosophy and ideas expand, in an attempt to appeal to a wider audience, they often lose their distinctive character as a “libertarian” group. The Adam Smith Club is the result of a merger between the Libertarian Dinner Club and the newsletter *Optimism*. The club has been extremely successful with many people wearing the club tie who are not at all inclined towards many libertarian views. Amongst Adam Smith Club members there are many libertarians and people interested in the free-market. The main activities of the Adam Smith Club revolve around dinners with prominent guest speakers and the annual Adam Smith Award, presented to outstanding proponents of the free-market. Recipients have included Bert Kelly, John Hyde, the philosopher Lauchlan Chipman and libertarian Viv Forbes.<sup>37</sup> The Adam Smith Club has branches in Sydney, Canberra and Melbourne with members throughout the Country.

The “Libertarian Movement of Australia” based around people who were part of the Workers Party in South Australia, publishes a regular newsletter and has some claim to being a loose umbrella group for the affiliated libertarian political parties who continue to maintain fairly close, but informal links. The Libertarian Movement is also associated with Libertarian International.

Libertarian Review has served as a source for libertarian literature for many years. Similarly the “Free-Market Institute” is one of a number of small operations producing or disseminating libertarian material.

In an attempt to form a libertarian oriented interest group, Viv Forbes, founded “Taxpayers United” to lobby for limited government, balanced budgets and flat-rate or proportional taxation.<sup>38</sup> This group with thousands of members nationally was explicitly designed to reach people other than libertarians. It publishes a journal *Trim* (Tax Reduction Immediately) and makes regular press statements on matters of interest. Viv Forbes has observed that many people are unwilling to get involved with the Progress Party because they see it as a failed political movement.<sup>39</sup> Taxpayers United is an attempt to cater for these people. It is ironic that the publications of Taxpayers United, which strive for the wide support of all taxpayers, are more identifiably libertarian than those of many other groups with libertarian origins. Other small groups of people from time to time form groups to promote or discuss libertarian ideas. They emphasise the approach of Leonard E Read or Ayn Rand concentrating on self-development through debate, the acquisition of knowledge, wide reading, public speaking and writing as the first step towards the achievement of libertarian goals. Australian versions of the Society for Individual Liberty, a Society for Austrian Economics and Libertarian Clubs have served as sources for libertarian ideas and literature.

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<sup>36</sup> Libertarian International General Newsletter” 15<sup>th</sup> May 1987.

<sup>37</sup> *The Optimist*, Edn 4, September/October 1985. pg 16.

<sup>38</sup> see “The Taxpayers Chartbook”, *Trim*, Issue No.7, Taxpayers United.

<sup>39</sup> Private Correspondence, 30<sup>th</sup> March 1987.

Other voluntary associations promoting political positions which in many ways parallel libertarian ideas have recently emerged. These include employer groups, foundations to finance public advertising, and ad-hoc groups with particular interests. These are best left to be considered in the section on the impacts of libertarian ideas. However, they do not reflect an application of those methods of promoting ideas and seeking long-run influence which have typified the efforts of libertarians and the think-tanks outlined above.

#### *Other Means of Promoting Libertarianism*

Individual libertarians have also made a number of efforts to influence the climate of Australian politics. These include writing letters to editors, poetry, magazine articles, monographs and books.

Libertarians including Viv Forbes, Rob Ryan and Hal Soper are prolific writers to the editorial pages of national and local newspapers. Libertarian ideas are also seen in letters to the columns of professional and industry journals.<sup>40</sup> These letters are seen as being an effective means of reaching a wide audience with little cost in a timely manner on topical issues. The poetry of Viv Forbes has appeared in *The Australian* whilst the former Kalgoorlie Chairman of the Workers Party, Ron Manners, has published a book of poetry titled "Mannerisms".<sup>41</sup>

Aside from the publications of think-tanks other libertarian magazines have emerged, some even had commercial success. The magazine *Free Market*<sup>42</sup> was published for a number of years and *On Liberty*,<sup>43</sup> *Optimism*,<sup>44</sup> *Free Enterprise*<sup>45</sup> and their successors have had as much difficulty sustaining contributions as finding subscribers. The journal *Quadrant*<sup>46</sup> has presented many ideas over a period of time including some more libertarian ideas critical of the actions of governments and politicians. Viv Forbes publishes *Common Sense* which is distributed through the "Common Sense Network" promotes, libertarian ideas and is self-funding.

The United States which has much larger numbers of active libertarians, if only because of a larger population has seen associations of libertarian feminists, libertarian lawyers, pro and anti-abortion libertarians, Christian libertarians as well as libertarians pursuing particular political interest. Few similar groups have emerged in Australia and libertarian writings do not reflect debates between these often contradictory ideas.<sup>47</sup>

Similarly in the United States there is a growing community of scholars in a number of fields who are interested in libertarian ideas. This is reflected in articles presenting a libertarian perspective in mainstream journals and in the publication of many books by about libertarianism and related matters. Perhaps the only published book by Australian libertarians is the book *Rip Van Australia* by Singleton and Howard. Published in 1977 this book was set out as a dictionary of Australian politics and public life in general. Although often drawing on libertarian arguments in its

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<sup>40</sup> eg. *Business World*, Vol.2, No.3, March 1985, W.A. Chamber of Commerce.

<sup>41</sup> Manners, R. *Mannerisms (1979-83)*, Ron Manners, Kalgoorlie, 1983.

<sup>42</sup> *Free Market*, No. 4-5, Darby Communications.

<sup>43</sup> *On Liberty*, Vol.1, September/November 1979.

<sup>44</sup> On Liberty Incorporated the newsletter Optimism.

<sup>45</sup> eg *Free Enterprise*, Vol.1, No. 1-9.

<sup>46</sup> *Quadrant* is published by the Australian Association for Cultural Freedom, the present editor is Peter Coleman, for a while a Liberal Party Member of State and Federal Parliaments.

<sup>47</sup> see Forbes, V. "The Libertarian Movement in Australia" an address to Mont Pelerin Society Meeting in Hong Kong, September 1978.

presentation *Rip Van Australia* did not aim at becoming the definitive statement of libertarianism in Australia. The book has many other virtues, but its position as the pre-eminent local libertarian writing is by default. Although some have pointed to the difficulty of publishing writings contrary to the main stream, as libertarianism has often been, little is offered to publishers from a libertarian point of view. As those people who have been active in Australian libertarian groups and organisations move in to fields such as journalism or academic study this might well change over time.

The spread of libertarian ideas in Australia has probably been furthered, more by individuals reading libertarian authors, than by any other means. Recognising this, Australians interested in promoting libertarianism have sought to have libertarian books read as widely as possible. People have become involved in schemes to pay for books to be sent to politicians and senior public servants. There have also been small mail order book services run by Ron Manners in Kalgoorlie (the Libertarian Bookshop), Viv Forbes in Brisbane, and a bookshop associated with Centre 2000 in Sydney.

Other notable efforts to promote libertarian ideas, such as that of Western Australian small businessman Adam Dollar who was prosecuted for stamping “When government expands liberty diminishes” on every banknote which passed through his business, have, from time to time, achieved some publicity or renown for libertarians. Also libertarians have suggested questionnaires for public servants and politicians as well as appropriate modes of address for those in authority (“you remain my humble servant”) if you must correspond with them.

These organisations and individual efforts to promote libertarian ideas are unified by a concentration on argument, writing, reading and other aspects of the consideration of ideas. There have been no major efforts by “libertarians” to organise public demonstrations, or take control of other groups. Whereas the effectiveness of this strategy will be assessed later the comparative failure of the support for Bjelke-Petersen through the Grassroots 2000 campaign, which was a matter of controversy amongst libertarians, is likely to reinforce activity geared to long-term influence rather than wielding short-term political power.

## Chapter Four: Impacts of Libertarianism

*Bill Stacy, Chairman Lion Rock Institute, Hong-Kong*

*“Libertarianism is dead in this country”<sup>173</sup>*

*“Although a healthy suspicion of government has been central to our political life as a nation, the radical antistatist tradition has been a dissenting and ultimately marginal viewpoint.”<sup>174</sup>*

In the past the term libertarianism was best known to Australians in association with the Sydney libertarians formed around the philosopher John Anderson or the members of councils of civil liberties described themselves as civil libertarians. The growth of the free-market based libertarianism in the United States is illustrated by Rothbard.<sup>175</sup> Amongst notable features of this examination are:

1. The recent origins of libertarian ideas in the “Randian” objectivist movement and the laissez-faire FEE.
2. The impact on these of Vietnam and the draft, and the split within Young Americans for Freedom.
3. The link between the growth of libertarianism and the anti-authoritarian ideals of the new left.

The growth of the Australian libertarian movement of the 1970s shares some of these origins. Many libertarians in Australia were introduced to libertarianism through the novels of Rand or the journal of FEE (“The Freeman-Ideas on Liberty”). However, although Australians were affected by the draft and libertarians were opposed to it, the emergence of a libertarian movement in Australia only became clear after the withdrawal from Vietnam in 1971 and after the demise of the “New Left”. What the American experience suggests is that the rise of libertarianism should not be seen as wholly a phenomenon of the political “right”.

An international comparison close to Australia in this context is Britain. As in Britain the resurgence in free-market orientated through stems principally from a reaction to interventionist governments, high taxation and economic crises. Libertarian thought in Britain never gave rise to a political party but was reflected in libertarian groups such as the Libertarian Alliance, the Alternative Bookshop, and general free-market think-tanks such as the Institute for Economic Affairs and the Adam Smith Institute. As in Australia the wider awareness of libertarianism is limited to seeing it as a variant of other ideas promoting liberty and the free-market in general.

### *Early Influences*

The impact of libertarianism in the 1970s can be examined without reference to a concept such as the “New Right”. A fairly distinctive libertarian movement was manifested in those associated with the Workers/ Progress Parties and the non-party groups which sprung up around them in various states. Their immediate impact can be

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<sup>173</sup> Dr Peter Richardson (1.) A statement made during a phonecall September 1987.

<sup>174</sup> S. L. Newman (2.) Newman, S. L. *Liberalism at Wits End*, Cornell University Press, 1984. Pg 23.

<sup>175</sup> Rothbard, M. N. *For a New Liberty*, 1<sup>st</sup> edn, Macmillan, New York, 1973. Ch1.

assessed in a number of ways, and their long-term impact is tied up in the rise of more broadly based groups, less consistently libertarian.

The major objectives of libertarians in the 1970s were maximum possible electoral success through the Workers Party and the Progress Party, influencing the major parties, publishing and spreading libertarian ideas and solutions for contemporary problems and developing the understanding of libertarian ideas amongst libertarians. The electoral success of the libertarian political parties can be assessed by comparison to other minor parties and to libertarian parties in other countries.

The percentage of the vote for the Workers Party in the Greenough by-election and Progress Party in the Northern Territory elections where a relatively small population could be concentrated on with direct campaigning was high compared to the first attempts of other minor parties, including the Australian Democrats. However, in the national campaigns of the late 1970s the parties did not come close to achieving a Senate quota or the same national profile as the fledgling Australian Democrats under Don Chipp. Compared to the older Libertarian Party of the United States the Workers Party and Progress Party did well. In the elections of 1986 Libertarian Party delegates to the Presidential College received a maximum vote of 3.1 percent in Alaska but a national vote of only a quarter of one percent. In voting for the House of Representatives in the strongest Libertarian Party states an average of 2.6 percent of the vote was the best result (in California).<sup>176</sup> In the United States this represents a very large number of people and supports a party which holds conferences with thousands of people. The Republican Party in that election would have drawn on many more libertarian voters, but these results do question the suggestion that the Americans are any more amenable to libertarian ideas than people in Australia.

The influence of the Workers Party and Progress Party on the major parties is more difficult to measure. In the 1977 election the Liberal Party emphasised the small government-lower taxes line and in recent times has continued with the theme. Viv Forbes wrote that “some of our (Workers Party and Progress Party) earlier converts now try to forget their origins, but I could probably produce some surprising names on old lists of supporters”.<sup>177</sup> Forbes has also suggested the publications sent to John Howard, Jim Carlton and John Stone,<sup>178</sup> amongst others, might have had some influence on their subsequent development and policy stance. The attempt to convince politicians that policy based on libertarian ideas could be popular as well as prudent might be reflected in the rush of the political parties and politicians to be considered “economic rationalists”. As the Workers Party and Progress Party declined, former members, who maintained links with think-tanks and other libertarian groups, became involved with other political parties and groups. In the early 1980s the Australian Liberal Students Federation was strongly influenced by libertarian ideas with one former member suggesting that a “libertarian caucus” operated across often strong state boundaries. Such influences have potential to show greater impacts in the future.

The efforts of libertarians in the 1970s to spread libertarian literature and ideas widely have had some impact. Many libraries contain books such as *Rip Van Australia*<sup>179</sup> and also have copies of the works of Hayek, Nozick, Rothbard and others in the libertarian tradition. The early efforts of journalists Peter Samuel and Maxwell Newton contributed to a wider presentation of free-market based solutions to political and economic problems as well as being critical of the interventions of all governments.<sup>180</sup> In Western Australia the *Sunday Independent* owned at the time by Peter Wright<sup>181</sup> presented a series

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<sup>176</sup> *Congressional Quarterly*, January/March 1985. Pgs 75-82.

<sup>177</sup> Forbes, V. “The Tide Turning” in *The Optimist*, November/December 1986. Pg 6.

<sup>178</sup> *ibid.* pg 6.

<sup>179</sup> Singleton, John and Howard, Bob. *Rip Van Australia*, Cassell, Sydney, 1977.

<sup>180</sup> Forbes, V. *op.cit.* pg 6.

<sup>181</sup> Friedman, M. *Taxation, Inflation and the Role of Government*, CIS Occasional Papers No.4, CIS, 1981.

of articles based on the writing of Ludwig von Mises which lead to a large number of orders for his books from the Libertarian Bookshop. The tours of Australia by Milton Friedman,<sup>182</sup> Hayek<sup>183</sup> and Eugene Guccione exposed people to free-market or libertarian economics, through media coverage, dinners and speeches. Interested people had an opportunity to expand their knowledge of libertarian ideas through the availability of the popular novels of Ayn Rand or Science Fiction author Robert Heinlein in most bookshops.

Through this variety of means there was during the later half of the 1970s a loose libertarian movement in Australia promoting the ideals of individual liberty and free-market economics, with an emphasis on the latter. Whilst perhaps a relatively small movement numerically, the ideals of the libertarians involved were presented widely and capable of a significant impact.

The effects of this movement and the ideas they promoted on later public policy is impossible to measure or gauge directly. However, it has been suggested by many authors that a change in the nature of the ideas dominant in Australian politics has taken place, that this change is more amenable to libertarian ideas and indeed reflects many of them. Whether or not this change is caused by the earlier advocacy of libertarian ideas is hardly a useful question. The two are intimately linked and mixed with the influences of other ideas and circumstances. To quote one commentator, “one could easily conclude and quite correctly I believe that the rather chill winds of change presently blowing through this country have been generated by the money market and exchange rates and not by exhortations from the federal government or the “think-tanks” of the so called new right”.<sup>184</sup>

Taking one step back from this point of view and asking what influences the money market and why are exchange rates important is, however, more interesting. Money markets are dominated by perceptions about the future in terms of economics and political stability. They are important because a number of governments decided to float their currencies. Amongst other reasons this reflected break down in the post-war “Keynesian Consensus”. Amongst the alternatives to Keynesian economic policy considered by governments were those of the free-market monetarist and supply side economists who drew parts of their theories from insights of Austrian economics. These circumstances of economic problems are those where libertarian advocates of free-market economics can offer solutions. Many of these solutions are the subject of present debate and action by government.

Amongst these changes applauded by libertarians are financial deregulations including entry of foreign banks, removal of exchange controls, floating the dollar and the freeing of the banks from many statutory requirements. People who prepared papers for the Campbell inquiry included Fane, Swan, and Hewson (now a federal member of parliament for the Liberal Party) names associated with the free-market think-tanks.

[Hewson in time led the Coalition in the Federal Parliament and would go to the 1993 election with the Fightback platform, that while far from libertarian, called for much that would if implemented, increase both liberty and efficiency. The coalition was defeated from what was said to have been an unlosable position by a disingenuous campaign that succeeded on portraying a change in the tax system as an unfair increase in taxation. The failure of the Fightback set back the will to undertake reform seriously.]

Privatisation was suggested in the original Workers Party Platform of 1975<sup>185</sup> and has since been advocated in turn by think-tanks, Liberal Party oppositions and senior

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<sup>182</sup> Hayek, F.A. Social Justice, Socialism and Democracy, CIS Occasional Papers No. 2, CIS, 1979.

<sup>183</sup> Guccione, E. “Freedom and Property Rights”, FEE(Aust.), September 1976.

<sup>184</sup> Jones, G. “Contemporary Industrial Relations: Dilemmas and Prospects” in *Australian Bulletin of Labour*, Vol.13(3), June 1987, pg 165.

<sup>185</sup> *Workers Party Platform*, Section 2.2.3.

members of the Labor government of 1987. Successive governments have talked about lowering taxation, even as a percentage of gross domestic product, although paying tax is as much as ever considered a necessary duty rather than theft. State governments have made tentative steps towards deregulating trading hours and taken a slightly more liberal attitude to gambling, casinos and prostitution. The arguments for tertiary fees presented by libertarians and others have been advocated by ministers in ALP governments. A report for the Economic Planning Advisory Council, a significant advisor to the government, about education recommended the “complete privatisation of all educational institutions”<sup>186</sup> as its first option.

All of these examples suggest a “climate of ideas” sympathetic to proposals made by libertarians over a number of years. However, many of these proposals have been initiated by governments and reinforced their legitimacy rather than served as a means to limited government. If drawing up a list of negatives in the “intellectual climate” from a libertarian point of view one might include continued high tariffs and protection, the negative attitude to tax evasion, industry planning, ID Card proposals, the reaction against “moral permissiveness”, harsher penalties for victimless crimes, wider powers for police, tax office investigators and other government authorities, the involvement of government in development policies and other general concerns about economic policy, civil liberties and property rights. The libertarian ideal of limited government is debated in academic journals but while governments might find many libertarian suggestions useful they are unlikely to limit themselves along the lines which libertarians prescribe. The adoption by governments of market based solutions to economic problems can be attributed to many sources other than libertarian. However, specific arguments, theories and solutions to problems do not acknowledge such labels. It is the ideas themselves that the libertarians argue, count under any label.

#### *The Libertarian Movement in 1987*

As far as many critics and commentators on public affairs are concerned the impact of libertarian ideas is manifested in the rise of a phenomenon described as the “New Right”. This is associated with the Thatcher and Reagan governments as well as a vast array of other ideas seen to be influencing contemporary political events. The term is however, shunned by many to whom it is applied. In particular libertarians object. They see it as associating their ideas with the religious “right”, more authoritarian ideas, and, in any case as being an inappropriate description of ideas often not “new” or of the “right”. English libertarian, Chris Tame, has identified as least 14 different applications of the term “New Right”, many of these being unassociated and inconsistent.<sup>187</sup> He offers instead the term “New Enlightenment” to describe the resurgence of Classical Liberal and libertarian ideas across the political spectrum. This description attempts to separate the long-term influences and factors of ideas and intellectual debate from what is recent currency in public policy and day-to-day politics. There are links between the two since activity in the political process is often motivated by ideas and long term objectives. As a motivating force in this “New Enlightenment” libertarian thought must often be seen as a motivating influence rather than a daily guide for public policy.

In Australia the term “New Right” has been applied to the “free-market” think tanks, new business groups critical of the effects of government intervention, the “Joh for PM” campaign, certain members of the federal parliamentary opposition, journalists, academics, and also the older advocates of libertarianism considered above. This represents an extremely diverse group, with many different interests. Sawyer suggests that it represents an amalgamation between “neo-liberal” and “neo-conservative” thought. Not only does this description fail in explaining the ideas of any particular

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<sup>186</sup> Fane, G. *Education Policy in Australia*, EPAC, 1984.

<sup>187</sup> Tame, C. “From Economics to Science Fiction” in Seldon, A.(ed.) *The “New Right” Enlightenment*, E and L Books, Kent, 1985.

person associated with the “New Right” in Australia (e.g. John Hyde might fit either description whilst the Queensland Premier fits neither, and both have divergent views on almost every important issue in current political debate), but it also over simplified the consideration of the origins, objectives, and methods of the people involved.

The methods of the think-tanks have been heavily influenced by the experience of libertarians in Australia and overseas. They are founded, not as Alex Carey suggests, on the basis of propaganda and “mind management”, but on the libertarian and liberal belief that through the rational presentation of ideas to whoever is willing to listen, good ideas will find their way to the fore. In contrast to this many of those associated with the “New Right” label, in populist appeals to the electorate, concentrate on advertising, demonstrations, campaigns for political power, and seek an immediate a direct influence on political outcomes. These more populist groups typified by the “Joh for PM” campaign and locally based small business and farmers groups, are also more “conservative” in their interest in such areas as immigration, “moral decline” in society, abortion, pornography, law and order, and the status of the flag and crown. These concerns and the methods of the more populist strands of the “New Right” are almost the opposite of a libertarian approach. Yet, on the issue of taxation some Australian libertarians including the Progress Party of New South Wales and Taxpayers United, have offered nominal support to the Queensland National Party because of its endorsement of a “flat tax” policy. This had long been a central feature of the policies of the libertarian political parties. Even if support is limited to this issue, most National Party members and radical libertarians make strange bedfellows.

This support of some libertarians for the National push of Bjelke-Petersen, and the idea of a broad “conservative alliance” represents an illuminating commentary on the contemporary state of the libertarian movement which had been so active in the latter half of the 1970s. That movement did have considerable influence on the margin of political debate, but how well has it survived its partial success in Australian debate? The person suddenly enthused about libertarianism after reading, say; *Atlas Shrugged*<sup>188</sup> could once, through a meeting of the Workers Party or reading *On Liberty*<sup>189</sup>, have come in contact with many other people with similar views. Now that same person is asked to join the very conservative groups which libertarian authors like Rand have blamed for the decline of capitalism, in an alliance designed to ignore differences which have been of particular concern to libertarians, who argue that in the long run ideas, not numbers, count.

It is in this sense that the observation of Peter Richardson which introduces this chapter is true. There is no general libertarian movement in Australia today. Libertarian ideas can be seen to be best represented, along with other ideas, in the free-market think-tanks and the continuing individual efforts of people who first became interested in libertarianism through involvement with the earlier libertarian movement. These representatives retain the Australian preoccupation with economic issues and barely reflect the radical libertarian antipathy towards the very existence of the state. Considering this, Australian libertarians can be comforted by the words of von Mises that:

“...Liberalism had drawn no other conclusion than that in the long run truth and righteousness must triumph because their victory in the realm of ideas cannot be doubted. And whatever is victorious in this realm must ultimately succeed in the work of affairs as well, since no persecution is capable of suppressing it. It is therefore superfluous to trouble oneself especially about the spread of liberalism. Its victory, is in any case certain.”<sup>190</sup>

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<sup>188</sup> Rand, Ayn. *Atlas Shrugged*, Signet, New York, 1956.

<sup>189</sup> *On Liberty*, Journal of the Society for Individual Liberty.

<sup>190</sup> Mises, L von. *Liberalism*, Sheed Andrews and McMeel, Kansas City, 1978 .pg 180.

But should be cautioned by those of Lord Action that:

“...At all times sincere friends of freedom have been rare, and its triumphs have been due to minorities, that have prevailed by associating themselves with auxiliaries whose objects often differed from their own; and this association, which is always dangerous, has sometimes been disastrous.”<sup>191</sup>

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<sup>191</sup> Quoted in Hayek, F. A. *The Road to Serfdom*, University of Chicago Press, Chicago, 1975. Pg vi.

## Chapter Four Postscript 1987-Present

Some 27 years after the academic publication of Bill Stacey research and work into Libertarian thought in Australia's "New Enlightenment," the underlying question for domestic Australian Libertarians remains largely unanswered; namely, "to what extent, if any, has Libertarian thought *really* impacted on the Australian political landscape?" That is, what imprint in time has been left behind and will an indelible mark be left for the future of the Australian polity? In other words, is there a point in Australian politics and history, at which one can point their finger and say: "There is Libertarianism at work!"

Through a wider body of work that is currently being undertaken, it has been found that Libertarianism has generally been unacknowledged or, at the very least, under-acknowledged for its contribution to Australian political history and the role it has played in shaping revolutions, loosening the bonds of government regulation and forging a society free from government interference. It is an "ism" which can be found to be much more complex and revolutionary than Marxism's redistributive mechanisms, intellectually deeper and more profound than Capitalism or Corporatism and is an "ism" that perplexes and confuses the modern notions of modern liberalism.

It is through Stacey's authoritative work on one particular point in Australian history that one quickly comes to the realisation that Australian history is littered with numerous examples of Libertarian influence; albeit largely unacknowledged. There still appears to be very little recognition of this sleeping giant in contemporary Australian politics. The sleeping giant only seems to become restless in Australia when 'civil liberties' are at stake; and yet one could argue that even when such liberties are at stake, the response is often one of apathy (something which, as many academic papers will illustrate, is not limited to Libertarianism). Even when one sees taxes, superannuation, savings and other "hip pocket" matters at stake, many have remarked that we live in a participatory democracy; "participating on the couch."

In a 1977 publication *Rip Van Australia* by Robert Howard and John Singleton pointed at such apathy as a fruit of both ignorance and a growing sense of powerlessness of the wider electorate. The somewhat tongue-in-cheek conclusion of the article states that "no matter who we vote for, a politician always wins." Major party disenfranchisement, as will be seen later, could feed into the growth of a new generation of Libertarians; but this same apathy now also extends to third and minor parties. It may be worth suggesting that, to some extent, many historically monumental philosophies such as "Classical Liberalism" and Libertarianism have been consigned to the bookshelf under antiquity.

However, renowned Libertarian author David Boaz reminds readers in his book *Libertarianism*, that this was the same philosophy which spurred on the birth of the new horizon in *America* while Europe languished behind in its emancipation of its people and markets. With a broad horizon, individualistic outlook and highly entrepreneurial fabric, the US became an ideal breeding ground for Libertarian thought. Europe, on the other hand, held onto its feudal State mentality for much longer; even in the face of a century of concerted sedition from groups such as the Levellers during the earlier English Civil War. Libertarianism's birth into Australian domestic politics was arguably even slower than that of Europe.

Writing in 1974 in *Reason*, Robert Howard wrote about the Workers' Movement and of "slowing Socialism down." He lamented that "Libertarian ideas (were) desperately needed here" in Australia. Stating that, Australians had brought in a Labor Government for the first time in 23 years out of desperation rather than love and this

would result in a type of deeper enslavement to a socialist, labour union, bureaucrat coalition. Robert Howard would probably suggest that, even today, successive governments of late from both sides of the political spectrum, have enshrined a long tradition of pervasive government regulation, middle class welfare while embarking on oversized spending programs. This may indeed suggest that little has changed since Howard's initial assessment in 1974.

As it should be noted, Howard's arguments were just as vociferous toward the liberals as it was to the conservatives whom he argued had simply "paid lip service to free enterprise" and Libertarian ideals. Such Rothbardian notions of "liberty" and "freedom from government" do not appear to have guided the invisible hand of political fate in Australian history. But can appearances be deceiving?

One only has to glance across the Pacific Ocean during Presidential Elections of 2012 and 2008 to see the groundswell and grassroots support for Congressman Ron Paul. While he has been labelled as the "intellectual father of the Tea Party," Paul's actions of never voting in favour of any tax increase throughout his 25 years as Congressman, further government regulation or ever invading a foreign sovereign country captured a wide and diverse number of supporters from both sides of the political divide. He was also considered as the winner of a number of Grand Old Party (GOP) debates.

However, American political commentators ranging from the "leftist Bill Maher" to Hannity and Colmes generally agreed that Paul was not given due credit for his Libertarian philosophy; nor was he given equivalent air-time as a vehicle for promoting his "RE-LOV-UTION" campaign against big government. Across each of the major US networks, many social and political commentators argued that Paul posed a threat to both the Democrat and Republican parties; he was on neither side and he could not be easily pigeon holed into a CNN or FOX leaning audience. History may now await the advent of a Rand Paul Movement for President? However, given Libertarianism's track record, this seems unlikely.

Both history and time may prove that Paul's Libertarian views ultimately split the Republican and Democrat votes in the 2012 Presidential Election, consequently upsetting Governor Mitt Romney's chances of making it to the White House. There may, or may not, still be currency in the argument that Congressman Paul was not given due airtime or coverage to posit his somewhat anti-establishmentarian views as it may be arguable that "the establishment" were not interested in being disestablished. Either way, it is irrefutable that Paul's movement has spurred a new and youthful generation of Libertarians in the US. Arguably, Paul's influence in the US has stretched across the Pacific and has had somewhat of an impact on the Australian electorate.

While these presidential races seem like a distant and foreign affair, Stacey's work in promoting a thesis on Libertarianism remains a significant moment for academic Libertarian literature in Australia. Has Australian Libertarianism suffered the same fate as that of Ron Paul where Libertarian arguments, as sound as they may or may not be, are written off as fringe dwelling ideals that are better suited to an extreme branch of "nutters?" Or is it just a symptom of a two-party centric political system?

Australian electoral history has thrown up number of candidates from a wide ranging and disparate range of viewpoints. Whether it be the Sex Party, Pirate Party, Grey Party or even the more temporarily "electorally successful" One Nation Party, each of these platforms has received, to a greater or lesser extent, some media coverage. And given the contentious nature of a number of these parties, each of them has received bountiful academic coverage through peer reviewed theses and academic journal articles. Can the same be said for what could possibly be considered the more historically established tranche of Libertarianism? Or does this philosophy represent a view that is too 'hysterical' to promote, too anti-authoritarian and too far reaching?

There are a number of ways in which one can test the hypothesis as to whether Libertarianism has been unacknowledged or under-acknowledged.

Arguably, and with clear links to Stacey's writings on the Workers Movement of the 1970s, one of Libertarianism's greatest achievements in Australian political history has been the Eureka Rebellion. While a gross generalisation, most people would regard the Eureka Rebellion as the movement out of which the union movement was born, a win for workers and the realisation of a burgeoning socialist struggle against the sweeping veil of Capitalism.

While this may not sound like a crowning moment of Australian Libertarianism, as Stacey notes in his thesis, it represents a key plank in Rothbardian thinking. Namely, that "no person or group of people has the right... to use force or coercion against any other person or group of people." True, this represents a testament which is not exclusively Libertarian and could be applied to any number of Judeo-Christian philosophies. However, in the same vein, Stacey goes on to note Proudhon's statement that "taxation is theft." While Stacey does not make a specific reference to those events at Ballarat, these statements can be easily seen in parallel as the taxes that were imposed on miners, and that it was this type of *income tax* in Ballarat that was "a form of slavery or involuntary servitude" to the State to which Rothbard was referring.

Writing in the *Sydney Morning Herald* in 2004, Gerard Henderson of the Sydney Institute pointed out that a series of historical revisions around the rebellion had taken place over a number of decades. In fact, he notes that the aforementioned description of the events surrounding Eureka was taken directly from the Communist Party of Australia's account of the rebellion (and it should be made clear that this is usually the perspective one learns of Eureka in their early Secondary schooling).

However, as Henderson reported, on November 11, 2004, the Liberal Party of Victoria's Opposition Leader, and now Lord Mayor of Melbourne, Robert Doyle stated that the rebellion was, in fact, a victory for small businesses. One does not have to look very far to see that under the "reign" of (British) Governor Hotham, miners were essentially tired of excessive taxation, heavy regulation and no representation. Consequently, echoing a very Rothbardian sentiment rather than one of Marx or Engels.

Many miners, as workers around the world have for centuries, sought a better life in other parts of the world; some sought a better life in Ballarat and moved there to find riches. The Crown began to enforce regulation around the types of mining that could occur, under what hours and how official miners could be recognised by license permit or other features. These are the very same things that Libertarians continue to argue against today. In fact, there is very little difference between this situation, what has been covered in Stacey's thesis and what still continues to this very day.

Ultimately, the 30 minute Eureka Rebellion which led to the death of 30 miners and three soldiers spurred forth a leader and "working class hero" in the name of Peter Lalor. He would later have an electorate in outer Melbourne named after him and would become the archetypal "Labor Man." It should nonetheless be noted that Lalor went on to become a conservative Member of Parliament and, by all accounts, a staunch Monarchist. Lalor's politics as either a 'conservative businessman' or 'progressive unionist' remain in contention to this day.

The overall treatment of Stacey's work on the Workers Movement in the 1970s has direct parallels with the story of Ballarat in 1853.<sup>192</sup> A typical search through most

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<sup>192</sup> For the full story of the Eureka Rebellion see Ron Manners, *Heroic Misadventures 'Is It Time for Another Revolt?'* (Celebrating the 150th anniversary of the Eureka Rebellion), December 4, 2014, p 265.

internet and academic resources will reveal a much heavier emphasis on the *Sydney Push* rather than Stacey's themes.

Continuing on the quest to test the hypothesis regarding the treatment imparted on the Libertarian platform throughout Australia's political history, it would be remiss not to consider the very system through which one receives an insight into this history.

Often labelled the "culture wars," perhaps Libertarian thought and publications such as that of Stacey's work have been subject to what Chris Berg referred to in his book *The National Curriculum: A Critique* as the "narrow-mindedness" of Australian Arts and Humanities departments at various universities. While it remains difficult to come to a definitive conclusion on this matter, these faculties' websites which illustrate their "subject matter expertise" are often rife with writings on Marxism, Socialism, Feminism and Modern Liberalism. Libertarian themes, on the other hand, are often confined to economic history and economic philosophy classes. While based on anecdotal evidence, this study would encourage any reader to test this hypothesis.

It would be more than fair to say, with the likes of Rand, Friedman, Hayek and so forth, that many historically significant economists had somewhat of a Libertarian bent. Even Western Australia's first Professor of Economics at the University of Western Australia, Ed Shann, had a particularly strong Libertarian leaning. But the question remains, what has happened to those Libertarian voices in sociology, history and politics? Whether it be the Hon. John Hyde MHR, Hon. Bert Kelly MHR, John Humphries<sup>193</sup> or other international opinions on the state of the Australian State, it does seem apparent that Libertarianism has been closeted or once again confined to antiquity.

Many have remarked that "Malcolm Fraser was given a copy of Ayn Rand's book *Atlas Shrugged*" by a visiting President Ford. However, others have questioned whether he read it; and further, whether he understood its economic and social implications.

In continuing this pseudo-scientific assessment, another relatively simple and pragmatic way in which one can test the hypothesis as to whether Libertarian thought has been unacknowledged or under-acknowledged is to browse each Australian university's websites for funding, publications, students' thesis topics and library collections. After several years of research into this question on the impact of Libertarianism on Australian policy or politics, the only result one invariably receives is a work by an author by the name of "William J Stacey."

It should be noted that, with the likes of Friedman, Hayek, Guccione and Rand largely backing the philosophy, there have been a number of free-market theses completed; however many of these are not called "Libertarian studies" and most of these works do not focus on the Australian political implications arising from the movement. Many of these studies have been subsumed into themes such as corporatism, neocorporatism and capitalism.

Furthermore, by searching through each of the Hansard records of the Commonwealth, State and Territorial representative chambers. One may be surprised to learn that there are actually quite a number of mentions of the word "Libertarian" in many Parliaments across Australia. This may lead one to believe it is a philosophy which has captured considerable attention. However, the most prolific use of this term has been in relation to counter terrorism laws in the wake of the September 2001 attacks on New York and the right to withhold a person's "rights." In other Australian jurisdictions, it has mostly been associated with legislation introduced in order to regulate the personal and "professional" relationships of bikie gangs.

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<sup>193</sup> For current background information, see: <http://johnhumphreys.com.au/>

As part of a wider body of work, research undertaken in this context has shown the Parliament of Tasmania to be the most prolific user of the term “Libertarian” in recent times. However, as noted, this is solely and exclusively used in light of terrorism laws. Subsequently, given the fact that Australia’s National Curriculum does not cover Libertarianism and that the philosophy is bereft of any academically tenured proponents in any Arts, Humanities or Politics faculties at university, it would be easy to understand why Libertarianism might be written off as fringe dwelling or solely confined to matters of terrorism and the rights of civilians. This might also shed light on why the philosophy is unacknowledged as a formidable historical driver.

Given the fact that the Libertarian movement has appeared to have failed to win the so-called culture wars over Australia’s history, lost the academic publishing war, is largely refuted in most academic circles and continues to be unacknowledged, would it be fair to say that the movement has failed or that the movement does not have a future? Not necessarily. It may be fair to say that it is, once again, drawing strength toward itself.

Recent Australian political history has shown us that there are certainly some positives for Libertarianism ahead as well as some significant challenges.

The former Member for the Federal Seat of Wakefield, Bert Kelly was the key driver in eliminating Australia’s insular and protectionist trade regimes. As research continues through the work of Hal Colebatch and others, many are awakening to the profound impact of Kelly’s Libertarian views on protectionism and free market trade. In a tribute to Bert Kelly, former Prime Minister Gough Whitlam stated that “no member has had as much influence in changing a major policy of (both) the major parties.” It may well be the case that Libertarianism has had a significant impact on Australian politics but this has not been uncovered or acknowledged as of yet.

And, while some may consider it more of a tenuous link to Libertarianism, one cannot discount the economic reforms initiated by the Hawke and Keating Governments in embodying Libertarian and free market ideals of Friedman in their floating of the Australian dollar and beginning stages of privatisation for the Commonwealth Bank, Telecom [now Telstra] and Qantas. Although many of these may remain strongly disputed, it is not surprising that such reforms were ushered in after a period of significant change and upheaval in Libertarian economics.

Other positives for Libertarianism remain less disputed. For example, in the 2010 Australian Federal Election the Libertarian Party, the “Liberal Democracy Party (LDP),” received 24,262 votes in total from its twenty two candidates for the House of Representatives; only a few thousand votes shy of the One Nation Party and more than that received by the once popular Australian Democrats. In the Senate, it polled 230,000 first preferences nationally which represented 2.31 percent of the vote in New South Wales, 1.84 percent of the vote in Victoria, 2.25 percent in Queensland, 1.18 percent in Western Australia and 0.55 percent in South Australia. This was a sizeable increase from its total of 17,000 votes received in the 2007 Federal Election. The LDP also conceded that it did receive “a few mentions” in the media.

It may be too easy to write-off Libertarianism’s so-called “semi-electoral success” as fleeting or as a passing fad in which some votes were received, but obviously not enough to actually win a seat in any representative chamber anywhere in Australia. However, the evidence is to the contrary.

In New South Wales, the Shooters and Fisher’s Party (SFP) won two seats in 2007 and increased. While the SFP has not seen a great deal of electoral success at a Federal level, the party also won a seat in the Legislative Council of the Western Australian Parliament in the 2013 State Election. It could be argued that the SFP are largely a recreational lobby group who wish to extend their rights to wider areas of enjoying.

However, one only has to read the statements associated with the party to come to the understanding that, at its base, it is largely a Libertarian movement seeking greater freedom from government regulation.

Furthermore, in an unprecedented event in 2012, a number of Libertarians were elected as representatives to the Sydney City Council. In such a case, one should be reminded that local council elections are often used as a “breeding ground” for future State and Federal “talent” and that this event only confirms that very fact that Libertarianism, as a mainstream political philosophy, is gaining traction with mainstream voters.

The most recent political development for Libertarianism has been the election of David Leyonhjelm [The transcript of his maiden speech is included in Appendix III]. Representing the Liberty and Democracy Party for the State of New South Wales, the LDP upholds many of the views which are dear to Libertarians. Particularly, a large reduction in Commonwealth taxation and interference in State issues, a reduction in Commonwealth programs with an emphasis on greater personal liberty. The 2013 Australian Federal Election which ushered in its first Libertarian Senator in Australian history is, without doubt, a defining moment for the movement.

Libertarianism has also seen an uptick in interest over the last few decades through the growing membership of organisations such as the Institute of Public Affairs (although the IPA was established 70 years ago), the Centre for Independent Studies and the Mannkal Economic Foundation. Each of these organisations are playing some part in growing a “grass-roots” Libertarian movement and are contributing, to some extent, toward both the rewriting and re-enlightening of Australia’s political history. As Chris Berg from the IPA has alluded, many of these historical events have been written over through historical revisionism.

However, notwithstanding each of the points which have been made, Libertarianism faces a number of uphill battles. These challenges are many but focus mostly on issues such as its complexity of definition, apathy and the capitalisation of a growing disenfranchisement with the political establishment.

Libertarian ideals often propose of web of complex tenets which often challenge one’s understanding and acceptance of both the status quo and the extent to which voters are willing to go beyond their comfort zone. The philosophy asks potential supporters to question the fundamentals of the political system in which they choose to participate or not. This does not mean that the philosophy is fundamentally flawed, however, questions such as “what role does the State play in something like healthcare or education” can be frighteningly complex questions.

In Nozick’s canonical book *Anarchy, State and Utopia*, he asserts the Classical tradition that it is possible to coexist in a world where self-interest drives all to production rather than destruction; as destruction would result in self-destruction. One could easily accept Libertarianism at face value for its minarchistic stance on government regulation, taxation and ownership. However, in order to come to a true appreciation of the philosophy, while at the same time opposing the impression of being a part of that very elitist political class to which Libertarians oppose, one needs to come to a solid understanding of the original 19<sup>th</sup> Century philosophers who brought Western Libertarianism into the world.

Whether it be a Lockean understanding of the “State of Nature” or a Machiavellian “State of Power,” Libertarianism is riddled with complexity. Indeed, much of the same could be said of the diverse nature of a theory such as “democracy” and its original tenets. While Libertarianism obviously couples well with a theory or practical application of democracy, it is far more complex in that it pushes the boundaries of an electorate all-too-eager for populist solutions to problems. Libertarianism pushes an

individualistic framework in which communal solidarity is still encouraged; but this posits somewhat of a complex conundrum for the newly initiated or potential applicant.

Without detracting from the thorough work of Stacey and that of others such as Robert Howard in *Reason*, it is plain enough to note that Libertarianism as a political force has somewhat of a 'definitive problem.' Article after article will note that the term "the Workers' Movement" probably was not the best title for the movement given the political circumstances of the day. In fact, most students or visitors would probably stumble upon these papers and assume them to be socialist manifestos from the 1970s. However, to a Libertarian, the title makes perfect sense.

Just "what is Libertarianism" people often ask. This very study has encountered various academics that have had university tenure for decades who write Libertarianism off as "a bunch of right wing nutjobs." Yet, Libertarianism in its own statements does not pledge to belong to either side of the political spectrum. Julian Assange has called himself a Libertarian for his views on "big government secrecy;" is he wrong or right in his definition or is he a selective Libertarianism? Does Libertarianism suffer from factionalism?

While the establishment and growing membership of various Libertarian organisations, coupled with the recent electoral success of Libertarian leaning parties, has proven that there is an appetite for freedom-from-government movements, a great deal of confusion still remains around what this Libertarianism is all about.

David Boaz recounts the fact that Libertarian dates back to the era of Confucius, Lao-Tzu and even cites it in the Old Testament's book of Samuel some 3,000 years ago where Yahweh (God) order his nation Israel: "Do not appoint Kings for they shall tax you and your children;" Western Libertarianism continues this theme. But, the very definition of Libertarianism has been muddied between various anti-Government "crusaders" such as Assange, civil Libertarians who oppose mandatory gaol sentences for bikie associations, Californian Libertarians who advocate the legalisation of marijuana and other currently illegal substances, Australian gay Libertarians who seek a loosening on the Government sponsored term "marriage" and economic Libertarians who seek a liberalisation of operating requirements.

Stacey's thesis highlighted how a 'collective' of individuals can collaborate and work together as a union; differently to the unions to which many have become accustomed. And while Stacey's thesis did propose that Libertarianism would have an impact on the Australian social or political landscape, it may not have foreseen the actual electoral success currently enjoyed by Libertarian candidates. However, the definitive problem of Libertarianism still remains and will need to be resolved lest it receive more substantial support.

The definitive problem of Libertarianism is, to coin a phrase, "self-evident" in almost every Libertarian product. Whether it be Nozick's *Anarchy, State and Utopia* which is widely accepted in many academic circles, David Boaz's *Libertarianism*, Jan Narveson's *Libertarian Idea* or even Hayek's well publicised work on *Why I Am Not A Conservative*, each Libertarian product often has to employ a great deal of time explaining exactly the question "What is Libertarianism." It would be assumed that, for most Libertarians, this problem is somewhat unacceptable as just how many books or journal articles on themes such as "Democracy" or "Communism" need to spend a great deal of time outlining exactly who they are or what it is?

However, and as noted earlier, this is most likely not the "fault" of Libertarian proponents but largely due to an apathetic public and a two-party-preferred political dichotomy that captures either side of the Libertarian argument for "self gain." For example, the Left will often usurp Libertarian arguments for issues such as the

legalisation of drugs or other politically expedient mechanisms. The Right will use Libertarianism for reasons related to personal ownership and enterprise or, yet again, political gain.

Furthermore, and as noted in the work of Howard and Stacey, the demise of the wider Libertarian workers movement in the 1970s might have been due to the fact that new members “were not well grounded in the values, ideas and commitment of Libertarianism.” Freedom from government interference is a relatively straightforward concept but with complex implications. For example, a recent phenomenon in the “Free-Man-on-the-land” movement has seen a growing number of individuals writing to government agencies expressing a desire to “check out” from the “*Statist system*.”

While probably somewhat inspired by the likes of “Prince Leonard Casley,” the movement has clear Libertarian undertones in calling for an end to taxes relating to personal income or other resources earned through ownership and enterprise. In exchange for checking out of the system and no longer paying taxes, proponents of this movement also state that they no longer desire any support from government in the form of police, ancillary, educative, welfare or many other government services. The true juridical reality of this movement is yet to be tested in an Australian court. However, given the far reaching nature of both “government services” and “taxation,” most would think it unlikely that any such movement could prevail in the courts. Famous 19<sup>th</sup> Century US Libertarian Lysander Spooner was the first to, unsuccessfully, try the argument that the US Constitution was invalid because it was signed by a generation to which he and his compatriots did not belong. It was an out-dated document that had not been voted upon by the current generation and was therefore invalid. It has taken 150 years for a similar theory to reach the shores of Australia.

While written some 27 years ago, Stacey’s work has one final outlook which is divided into two categories: That is, the ability of workers or a union of people to unite under a new banner of individualistic gain and an untimely union of what would normally be considered ‘disparate forces.’ The subtext of Stacey’s work highlighted a period of tumultuous economic instability, an unpopular war abroad and a newly elected Labor Government for the first time in 23 years. A great push for a socialistic monopoly of government services was present in the newly elected Whitlam Government and Australia as a nation was still reeling from the Second World War, its place in Asia in relation to Vietnam and the spread of Communism and the fall of the dysfunctional Coalition Government.

However, in this period of uncertainty, a group of “workers” came together for a number of years and formed a Libertarian alliance that strongly opposed many of Whitlam’s initiatives whilst also recognising the limitations of the Liberal Party in its drive to centralise government services and grow a larger government bureaucracy in the latter Prime Minister Malcolm Fraser. As has been proven of late, Libertarianism can come from all political backgrounds as both sides of the political equation generally seek some limited form of freedom from government.

Also as noted in Stacey’s work, and as quoted by Bob Howard, it was long ago that both sides of politics abandoned the notions of freedom from government interference and government regulation. In fact, one may have to track back to the original debates of the People’s Assemblies of the 1880s and 1890s to find a real enshrinement or manifestation of these ideals. While this fact may be a disappointing outcome for Libertarians, it also provides an opportunity for future growth and development.

In conclusion, and as a part of a wider body of work and research currently being undertaken, it has been found that Libertarianism has grown exponentially since the completion of Stacey’s work in 1987. Electoral runs have been placed on the board and seats in representational chambers around Australia have been gained. Party

alliances are no longer as strong as they once were and, as reported generally, voters are becoming increasingly frustrated with a disconnect between an “Australian reality” and a “Parliamentary reality.”

Whether the recent electoral success of Libertarian-leaning political parties signifies the realisation of a more formidable Libertarian movement or not remains questionable. However, as Stacey pointed out in 1987:

“There is no general libertarian movement in Australia today. Libertarian ideas can be seen to be best represented, along with other ideas, in the free-market think-tanks and the continuing individual efforts of people who first became interested in libertarianism through involvement with the earlier libertarian movement. These representatives retain the Australian preoccupation with economic issues and barely reflect the radical libertarian antipathy towards the very existence of the state.”

In light of these comments, it would be fair to say that Libertarianism has broken beyond the boundaries of a theory that was once solely rooted in think-tanks and has opened itself to a wider support base. However, whether this translates into even more applicable support in the form of State or Federal materialisation, remains to be seen.

## Internships with Think-tanks

*Tait Marston, former Mannkal Economic Education Foundation intern to Atlas Network*

The Mannkal scholarship program is targeted at undergraduate university students who have an interest in free enterprise, individual freedom and limited government. While labelled a scholarship, it is more accurate to describe this opportunity as an internship experience. Mannkal's scholarship program is conducted during the summer and winter university break, and generally consists of a six-week placement abroad in a free market think-tank. While the program is designed to supplement the students chosen studies, it also provides them with the practical experience they would not traditionally receive during their university course studies.

Mannkal has delivered this program because it recognises the benefits of travel, working and studying abroad can have on a student's self-confidence, independence and future goals/aspirations. In addition, this scholarship program is designed to encourage students to question the world presented to them and challenge their own understanding of politics, law, and economics.

As an intern, you may undertake a number of daily activities, report writing, data entry, and research. However, you may also have the opportunity to visit nearby universities, attend events and conferences. For example, all North American interns descend on Washington DC in their final week to attend the International Students for Liberty Conference. Following is a short summary of the various international think-tanks where Mannkal sends its scholarship winners.

### **The Lion Rock Institute, Hong Kong, China**

The Lion Rock Institute (LRI) promotes free market ideas over a broad number of policy areas including, telecommunication, local planning, transport, housing, education, health, financial services, while also educating legislators and the broader general public on the benefits of free market policy.

Traditionally, student interns have assisted senior members with *Capitalism.HK* quarterly publication and short policy 'op-ed' pieces, while some have even had the opportunity to speak at the Legislative Council (LegCo).

The Lion Rock Institute shares a unique connection to Perth, Bill Stacy the author of the original works this publication was based on, and current Chairman of Lion Rock, is on the Board of the Mannkal Economic Education Foundation.

Past Mannkal Scholars:

2009 – Luke McGrath

2010 – Shane Lively

2011 – Lazar Pravidich

2012 – Hannah Berdal and Charles Pym

2013 – Conrad Karageorge and Helen Le

2014 – Samantha Denford

<http://www.lionrockinstitute.org/english/index.php>

### **The Frontier Centre for Public Policy, Winnipeg, Canada**

Frontier is a not-for-profit think-tank with offices in several locations across Canada. With a specific focus on current affairs and public policy, Frontier seeks to provide meaningful solutions for good governance and reform. As a platform for policy debate, Frontier engages with the public through its publications and events, encouraging broader discussion and debate.

Past students have assisted senior members with extensive public ‘state-level’ policy papers and attended ‘in-house’ Frontier events.

Past Mannkal Scholars:

2010 – Tahlia Maslin

2011 – Felicity Karageorge

2012 – Tim Sondalini

2013 – Genevieve Mitchell

2014 – Kate Fitzgerald

<https://www.fcpp.org>

### **Fraser Institute, Vancouver, Canada**

The Fraser Institute is an independent public policy research and education organisation. Well known for its motto, “if it matters, measure it”, Fraser studies the effect of markets and government intervention on the general welfare of individuals. The Fraser institute also publishes “The Economic Freedom of the World Index”, reporting annually on a number of variables, each country is ‘indexed’ according to their respective degree of economic freedom.

Past Interns have compiled research for policy publications, and worked closely with staff on mining and natural resource policies.

Past Mannkal Scholars:

2013 – Angus Duncan

2014 – Thiago Brandao

<https://www.fraserinstitute.org>

### **Atlantic Institute for Market Studies, Halifax, Canada**

The Atlantic Institute for Market Studies is an independent non-partisan think-tank with specific focus on public policy for the Canadian Atlantic region. AIMS conduct research, produce policy and organise conferences across a few specialist areas including, energy, equalisation, health, and education policy.

Past Interns have assisted with natural resource/mining policy, and produced op-ed style articles.

Past Mannkal Scholar:

2014 – Sunita Sebastian

<http://www.aims.ca/en/home/default.aspx>

### **The Institute of Economic Affairs, London, United Kingdom**

The Institute of Economic Affairs (IEA) is the ‘original’ free market think-tank in the UK. The IEA’s mission statement is to “improve understanding of the fundamental institutions of a free society by analysing and expounding the role of markets in solving economic and social problems”. The IEA’s core activities include producing reports, books, journals and papers on a broad range of policy areas. However, IEA policy experts also regularly contribute to newspapers, and other media to extend the reach of free market ideas.

Past interns have assisted with research articles, provided office support, and drafted speeches.

Past Mannkal Scholars:

2013 – John Webster and Timothy Lefroy

2014 – Danielle Lukic and Tanisha Banaszczyk

<http://www.iea.org.uk>

### **Atlas Network, Washington DC, United States**

The Atlas Economic Research Foundation was established to institutionalise the process of independent think-tank creation. The Atlas Network directs significant resources to expand the libertarian network by identifying, training, and supporting individuals to establish independent libertarian organisations of their own. Therefore, in accordance with Sir Antony Fisher’s vision, former President John Blundell outlined Atlas’ mission, “to litter the world with free-market think tanks”.

Former interns have had the opportunity to attend numerous internal and external events, participate in Cato Institute workshop seminars, visit other DC based think-tanks, attend House and Senate hearings, and attend the International Students for liberty Conference.

Mannkal’s Executive Director, Ron Manners, currently holds a position on the Board of Overseers.

Past Mannkal Scholars

2013 – Alex McVey, Kim Phan and Jiamin Lim

2014 – Tait Marston and Jordan Mittasch

<http://atlasnetwork.org>

### **The New Zealand Initiative, Wellington, New Zealand**

The New Zealand Initiative is a business group ‘membership organisation’ think tank based in Wellington. Promoting sound public policy through a competitive economy, the Initiative seeks to advance policies that benefit all New Zealanders. The New Zealand Initiative also hosts events, produces policy papers and conducts topical research.

Student interns have previously assisted with a range of activities, including research, writing, event organisation and office support.

Past Mannkal Scholar:

2014 – Mark Hennessy

<http://nzinitiative.org.nz>

### **The Reason Foundation, Los Angeles, United States**

Reason is a well-known libertarian think-tank and publisher headquartered in Los Angeles, California. According to Reason, their mission is to support “free society by developing, applying, and promoting libertarian principles, including individual liberty, free markets, and the rule of law.” Their activities include a broad scope of policy research, publication of *Reason* Magazine, and Reason.tv.

Past interns have conducted research on controversial topics and assisted with the production of digital media.

Past Mannkal Scholar:

2014 – Gabrielle Cole

<http://reason.org>

### **Institute of Public Affairs, Melbourne, Australia**

The IPA is an independent classical liberal think-tank based in Melbourne, Victoria. The IPA supports “the free market of ideas, the free flow of capital, a limited and efficient government, evidence-based public policy, the rule of law and representative democracy”. The IPA conducts broad research over a number of public policy areas, publishes the *IPA Review* magazine, regularly contributes to news media, and organise topical lectures across Australia.

Past interns have contributed to the IPA’s *FreedomWatch* blog, conducted research, and produced op-ed style articles.

Past Mannkal Scholars:

2014 – Jesse Parmar

<http://www.ipa.org.au>

## Five Introductory Readings

After reading this 'Primer' it is likely you will have more questions than answers.. The purpose of this book is to expose you to an alternate perspective, to show you how the individual could interact with the State.

Let us for the moment consider taxation. Do you pay too much, or too little? In the usual course of life, most people would consider issues like this on a practical basis. However, when paying tax, you might consider whether this money becomes property of the State. If so, can it be used for whatever purpose they deem fit, or does it come with responsibilities attached? Consider another contemporary issue, the right to privacy. Does the State have the right to censor the web, or compel Internet service providers to retain customer browser history?

To assist with your future study of libertarian ideas, a selection of short readings covering specific aspects of economics, philosophy and law have been included. Print these readings off and make notes in the margins; this will not only assist you with comprehension, but as you develop a deeper understanding it is helpful to refer back to these initial thoughts.

In addition, former Mannkall interns are a great source of information, please feel free to utilise their experience. While they might not have all the answers, but there is no doubt they have been in your position at some stage.

1. *Why I Am Not a Conservative* by Friedrich Hayek  
[www.cato.org/pubs/articles/hayek-why-i-am-not-conservative.pdf](http://www.cato.org/pubs/articles/hayek-why-i-am-not-conservative.pdf)
2. *I, Pencil My Family Tree* as told to Leonard E. Read  
<http://www.econlib.org/library/Essays/rdPncl1.html>
3. *A History of Libertarianism* by David Boaz  
<http://www.libertarianism.org/publications/essays/history-libertarianism>
4. *Planned Chaos* by Ludwig von Mises  
<http://mises.org/document/2714/Planned-Chaos>
5. *The Law* by Frédéric Bastiat  
[http://www.constitution.org/cmt/bastiat/the\\_law.html](http://www.constitution.org/cmt/bastiat/the_law.html)

## Suggested Books for Further Study

*For those seeking a deeper understanding of libertarian ideas and some of the broad debates of the 20<sup>th</sup> Century this incomplete list is a good starting point, especially for a broad awareness of libertarian ideas and phrases.*

1. *Animal Farm* by George Orwell
2. *The Philosophy of Ownership* by Robert LeFevre
3. *100 Greatest Books of Liberty* by Chris Berg and John Roskam
4. *In Defence of Freedom of Speech* by Chris Berg
5. *Economics in One Lesson* by Henry Hazlitt
6. *Atlas Shrugged* by Ayn Rand
7. *Bureaucracy* by Ludwig von Mises
8. *The Road to Serfdom* by Friedrich Hayek
9. *The Open Society and its Enemies* by Karl Popper
10. *Dry* by John Hyde

## About the Authors

**Andrew Pickford** works between Perth, Western Australia and Mont Tremblant, Canada in the areas of policy and strategy with a range of institutions and governments. He has particular expertise in the electricity and broader energy sector, as well as Indo-Pacific security matters. Mr Pickford is a Canadian Research Fellow, Mannkal Economic Education Foundation and Senior Fellow, International Strategic Studies Association (Washington DC, United States).

**Ron Manners** is the Chairman of Mannkal Economic Education Foundation. He is also Emeritus Chairman of the Australian Mining Hall of Fame Ltd. He is a Fellow of both the Australasian Institute of Mining and Metallurgy, and the Australian Institute of Company Directors, and his contributions to industry and Australia have been marked by several awards including being elected as a “Mining Legend” at the 2005 Excellence in Mining & Exploration Conference in Sydney. In 2010 Ron was appointed to the Advisory Council for the Atlas Economic Research Foundation, Washington, DC.

**John Hyde** held the Federal seat of Moore from 1974, when Whitlam was Prime Minister, until he lost the seat with the defeat of the Fraser Government in 1983. John and his wife, Helen, then formed the Australian Institute of Public Policy, which in 1991 was amalgamated with the Institute of Public Affairs, which he directed until 1995. He was a columnist with the *Australian Financial Review*, *The Australian* and the Brisbane *Courier-Mail*, writing 745 regular articles for these papers, and has had many other articles published elsewhere.

**Bill Stacey** is the Chairman of Hong Kong’s leading free market think tank, the Lion Rock Institute. He is on the Board of the Mannkal Economic Education Foundation in Australia, and has been involved in advocacy of market reform for the last 25 years. Professionally, Bill has been an executive with leading financial institutions in Asia and globally. Bill is currently head of an Asian equities business based in Hong Kong.

**Tim Lefroy** completed his Bachelor’s Degree in Commerce at the University of WA (UWA) and is now completing his Honours in Economics. For his Honour’s Thesis, Tim is researching the future of family farming in WA and the effect of socio-managerial characteristics on farm performance. A Mannkal Scholar, Tim was awarded the prestigious UK internship in 2013, where he worked as a research intern at the Institute of Economic Affairs (London), and attended the Freedom Week Conference at Cambridge University. Tim teaches both Micro and Macroeconomics at the UWA, and has specific interests in policy affecting agriculture and education.

## Appendix I: Workers Party- Advice for Those Starting a Political Party

Throughout this text there have been various references to the Workers Party. While largely forgotten in contemporary political circles, the emergence of the Workers Party changed the direction of both main political parties in the 1980s and 1990s and, with them, the nation.

For a treasure trove of archive material on the Workers Party, Editor-in-chief of Economics.org.au, Benjamin Marks, maintains the website [www.WorkersParty.info](http://www.WorkersParty.info). Another important overview of one of the early economic advisors of the Workers Party, Max Newton, can be found in the following chapter from his biography written by Sarah Newton: Sarah Newton, *Maxwell Newton*, “The Workers Party”, Fremantle Arts Centre Press, 1995, pages 232-242.

Ron Manners, Mannkal Executive Chairman, was also intimately involved in the creation and subsequent direction of the party. He has kindly permitted the reprinting of “Our Very Own Political Party” from his autobiography *Heroic Misadventures (Australia: Four Decades – Full Circle)*. For information on the book and details on ordering, see [www.Heroicmisadventures.com](http://www.Heroicmisadventures.com).

Extracts from: Ron Manners, *Heroic Misadventures (Australia: Four Decades – Full Circle)*, Mannwest Publishers, 2009, pages 120 – 158.



*“Think Tank” (1974) left to right: Henrik? Kerry McCormack or Joy Lackmann, Marilyn Giesekam (Fairskye), Patrick Brookes, Mark Thier, Shirley Prosser, Bob Howard, Ramon Barros, Maureen Nathan, John Starink, John Zube*



*Party Naming Ceremony in Western Australia’s Pilbara Region (1974) left to right: Dr Neil Scrimgeour, John Singleton and Dr Duncan Yuille (photo taken by the author).*

## **Our Very Own Political Party**

### **Up The Workers! - (*Heroic Misadventure* or part of an ongoing revolution?)**

Picture the Australian political scene back in early 1974.

Australia was limping along under what could best be described as the worst Federal Government in its history.

The Whitlam Labor Party Government, in its persecution of entrepreneurial spirit, had successfully driven many productive individuals offshore.

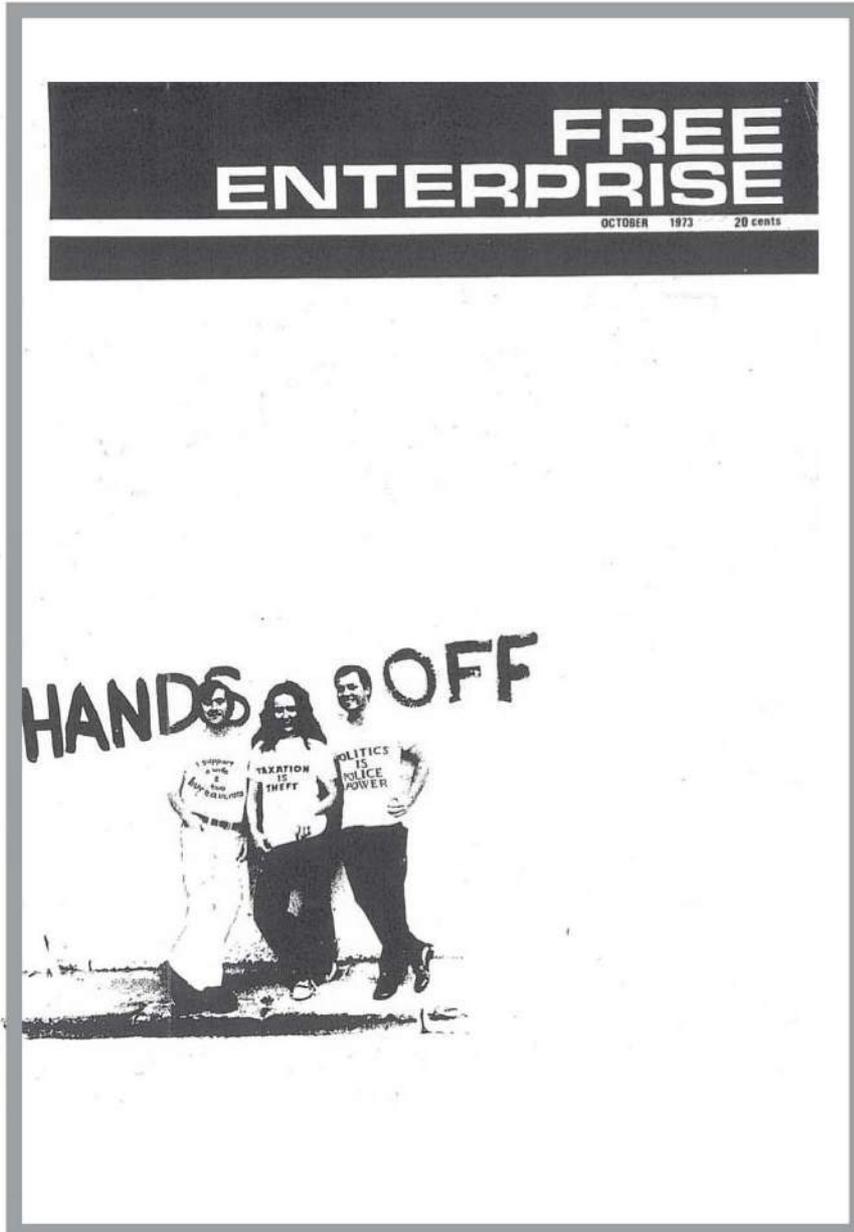
Australia had emerged from a relatively stable political environment under Menzies' Liberals, where interest rates had averaged around five per cent, except for the brief 1961 Credit Squeeze (see page 14).

Menzies' successors then turned on the "printing press" and had interest rates up to six per cent. Then Gough Whitlam took over in 1972 and we quickly saw interest rates rise to 25 per cent by 1974.

The Liberal / Country Party Coalition provided no valid alternative philosophies, so throughout Australia there appeared groups of young people drawn together by an internationally emerging limited-government philosophy based on classical liberalism. Their focus was on individual rights, individual responsibility and limited government involvement in most aspects of our lives.

Most of these young people were introduced to this philosophy through reading the books of Ayn Rand (*Atlas Shrugged*, etc.) and some groups were simply called "Ayn Rand Discussion Groups".

Having been introduced to "limited government concepts" in the 1950s by Leonard Read's Foundation for Economic Education Inc. (see page 8), I was naturally connected to a similar Western Australian group. Though we were well aware of what was happening globally, we knew little of any other Australian groups.



*Cover of 'Free Enterprise' magazine, First Edition  
October 1973*

Then, in 1974, I read an impressive Letter to the Editor in the *Bulletin* magazine signed by a John Whiting of Adelaide, describing himself as the President of the “Movement for Limited Government”.

I met him in Adelaide on August 23, 1974.

Dr John Whiting saw a book protruding from my briefcase, written by Austrian Economist, Ludwig Mises. “Have you read that book?”, Whiting said to me. When I said yes, Whiting responded, “Well that saves us about five hours, so let’s get right down to it.”

He suggested that I meet a bright group in Sydney who were moving toward forming a new Australian political party—Dr Duncan Yuille, Bob Howard and Mark Tier.

I joined this group’s two-day meeting aimed at developing a political platform and found an inspirational collection of engineers, artists, lawyers, architects, pharmacists and the like, not only disenchanted with Australia’s political and economic direction, but, more importantly, prepared to do something about it (see top photo page 120).

There was a larger audience at a subsequent meeting. Viv Forbes was given the job of organising Queensland, where he lived; Greg Lindsay was given the job of running a Sydney suburban branch; others were “sent” to Tasmania and Victoria to do similar jobs and I was assigned to putting together a Western Australian branch. I conveniently knew Lang Hancock, who was a strong advocate of smaller government and often saw bureaucratic obstacles in his project planning.

The Sydney working group was producing a magazine aptly named *Free Enterprise*, with the first edition produced in October 1973 (see facing page).

The three initial editors were Marilyn Gieseckam (artist), Patrick Brookes (architect) and Tony Bryan (economist), with Maureen Nathan (pharmacist) as co-ordinator and George Carver in charge of distribution.

This excellent, modest magazine clearly stated the editors’ positions on the benefits that would flow to all Australians from a dramatic reduction in government interference. However, apart from recruiting an ever-increasing range of thoughtful people such as Bob Howard (later editor of *Free Enterprise*) and Mark Tier, they were frustrated about not reaching a wider public audience.

<p>MURRAY N. ROTHBARD 115 WEST 86TH STREET NEW YORK, N. Y. 10024 #BX1000 4-1006</p> <p>August 12, 1974</p> <p>Mrs. Ian Nathan 11b Redan St. Mosman, N.S.W. 2088 Australia</p> <p>Dear Mrs. Nathan,</p> <p>Thanks very much for your phone call. It was certainly exciting news that Libertarians are forming a party in Australia, and I wish you the very best of success.</p> <p>I feel at a bit of a loss in answering your plea for advice. I am scarcely an expert on Australian political problems. However if your situation is anything like the U.S. the major political issues for the foreseeable future will be economic, and "middle class" issues: such as high taxes, galloping inflation, the welfare state, and swollen government budgets. If conscription is an issue there, then that should also be stressed. It should be pointed out that the mass of the public and of the press do not understand what is wrong with the state. The country has had high taxes and inflation, but as well as the crippling restrictions and subsidies on the economy.</p> <p>If you have any more specific questions, I'll be happy to try to answer them when I get back from Europe at the end of September. Once again, all good wishes on your endeavors.</p> <p>Sincerely yours, <i>Murray N. Rothbard</i></p>	<p>MURRAY N. ROTHBARD 41 EAST 42ND STREET - SUITE 500 NEW YORK, N. Y. 10017 TELEPHONE (212) 867-4247</p> <p>December 4, 1974.</p> <p>Mrs. Maureen Nathan 11b Redan Street Mosman, N.S.W. 2088</p> <p>Dear Mrs. Nathan:</p> <p>Thank you for your letter of the 23rd November. I am delighted to hear that the Independence Party has been formed and I am looking forward to reading the Plat- form. Best of luck to the first Libertarian party outside of the U.S.</p> <p>Thank you very much for inviting me to speak in Australia. However, I will not be able to travel to Australia at any time in the foreseeable future. If I should ever do so, the Independence Party would certainly be my first port of call!</p> <p>Best of luck again with your endeavors.</p> <p>Sincerely yours, <i>Murray N. Rothbard</i></p> <p>MNR:lw</p>
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They noticed that advertising executive, John Singleton, had made several public statements that matched their own thoughts and on June 3, 1974 Maureen Nathan wrote to him, following up her phone discussion, and advised that she had “taken the liberty of giving your name and address to Bob Howard so that he can deliver the *Free Enterprise* magazines to you personally”.

Bob then met John and explained that their group had ideas of starting a bookshop as a way of influencing people and broadening the scope of their magazine.

John’s response was, “A bookshop, be buggered, let’s start a political party”.

Things were starting to move quickly and on August 8, 1974, Maureen Nathan held a dinner party at her home to which she invited John Singleton, Bob Howard, John Slade and Patrick Brookes. On that evening the founding of the new party was taken one step further with discussions about the need for consistency in ideology and the dangers of being politically expedient by resorting to compromise.

John Singleton asked if they could produce a written political platform within the next three weeks so that planning and publicity could start.

The challenge was accepted and that’s about the time this new limited-government movement became a national organization.

The first step in assembling a platform was taken by Maureen Nathan who spoke to Prof. Murray Rothbard in New York. Rothbard was the economics and philosophic guru of the Libertarian Party of America.

Though aroused from sleep, through a miscalculation in time zones, Murray Rothbard proved cordial and offered to assist as he explained that this Australian initiative would be the world’s second Libertarian Party (see facing page)

### **Why The Workers Party?**

At that stage, the preliminary name for the new party was “The Independents Party” and over the next few weeks several other names were proposed and discussed.

Maureen Nathan recollected for me, on September 11, 2007, the background to one of the early suggestions:

• The Sydney Morning Herald, Sat, March 23, 1975 •

# Right-wing anarchists revamp libertarian ideology

Workers

By GIBBAM WILLIAMS  
The Workers Party — the anarchist wing of the Right Wing — is now



...We are fast approaching the Government. It is free to do anything it pleases, but we will not let it do so. It is not our duty to

**The fringe Right 2**

...We are fast approaching the Government. It is free to do anything it pleases, but we will not let it do so. It is not our duty to

**Ayn Rand on capitalism**



...We are fast approaching the Government. It is free to do anything it pleases, but we will not let it do so. It is not our duty to

**OPINION**

## Workers Party is not just a funny flash in the pan

By JOHN MILES

DR. JOHN WHITING, sane, smooth-talking, though he does not work hard as a general practitioner at Dubick.

He is also foundation president of a new national political group called the Workers Party, started in Sydney two weeks ago.

By JOHN MILES

...We are fast approaching the Government. It is free to do anything it pleases, but we will not let it do so. It is not our duty to

**RAND FANS BELIEVE IN EVERY MAN FOR HIMSELF**

By GAVIN SOUTER

...We are fast approaching the Government. It is free to do anything it pleases, but we will not let it do so. It is not our duty to

**The Advertiser**  
Friday, February 7, 1975

**The Sydney Morning Herald**  
SATURDAY, OCTOBER 19, 1974

Initial Sydney & Adelaide media coverage (1974)

What is a Worker?

At dinner in my parents home in 1972, the discussion was heavily into political philosophy. One of the dinner guests, Thea, had come to Australia from Germany after WWII. Her husband was a furrier. They had adopted my family when we arrived in 1960 and our families had done some real estate investing together.

We discussed at length the various “-isms”. Thea was adamant that Capitalism was not moral. In an effort to explain to her that she was a Capitalist, I posed several questions:

Q: Thea, you came to Australia with nothing?

A: Yes.

Q: You and your husband work for other people?

A: Yes.

Q: You have saved over the years?

A: Yes.

Q: You own your own home?

A: Yes.

Q: You own rental investment properties?

A: Yes.

Q: You have other investments that give you capital gain and/or return?

A: Yes.

Then I said triumphantly, “Well if you work, own and invest, then you are a Capitalist!”

“No, no,” she replied very forcefully, “I am a Worker!”

In 1974 we only had a working name for the fledgling party. We had earlier talked about the political philosophy which recognizes the worth of people whether they work with their head, their hands, or the money they have come by previously. I had related the story of “I am a Worker” to the team, including John Singleton. For me the obvious name, appropriately marketed, was “The Workers’ Party.”



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## **The Workers Party**

WESTRALIAN BRANCH  
Invites YOU to Listen to and Question

**JOHN SINGLETON**

WHEN HE ANSWERS THE QUESTION

## **Why Workers Party?**

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TAKE OVER?

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- NATIONAL SPOKESMAN FOR WORKERS PARTY

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WORKERS PARTY IS THE POLITICAL ALTERNATIVE FOR THE  
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THE SOCIALIST DOMINATED POLITICAL PARTIES IN AUSTRALIA.**

ENQUIRIES - The Secretary,  
Westralian Workers Party,  
P.O. Box 148,  
MT. LAWLEY, 6050.  
TEL: 71 3040

*Election Poster - 1975*

To my surprise and delight, it was chosen instead of titles including Libertarian, Freedom, etc. To my total upset, the marketing was in the form of full page, fine print tabloid advertising. I had believed the campaign on consecutive weeks should have been:

Week 1: Do You Work?

Week 2: Do you work with your Head?

Week 3: Do you work with your Head or your Hands?

Week 4: Do you work with your Head or your Hands, or the money you have come by honestly?

Week 5: If you work with your Head or your Hands, or the money you have come by honestly, the Workers Party is for you.

My involvement continued in the West, having made contact with Lang Hancock who showed mild interest in some fresh thinking about the political problems.

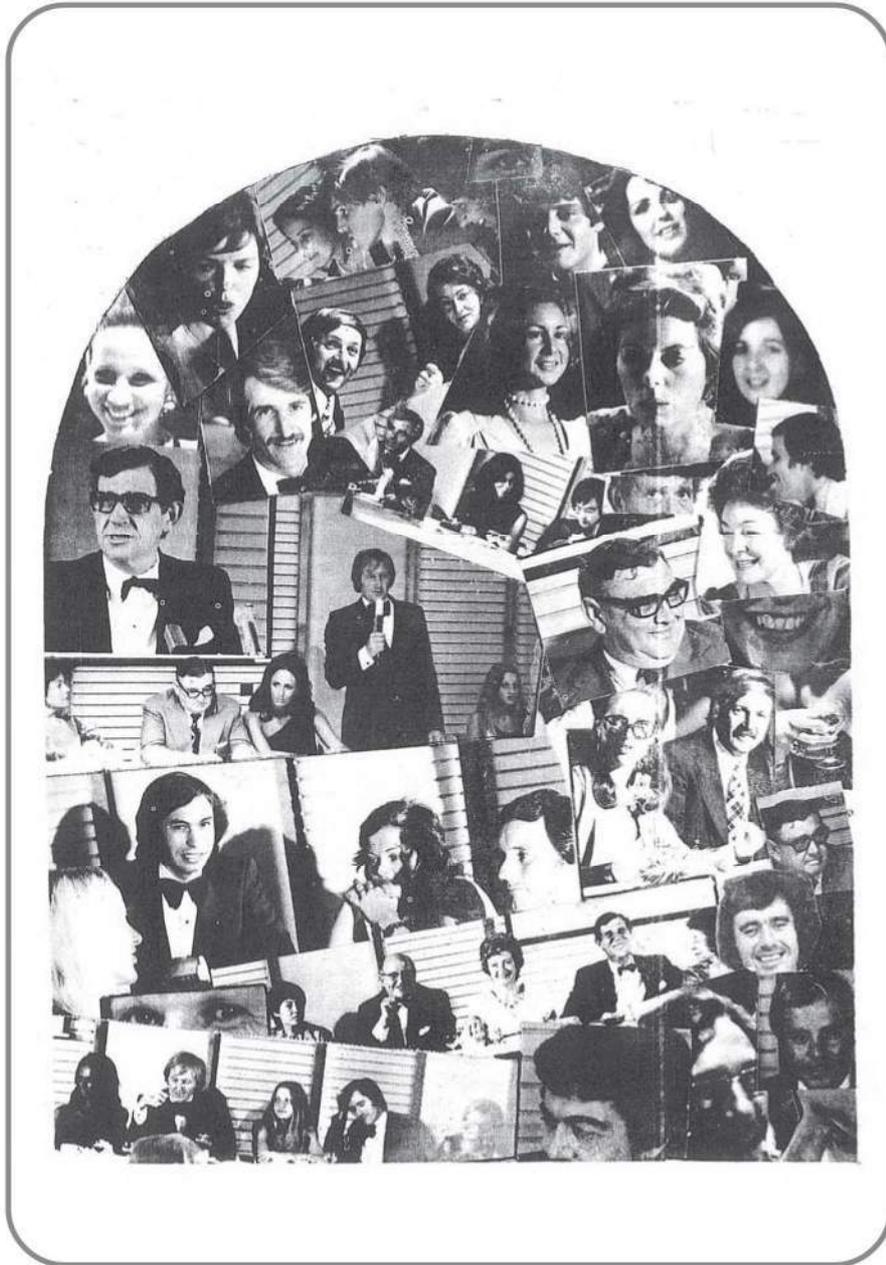
Dr Duncan Yuille and John Singleton met Lang with his friend Dr Neil Scrimgeour, who was interested in the “new party”. Lang flew them to the Pilbara, collecting me from Kalgoorlie on the way. A four-day visit from December 15, 1974.

We five discussed the platform and principles of the new party and, as Lang rather liked the name “The Workers Party”, we officially named it that during a spell in Lang’s pool following a hectic tour of iron ore operations and exploration areas in Western Australia’s Pilbara.

During that Pilbara visit, details were finalized for the official launch of the Workers Party at the Sydney Opera House on January 25, 1975 to coincide with the Australia Day holiday.

Lang, although quite happy to be our keynote speaker at the event, declined membership or any official title as he modestly described himself as being “lead in the saddle” and a disadvantage for our new Party.

Though he encouraged us and gave periodic advice, he didn’t contribute financially, later explaining why. He told me one of the books we gave him, as early briefing, was Murray Rothbard’s *For A New Liberty (The Libertarian Manifesto)*<sup>(1)</sup> and in the corner of the front dust-cover was a small black Anarchist flag. This worried Lang, as without



*Happy guests at the inaugural dinner  
of the Workers Party at Sydney Opera House—January 25, 1975*

any government at all, who would grant the mining titles? Lang had a valid point and I pointed out that Rothbard wasn't an Anarchist, but a realist in the sense that to achieve minimal government, one needed to aim for no, or almost no, government, with a view to landing close to your chosen level of government involvement.

Land titles, law courts and the justice system were, of course, all included on our list of "legitimate Government activities".

I'll always remember this example of how easy it is to lose supporters by pushing the envelope too far.

The official launching of the Party, at the Sydney Opera House, went well, with considerable media coverage by this time (facing page).

An extensive range of candidates was recruited in all Australian States, including regional areas.

Among the very high profile and influential spokespersons and candidates were Maxwell Newton and Sinclair Hill, ensuring media coverage of our message.

### **How did we go as a political party?**

Only fools seek power, and the greatest fools seek it through force—Lao Tsu

No, we didn't get any of our "own" elected as Prime Minister or gain "control", but many benefits did flow from a positive point of view. We, as members, all gained from the overall experience of learning the finer points of what we believed in, to the point of defending what, in many ways, has become known as "Western Civilisation".

This is a fair description as, apart from some fragmentary thoughts attributed to the Chinese philosopher, Lao Tsu, almost all the ideas of liberty are Western: individual rights, secure private property, freedom of speech, freedom of the media, freedom of association, freedom of religion, freedom of trade, separation of powers, equality before the law, and so on.

As so capably explained by Bob Howard, "As far as we were concerned, as long as you left other people alone you could do what you liked. This meant that we opposed such actions as theft, murder, rape, fraud, assault and trespass. It also meant that we considered taxation theft, and therefore all things financed by taxation immoral."

# New party favours free enterprise

SYDNEY, Today: Most members of the newly-formed Workers' Party were either members or supporters of the Liberal Party, Mr John Singleton said last night.

Mr Singleton, chairman of the party, and managing director of an advertising agency, was speaking on the ABC television programme Monday Conference.

The Workers' Party which has a free enterprise, laissez-faire philosophy, wants government eventually reduced to controlling armed forces, police and courts.

This would mean no taxes, no tariffs, no subsidies or bounties and no welfare payments.

Mr Singleton said that when he and his supporters looked at supporting the Liberal Party they did so not because they had any belief or strong feelings about its policies.

"In fact we can't define exactly what their policies are," he said.

"We thought it does seem strange in a country as young and virile as Australia and so potentially rich that nobody within the Liberal Party has either the

foresight or the courage to promulgate the only way these riches can be potentialised, and that's through a free market economy.

"There are two ways you can do this—you can hope to join the Liberal Party and reform it, or help to reform it; or you can give people an intelligent alternative.

"That's the course we've elected to take."

Mr Singleton said he thought most public servants were non-workers.

"The reason we chose the name Workers' Party was to hammer home to people the fact that the Labor Party exists not for the worker but for the non-worker—the person who wants to live on handouts and kick-me-downs," he said.

"One in four of the work force is a public servant.

"We work two days in three for the government but I don't think we get two days in three back."

*'Daily News', February 11, 1975*

Our preference was for governments to charge a “fee for service” for the few things left for them to do.

In short, we favoured a *voluntary* society rather than one of *compulsion* and *command*.

We were more of an idealistic or ideological party than a popularity contest, as we were pushing some very radical policies at that time—for example, privatisation of government bodies such as Telecom (Telstra), the Post Office (Australia Post) and rail and bus services.

Subsequently, many of our research files on ‘Privatisation’ were borrowed by the Australian Labor Party, along with our ‘Victimless Crimes’ files (where crimes having victims are to be given police priority to solve, ahead of civil disobedience matters where there is usually no sign of any victims).

Many of our policies have since been adopted by subsequent governments, even though the ideas took years to germinate—for example, floating the dollar.

### **The Role of the Doctors**

As mentioned earlier, my introduction to the Australian Libertarian Movement was via Dr John Whiting and there was a significant group of medical doctors behind this movement for limited government. It continues to the present time with the magazine *The Australian Private Doctor* ([www.privatedoctors.com.au](http://www.privatedoctors.com.au)) which remains one of Australia’s finest libertarian publications under the capable editorship of Brian Bedkober.

They continue to strive for direct relationships between doctors and their patients, rather than dealing via government intermediaries.

The August, 2007 edition of *The Australian Private Doctor* featured articles covering the early involvement of Dr John Whiting in the Workers Party to mark his recent death at age 86.

These words from that magazine explain the leadership role taken up by the doctors at that time:

John realized that “the problems of doctors were, in essence, the problems of butchers, bakers, carpenters, farmers, manufacturers, architects and all other such productive workers.”  
John was a co-founder and Chairman of “The Movement for



Limited Government” which was one of the precursors of the free-market “Workers Party” of which he was also one of the founders and its President. He gave the inaugural address for the party at the Opera House on January 25, 1975. In 1975 he also stood (unsuccessfully) for the Senate—not because he wanted to be a politician but because he believed that Australia was in deep trouble under the Whitlam socialist government and that the opposition Liberal Party under Malcolm Fraser was only marginally better.

John was one of those “small but committed nucleus of men and women worldwide who manage to keep the philosophic concept of individual liberty alive.”

John Whiting also leaves for posterity his three books:

*Be In It, Mate!*

*Wake Up, Mate!*

and his internet accessible *Are They Crooks or Fools?*

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

From the ranks of Australia’s medical doctors came many of the candidates and branch organizers for the Workers Party, and many still play a continuing role in Australia’s freedom movement.

Looking back, it was interesting to note that we were without a great range of “literature for liberty” and had to develop our own, largely guided by the books of Murray Rothbard and, in particular, Dr John Hospers’ excellent *Libertarianism (A Political Philosophy For Tomorrow)*.

One of the significant books produced from the Workers Party era was the most readable John Singleton and Bob Howard book, titled *Rip Van Australia*, which has become something of a collector’s item.

In the past 30 years, there have been complete libraries published, full of libertarian literature, so that future Libertarian Parties would have a policy headstart—although whether that gives them additional votes is another matter.



Sunday Independent, April 29, 1979—Page 9

# Sign stands victorious

**GEOFF McNeil's sign has shown up a council's bureaucrats.**

There were red faces under the bowler hats when they took him to court over it — and lost.

The sign saga started when Geoff put up his "Vote for..." sign outside his dental premises in Canning Highway, South Perth.

Triumphant Geoff told the Sunday Independent: "The South Perth Council did not mind at first — then someone complained and they told me to take it down. I refused — it was on my own land and it was an issue of personal freedom.

"Then I got a letter threatening a summons. That was in November 1977. I heard nothing more until May last year when I was standing as a candidate for the council."

The legal wheels ground on until Geoff was finally taken to court. But magistrates dismissed the case.

"I was defying the law for the sake of a bit of common sense. They told me there was a by-law to say I could not have the sign, even on my own land. They wanted to know if I had permission — so I told them 'yes — from myself'.

## **Better**

"It is all so stupid. Do these petty-minded bureaucrats have nothing better to do? Why don't they do something useful?"

A spokesman for South Perth Council said: "The case was dismissed on a technicality. There is a law to say signs cannot be erected without permission."

### **Did we get any members elected to parliament?**

The simple answer is ‘no’. However, in 1978, one candidate, dentist Geoffrey McNeil (Greenough, Western Australia), scored 14 per cent of the votes, coming within 50 votes of the Australian Labor Party candidate.

One sitting Liberal, Dr Peter Richardson (Federal Member for Tangney, Western Australia) defected to the Progress Party (successor to the Workers Party), so we did have a very capable and articulate representative in parliament.

In Dr Richardson’s media release of October 14, 1977, one paragraph read:

The choice then was to become an Independent or to join the Progress Party. A group of Independents offers little hope as an effective alternative party. I have adopted the Progress Party as reflecting most nearly the ideals for which I originally stood. It has often been regarded as a controversial party, but I believe very many people are in favour of its principles.

There were many other sitting members of all parties who often espoused policies either identical or similar to the Workers Party/Progress Party. Such an example was the Queensland National Party Senator, Dr Glenister Sheil, who also joined Viv Forbes and an Australia-wide group in forming the Foundation for Economic Education (Australia), with the approval of the original Foundation for Economic Education Inc.

We were always receiving interesting electoral feedback, an example being during the campaign for Farrer in the Riverina. There, Wal Fife, the incumbent, said to Workers Party candidate Maureen Nathan, “Thank you, you yell out loud what we can only whisper”.

Reflecting back on that period, I recall that members of the major political parties often expressed envy at the quality of the writing in the various libertarian publications.

We had some “quality writers” and policy people such as Gary Sturgess<sup>(2)</sup> and Tony Rutherford, sometimes writing under his pseudonym Hamish Kirkcaldy.

**Taxation/Inflation  
Protest.**

Attend public meetings  
to hear:

**Maxwell Newton**, Graduated from UOI of  
MA with Honours Honours the same  
year as Bob Hawke, Senator Wavelson  
is the new deputy secretary to the  
Treasury. He spent Economics at  
Cambridge & topped the year in 1962.  
He returned to Australia & worked with  
the Treasury from 1964 to 1965. From  
1966 to 1980 he was national  
correspondent for the Sydney Morning  
Herald. He was Managing Editor  
Financial Review from 1983 to 1985, and  
Managing Editor of The Australian  
1987-1988 before publishing his own  
Sunday Chronicle in Melbourne.  
Director of The Workers Party.



.... from a 1976 Workers Party brochure

Author's mental 'flashback' from 2009:

I first met Maxwell Newton, one of the giants of journalism, when I was enjoying a very minor role as Kalgoorlie correspondent for *The Australian Miner*.

The hierarchy of writers linking me to Max (the big boss) included Ian Huntley, David Haselhurst, Ross Louthean, Peter Samuel and Jules Zanetti.

Our next encounter was when Max was appointed Director and Economic Spokesman for the Workers Party in 1976 where he introduced a vital new dimension.

Our third encounter(s).... throughout the 1980s was during his period as Rupert Murdoch's 'man in New York'.

One aspect of his tumultuous life to touch me in a permanent way was his infinite capacity to unravel the intricacies of economics, human action and politics and to explain all this in words that the rest of us 'foot soldiers' could understand.

I often wonder if I would have spent so much of my life 'figuring things out' if it had not been for Maxwell Newton's ability to expose so many 'clothe-less emperors'.

Max, always the master of the colorful phrase, as his daughter Sarah Newton quoted in her biography, *Maxwell Newton* (Fremantle Art Centre Press, 1993), "But as Maxwell would have said, 'Enough talk! Come on you buggers — time to get going and write! 'You gotta pound those keys, son, pound those keys. Spin it out — like a spider spinning it out of its arse.'"

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3. NON-VIOLENT, PEACEFUL FORMS OF CIVIL DISOBEDIENCE (Against government and bureaucrats. When they go beyond their legitimate functions)
4. POLITICAL ACTION AND ITS USE TO ROLL BACK THE POWER OF THE STATE AND RESTORE THE RIGHTS OF INDIVIDUALS.

BOOKLIST, 1979

From

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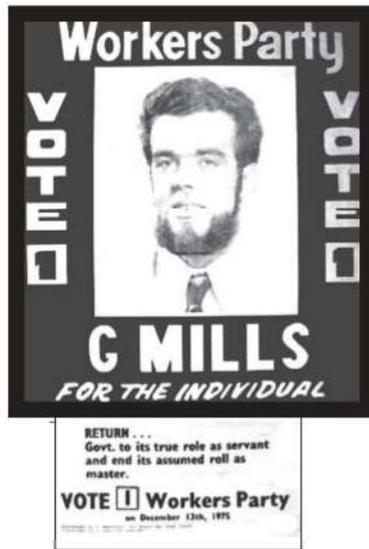
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BECOME HELPLESS IS NO ACT OF KINDNESS.'

L.E. READ.

*One of several bookshops that flourished in the 1970s.  
(The four choices, which do you prefer?)*



*The View  
from  
1975*

### **The View from 2009**

Comment by author ....

It was an interesting exercise, tracking down so many of the early instigators of this Political Party.

Thirty years later, many had not lost their zest for living.

One example being orthopaedic surgeon, Barry Bracken, now 83 years old but still involved in medico-legal work as well as running his Hunter Valley winery.

Apart from trading some fine Hunter Valley red wines for some quality Western Australian red, Barry commented as follows:

“It was good to hear from you and it really made me think a little about the old Workers Party and Progress Party and what they might have achieved. I think we can take quite a bit of credit for making both the Liberal and Labor people think about what we were proposing at the time. The attitudes we were trying to push were reinforced by dear old Margaret Thatcher when she hit the ground running with copies of Hayek’s books under her wing. Most of the economic changes were adopted and although we failed to reduce the size of government and failed on the flat tax front we sure won the battle of privatisation which has gone from strength to strength. I think there is still some hope in respect of flat tax as it has been adopted in Russia and other areas of Europe.”

### **What penetration did we get on university campuses?**

Not as much as we expected. We expected there to be considerable interest in the link between absolute economic freedom, absolute social freedom and absolute civil liberties. Perhaps we were just seen as yet another conservative party in disguise, or perhaps our intolerance of government grants and the conditions that come with government funding made our message a “hard sell”.

However, interestingly enough, there was a resurgence of interest on campuses for our libertarian ideas some 12 years later.

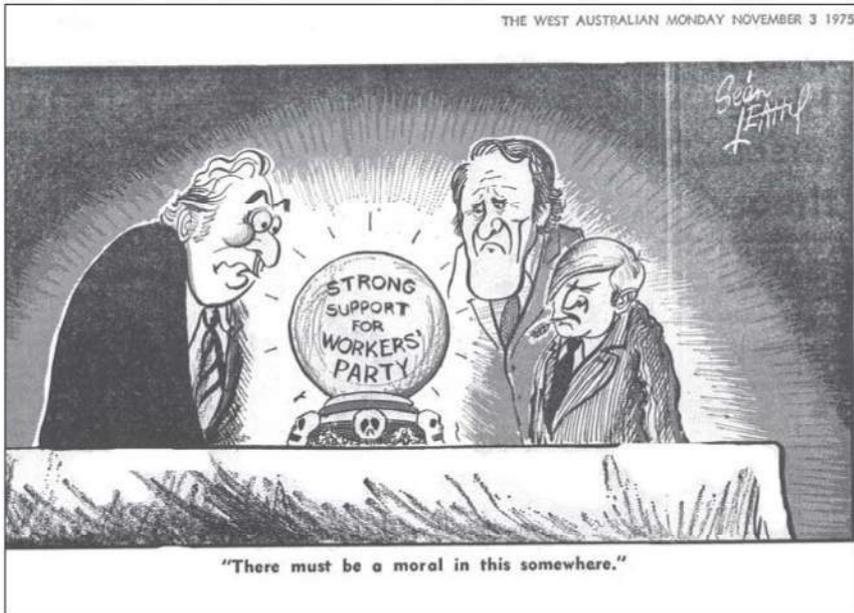
This resurgence was presented in a scholarly fashion in a 60–page Honours Dissertation for the Department of Politics at the University of Western Australia, October, 1987, by William J. Stacey (studying under Professor Patrick O’Brien).

The title of this study is *Libertarianism in Australia’s New Enlightenment*,<sup>(3)</sup> and in his introduction he comments:

Libertarianism is a contemporary version of political philosophy which has been given considerable attention, at least since the publication of Nozick’s, *Anarchy, State and Utopia* in 1974. Coincidentally, it is at about this time that groups of people emerged in Australia, who at first tentatively, engaged in political activity to promote a libertarian free-market economy and a minimal state, which was to abstain from virtually all interference in people’s lives. Most of these people had never before taken an active interest in politics. They were motivated by a belief in the ideals which they held, and the confidence that in politics and all realms of human action “ideas count”. A decade and a half later many of these ideas are firmly entrenched at the centre of political debate.

This paper looks at libertarian ideas and the means by which people, who were at least initially novices in political activity, have over a long period of time promoted their vision of the good society, with at least some degree of success.

Then, a further decade later, in 1997, another published paper appeared, this time from Ernesto Zanatta, titled *Grail Quest: the Libertarian Enlightenment and the Australian University*.<sup>(4)</sup> He commented in his two opening paragraphs:



*The 'West Australian'—Monday November 3, 1975*



*'The Bulletin'—February 22, 1975*

Once upon a time, during the mid to late 1980s and the early 1990s, while classical liberal ideas were sweeping through the broader intellectual agenda like a strong gale driving out stale air, a libertarian enlightenment spread out across the university campuses of Australia. In this enlightenment, the most intriguing and radical ideas offered by libertarian thought came to be entertained, discussed and debated as a matter of routine, as something to be taken for granted.

That this would happen is not surprising. Undergraduates tend to be encountering ideas and philosophies for the very first time, no matter how old those ideas might be. Consequently, these ideas always appear new and innovative. For undergraduates, learning about political philosophy, those with curious and enquiring minds are going to be drawn to philosophical belief systems such as libertarianism, ideas which are both more interesting and more morally uncompromising than the pragmatism of the liberal-democracy and democratic socialism which are usually taught in modern political theory courses.

### **What brought the Workers Party to an end?**

In most Australian States, having to constantly explain the reason for choosing the name “Workers Party” became fatiguing, resulting in much internal debate about a name change.

In some States the name was changed to “Progress Party”, in others a new party was formed as the Progress Party, issuing a simplified Policy Document.

Further candidates were run, with limited success, but I think that what really brought the curtain down was Malcolm Fraser’s Liberal Coalition victory, with a record majority, in December, 1975. As Prime Minister, Malcolm Fraser expressed some interest in the philosophies of Ayn Rand.<sup>(5)</sup>

His election speeches were indeed refreshing and gave many of us the feeling we could “pull up our political tent and go back to work” as the country would be in safe hands.

## THE LAND OF THE FREE

by Viv Forbes

ONE day in the land of the strong and the free,  
John Rover said, "Brother, this job's not for me.  
All I do for my pay,  
Is file forms every day,  
I'll resign and produce for my fee.

"I'm strong and determined, I'll get me a farm,  
I'll build with the brawn of my arm."  
But alas for John Rover,  
His quest was not over,  
For his lawyer was filled with alarm.

"You've no permit for dairying, you've no quota  
for eggs,  
You've no licence for honey-or pigs.  
You can't trade in wheat,  
They're closing down meat,  
And there's levies on apples and figs.

"Not to worry," said John "I'll work with  
my hands,  
I can build, I can paint or drain land."  
But the council said, "No,  
Such a man has no show,  
Till he's licensed and numbered and planned."

"Forget it," said John "I'll go work in in the mine,  
They need men who are willing to sign."  
But the men on the picket,  
Said, "Show us your ticket,  
Or there's no work for you on this line."

So John packed up his bluey and went back  
to town,  
"There's one place they won't turn me down.  
I'll rejoin the department,  
And forget where my heart went,  
I'll be sure of good pay with the crown."

John Rover now sits at a desk, sipping tea;  
He handles the permits and fees.  
When they speak of their schemes,  
He still thinks of his dreams,  
Of what could be in the land of the free.

A visit to Prime Minister Fraser's office at Parliament House on August 26, 1976, when I introduced him to Eugene Guccione (Editor of the US-based *Mining Engineering* magazine), showed us that he was simply "just another politician", as Guccione commented.<sup>(6)</sup>

Several years later, when it became apparent that Malcolm Fraser had neither written nor understood his election speeches, we made some effort to find out who actually wrote them. Dr David Kemp was the author and a member of Fraser's staff at the time.

On reflection, the three terms of the Fraser Liberal government produced very little other than the fine work of a group of backbenchers known as the 'Dries' — Bert Kelly, John Hyde, Peter Shack and others.

Their outstanding work on policy formation for deregulation and freeing up the economy was totally overlooked by the Fraser Cabinet, but enthusiastically activated by the subsequent Hawke Labor Government.<sup>(7)</sup>

The opportunities missed by the Fraser Liberal Government caused many of the original Workers Party/Progress Party team to continue their political activities, focusing mainly on bringing free-enterprise concepts to an ever-widening audience. Outstanding performers in this field were various Adam Smith Clubs in several States; Elaine Palmer, Nadia Weiner, Graeme McKinnon and John Clemitson with their widely circulating magazines *On Liberty*, *Optimism* and *The Optimist*, and their Centre 2000 bookshop in Sydney; Michael Darby and his regular magazine *Free Market*; and Dr Hal Soper with his regular *Progress Party Newsletter*.

In Melbourne the main torch bearers continue to be Prodos Marinakis ([www.prodos.com.au](http://www.prodos.com.au)) and The Institute of Public Affairs ([www.ipa.org.au](http://www.ipa.org.au)) although not bred from libertarian roots, has always been a strong supporter of free markets and limited government. A great team of activists continues in Western Australia.<sup>(8)</sup>

### **Announcing A Brand-New Australian Libertarian Party**

In September 2007 a new libertarian party was federally registered in Australia, run by a new breed of libertarian activists. The Liberty and Democracy Party (LDP) was started by John Humphreys in 2001 and has run twice in the ACT as the Liberal Democratic Party, receiving



*Greg Lindsay, AO (left) continues his freedom philosophy career with his Centre for Independent Studies ([www.cis.org.au](http://www.cis.org.au)) and the Mont Pelerin Society. Pictured here with the author, selecting which sake Barrel to open.*



*Both photos from the Mont Pelerin Society General Meeting - Tokyo 2008. Professor Hiromitsu Ishi, Greg Lindsay, AO and Professor Victoria Curzon Price, performing 'Kagami-biraki', a ceremony performed at celebratory events in which the lid of the sake Barrel is broken open by a wooden mallet and the sake is served to everyone present. Kagami refers to the lid of the sake Barrel and biraki means 'to open' so kagami-biraki literally means 'opening the lid'. Because of the lid's round shape, the kagami is a symbol of harmony. The kagami-biraki, therefore, represents an opening to harmony and good fortune.*

one per cent (2001) and 1.3 per cent (2004) of the vote. The name was changed in 2007 when the bureaucracy decided that the Liberals have a monopoly on the word “liberal”.

Like the Workers Party, the new group of libertarian aspiring politicians come from a range of backgrounds including lawyers, economists, insurance brokers, software engineers and farmers. The party is currently lead by businessman David McAlary and the federal executive includes David Leyonhjelm, Terje Peterson, Justin Jefferson, Mark Hill, Peter Whelan and John Humphreys. The party has membership throughout Australia, but is concentrated in Queensland, NSW and the ACT.

The LDP is currently preparing for future federal elections and is currently seeking candidates to help give libertarian ideas the maximum possible exposure. Their policies include low flat tax, the abolition of the minimum wage, decriminalizing both marijuana and euthanasia, relaxation of shooting regulations, privatisation of the ABC and other government assets, school vouchers, free trade and expanded immigration, voluntary voting, restoring real private property rights, rejecting the Kyoto protocol and the excessive anti-terrorism legislation, opposition to an ID card and generally promoting free markets and individual liberty. Their website can be seen at [www.lpd.org.au](http://www.lpd.org.au). If their efforts produce another bumper crop of advocates for economic and personal liberty, it could be a timely exercise, and I wish them well.

### **The Educational Method vs The Political Method**

Several of us subsequently directed our activity entirely toward the educational method of spreading ideas rather than the political method of direct political engagement.

The notable success in the educational field has been Greg Lindsay. His Centre for Independent Studies ([www.cis.org.au](http://www.cis.org.au)) celebrated its 30th anniversary in 2006 and Greg Lindsay was featured in the *Bulletin* magazine (September 28, 2004) as “perhaps the most influential man in Australia.”

An early recruit and supporter of the Workers Party was Sydney businessman Neville Kennard who stood on their Senate ticket in the

# ON LIBERTY

AUSTRALIA'S NEWSLETTER FOR ADVOCATES OF CIVIL AND ECONOMIC LIBERTY

incorporating **OPTIMISM**

Volume 1

November 1979

\$12 per year

## ----- *A DIFFERENT VISION* -----

*I* read some verse by Darlene Bridge,  
About the government our protector,  
Politicians and bureaucratic fat-cats,  
And regulators from the public sector.

*D*ictate your rules,  
To one of those sheep.  
I was born with a right  
I intend to keep.

*Y*our smile is kind,  
You wish me no harm  
But this body is mine.  
Let go of my arm.

*Y*ou seem to care  
And perhaps you may;  
But you don't understand.  
Get out of my way."

*S*he sees it clear, lovely fellows all,  
Paving the road to hell with good intention.  
But the results are the problem,  
Don't embarrass them by making a mention.

*T*heir vision is,  
"Keep the serfs in their place.  
Decisions are ours,  
The superior race."

*I*s it presumptuous,  
Of all of us others,  
Ever to think,  
We could care for our brothers?

*H*ow could we ever,  
Permit such a thought,  
After all what rights,  
Are ours without being bought?

*T*hey tell us none  
Unless we acquire,  
A government license,  
Guaranteed to expire.

*I*t's only our lives,  
Our labor, our cash.  
Too bad they believe,  
Our independence is brash.

*S*eems we should,  
Have more room to breathe.  
In fact we should manage,  
To do anything we please;  
With our lives and our property.  
But one thing we should know,  
We must not harm our neighbor.  
He too has the right to grow.

*S*o, sounds easy.  
If no victim, then no crime.  
Simple as that,  
And all in one rhyme.

*S*ay! What would we do  
With those fat-cats and regulators?  
We could give them a job,  
As feedstock for alligators.

*B*ut seriously though,  
With the Country moving again,  
There would be gainful employment,  
For each of those reformed men.

*T*he energy of freedom,  
Would again be on stream.  
Responsibility of individuals,  
A reality and no longer a dream!

*Ron Manners*

-----  
**'no person or group of people has the right to initiate the use of force,  
fraud or coercion against any other person or group of people.'**

November 1979-20

1975 election. Neville, at that time, was the first financial supporter of the Centre for Independent Studies and the first CIS Chairman.

Neville Kennard recently recalled that era. “They were heady days in 1975, with the Labor Party rushing towards socialism and destroying the economy, the blocking of supply, the sacking of the Prime Minister, the [false] promises of Malcolm Fraser, the naive optimism of the Workers Party ....”

Other success stories are Viv Forbes, whose *Common Sense* articles continue to be published, and Ronald Kitching, a prolific author who wrote *Understanding Personal and Economic Liberty*.<sup>(9)</sup>

Perhaps the most outstanding archive of Australian Libertarian material has been compiled by John Zube (<http://users.acenet.com.au/~jzube/>). John would say that mine may be heavier by weight and volume, but his archives are being meticulously digitised.

There have been many interesting people I’ve met during this Libertarian adventure, all with their own individualistic way of “sticking up for themselves”, one example being Mr Adam Dollar (see page 155).

My own non-political efforts with the Mannkal Economic Education Foundation ([www.mannkal.org](http://www.mannkal.org)) continue and are dealt with elsewhere.

That brings us up to 2009. So to conclude this chapter let me quote the final two paragraphs from Ernesto Zanatta (see page 141).

In such a time, people are more likely to take their rights for granted, and less inclined to think about what those rights are based on, or to be interested in libertarianism.

However, I cannot help but think that these things do come and go in cycles, and that the pendulum may swing back some time in the future to another genuine libertarian enlightenment in the universities. For now, I feel that it was a privilege to have been a participant in it, and I find the words of F. Scott Fitzgerald in *Echoes of the Jazz Age* to be a fitting conclusion:

‘..... and it seemed only a question of a few years before the older people would step aside and let the world be run by those who saw things as they were — and it all seems rosy and romantic to us who were young then, because we will never feel quite so intensely about our surroundings any more.’

## Endnotes:

1. I noticed that subsequent editions of *For A New Liberty* were printed without the small black Anarchist flag on the dust-cover.
2. Now Gary Sturgess AM, described by the WA Chamber of Commerce and Industry as “one of the world’s leading experts on public sector reform and development of markets for public services. Gary ran the NSW Cabinet Office in the Greiner Government and was one of the most innovative public servants that State, indeed Australia, has seen. He is currently Executive Director, Serco Institute; a U.K. think tank, owned by Serco Group plc, dedicated to the study of competition and contracting of public services. Serco Group plc is one of world’s largest service contractors with 40,000 employees delivering services to government and private clients in over 30 countries and revenue of in excess of \$3 billion in 2006. Serco was awarded the contract to operate WA’s Acacia Prison in 2006.”
3. Accessible at:  
<http://209.85.173.132/custom?q=cache:3qOxDWedJC0J:www.mannkal.org/downloads/guests/stacey.pdf>
4. Ernesto Zanatta’s and Alan Dungey have contributed introductions to William J. Stacey’s paper, available on link referred to in reference (3) above.
5. When a reporter asked Malcolm Fraser about reading Ayn Rand, Fraser replied, “Yes — and I’ve read Karl Marx too, but that doesn’t make me a Marxist.”
6. Eugene Guccione’s two-page interview with Prime Minister Fraser appeared in the January, 1977 edition of *Mining Engineering*. On pages 16-19 of the same magazine Eugene Guccione wrote a perceptive article on Australia’s ability to be a major player in world uranium markets. An excerpt from this article is reproduced on page 230.
7. The full story was later published and is available as a book *Dry — In Defence of Economic Freedom* by John Hyde, published by the Institute of Public Affairs. For further information go to: <http://www.mannkal.org/bookshop.php>.
8. In some towns the Workers Party/Progress Party branch members even exceeded that of the major parties. Apart from those already mentioned in this chapter, the activists included James MacDonalld, Clive Prosser, Maurice Brockwell, Valda Harris, Dieter Kops, Maxine Cable, John & Julie Maxwell, Mike Byrne, Christine Maher and so many others; they are all part of this great libertarian adventure.
9. Copies of *Understanding Personal & Economic Liberty* are available from <http://www.mannkal.org/bookshop.php>.

### **The Spectator**

Are you down among the players when the game gets really rough?  
Are you standing for the victim when the bully boys get tough?  
When the herd-men bay in unison, is yours the “No” we hear,  
or are you in the grandstand with your esky full of beer?

When a modern-day dictator says your life belongs to him,  
do you risk your safe position by not bowing to his whim?  
Do you laugh at mass opinion when you know that it is wrong,  
or do you think that truth is learned by listening to the throng?

When “democrats” are shouting that you can’t tell right from wrong,  
When the law depends on circumstance and bends before the strong,  
When “National Interest” demagogues are ranting on the street,  
Is yours the one dissenting voice, or are you hiding from the heat?

Is your name among the builders when they write the book of life?  
Would you be called a helper when your friends are having strife?  
When your child is seeking guidance, are your answers straight and clear,  
or do you say “Please count me out, I’m needed over here?”

Do you believe the state cocoon that binds men till they die  
is just a crutch that keeps them weak and pays them not to try?  
Will people say “At least he tried” when someone shoves the knife,  
or are you just a viewer at the silver screen of life?

—Viv Forbes, Sept. 1980.

We hear from astute sources that already the Liberal Party is scared of us.  
— Mark Tier of the newly formed Workers' Party.

## What do you think of Labor rule?



Paul Hogan saying a few words

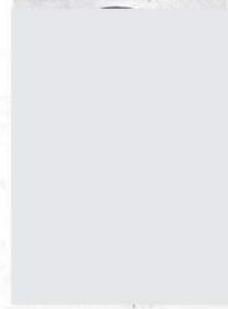
DON'T MISS the unique opportunity to praise or criticise the Labor Government currently being offered by The Bulletin.

As we said in last week's issue an entire section is being set aside in a future issue for your answers to the question: "What has the Whitlam Government done for Australia?"

Already personalities as diverse as Sir Robert Crichton-Brown, president of the Institute of Directors of Australia, and the entertainer/humorist Paul Hogan have written their views for us.

We want to hear from students, businessmen, the unemployed, academics and teachers, pensioners, artists, writers, laborers, professionals — from everyone with a point of view.

The shorter you can keep your letters the greater the range we shall be able to publish. But don't be discouraged — if you need space to present your views you can have it.



*The Bulletin, Feb. 15, 1975*

In response to your invitation for letters on "What the Whitlam Government has done for Australia", I submit the following :

### THE WHITLAM LAW OF SUPPLY & DEMAND

The Whitlam Government has been successful in creating a class of people who are permanently dependent. In doing so they have proved that the free-market law of "supply and demand" applies to their compulsory welfare programs - i.e. if you supply the demand for welfare recipients, the supply of welfare recipients will rise to fill that demand!

Yours faithfully,

R. B. MANNERS

Kalgoorlie,  
West Australia.

## All their own work

Led by the silver-tongued mountebank Whitlam with an army of charlatans and quacks behind him, we are seeing the destruction of the foundations of economic growth in our country and we are seeing its possibilities of great wealth being frittered away in an appalling display of profligate government spending whose sole significant result will turn out to have been to throttle economic growth and to put man against man, brother against brother, in the unseemly and disgusting rush for more and more gluttony at the trough of public funds.

— Journalist Maxwell Newton to the Workers' party in Sydney.

*The Bulletin, June 7, 1975*

"THE LIBERTARIAN MOVEMENT IN AUSTRALIA" -

a five minute address given by V.R. Forbes  
to a special meeting of the Mont Pelerin  
Society Meeting in Hong Kong, September 1978.

In the short time available I'd like to emphasise just one  
message for libertarian politicians -

"THERE IS NO EASY WAY"

Every day I'm earbashed by someone trying to convert me to  
his plan for instantaneous political success.

For example, on the boat yesterday, I was told -

"The only answer is to work through the established political  
parties." - My answer - "Fine, which one are you going to join?"

Today I was told -

"The secret is to stick to education of the opinion makers" -  
my answer - "fine, which one will you work on?"

And almost everyday someone says -

"Why don't we concentrate all of our resources on one state,  
- electorate, project or whatever and really give it a  
trouncing?" - my answer - "fine - where would you like to  
concentrate your effort?"

All of these views are examples of what I call "THE MYTH OF  
CONSTANT RESOURCES".

They all assume that there is a fixed amount of human and  
monetary resources available to the libertarian movement which  
some wise leader can manipulate like a pawn on a chess board.

I have learnt that the resources available are not constant -  
they depend on what activities are carried out - the more  
activities - the more resources will be available.

For example, there are people who believe that there is no  
value in entering politics at all. If this is the only avenue  
available these people will not work - their energy and their  
resources will be lost to the movement. If a non-political  
avenue did exist, RESOURCES AVAILABLE TO THE MOVEMENT WOULD  
INCREASE.

Therefore to maximise our resources, we must let people work  
in all fields. We should encourage free enterprise and  
individual initiative in politics.

In Australia, the libertarian effort is occurring in about 4  
areas. They are, in ascending order of aggressiveness -

1. EDUCATION
2. LOBBYING
3. INFILTRATION
4. DIRECT POLITICAL ACTION

1. In Education we have the Centre for Independent Studies  
which is doing a great job spreading the word among the  
academics and intellectuals. The director, Greg Lindsay,  
is here. We also have an infant Foundation for Economic  
Education which is an Australian replica of Leonard Read's  
organisation. FEE distributes books, shows films, arranges  
lectures and seminars.

2. In the Lobby area we are taking over or setting up special interest lobby groups whose aims agree with ours. eg We -
  - . set up NFC (National Firearms Council) - opposing confiscation and registration of firearms
  - . set up PRAG - (Property Owners Action Group) - opposing compulsory acquisition of land
  - . control part of - RTW (Right to Work Association) - opposing compulsory unionism
  - . set up - Ratepayers Association - reduced rates
  - . sit on - Taxpayers Association - reduced taxes
  - . have close contacts with the - Cannabis Research Foundation - morality and effectiveness of prohibition
  - . hold executive position - Civil Liberties Group
  - . also in Chambers of Commerce, Chamber of Mines, IPA, Small Business and Self Employed Association, etc
3. At the third level of aggressiveness we encourage infiltration of other parties. We welcome members of other parties as members or as subscribers to our mail list. Our mail list now includes several members of parliament and prominent members of older parties. This builds a fifth column within the other parties.
4. The fourth area of activity, direct political action, appears to be the most effective. It generates publicity and it makes politicians listen. I believe politicians will only listen when you kick them in the ballot box, good and hard. And to do this you need direct aggressive political action.

Each state of Australia has its own autonomous libertarian political party. We use the name "Workers Party" in South Australia and "Progress Party" everywhere else. The Progress Party is two years old and has contested a federal election where we got an average 2-4% and about 4 state elections where we got 5-10% with several candidates getting 15% or better. The best result was 19% of the primary vote. About 3 members have been elected to local government positions.

Because of the preferential voting system in Australia any party that can attract 5-10% of the vote can determine the result of elections. Thus the Progress Party is already a growing political force especially in the frontier states where it does best.

For the future, I see persistence as the only key to success. We must keep on sowing the seed.

Only the government can reap without sowing. We must sow before we can reap.

To put it in military terms I see a three pronged strategy -

- (1) Fight on all fronts
- (2) Press on, no matter what the outcome
- (3) Don't stop for casualties - you can lead a thousand men but you can't carry two.

And to those who believe they have an idea which will guarantee the success of the libertarian movement I say -

"Ideas without action are but words on the wind."

## **Who is Adam Dollar?**

Introduction to Adam Dollar's book by, long-standing friend and associate, Ron Manners:

Adam Dollar knew exactly what he believed in. That marked him as a rare individual as I often meet members of the human race who are still coming to grips with who they are, what they stand for and why.

That made Adam, the individual, a pleasure to deal with.

I became aware of his existence when reading a magazine at my sister's home. It contained a "letter to the editor" from Adam Dollar. The letter lucidly explained his position on a seemingly complex issue that had confused another letter-writer.

I was electrified by the letter and reached for the phone book to see if such a person as Adam Dollar really existed. He did and his response to my congratulatory phone call was equally surprising, "Well, you should like my letter. I wrote it using material from the books I've been buying from your Kalgoorlie Libertarian Bookshop over the past ten years."

Suddenly I realised that my book client, Dollar Rent-A-Car, was the same entity as Adam Dollar.

From that point onward, Adam had all my car-rental business each time I visited Perth.

One morning in November 1985, fresh from the airport, I arrived to collect my car from Adam to find that he was in the process of being arrested by the Federal Police on charges of defacing the currency. He had affixed on the notes a rubber-stamped message: "As government expands, liberty diminishes!"

Realising that he had been set-up, I quietly asked what he was doing about his court defence. His reply was that he was happy to defend himself, caused me some concern as I knew exactly how they could tie him in knots with their pompous "legalese". Adam accepted my offer to engage and pay for an appropriate defence lawyer.

I chose Ron Cannon as he had earned a first-class reputation in defending murderers, rapists and drug dealers and I knew that they would pursue Adam with equal vigour. Mr Cannon's eloquence was a guarantee that the Crown Prosecutor would meet his match. ....

The day in court turned out to be sheer pleasure with Ron Cannon entering into the true spirit of the occasion.

At every opportunity Mr Cannon asked the Magistrate what was the message stamped on the notes, to which the Magistrate was caused to repeat, "As government expands, liberty diminishes!"

Then, on about the tenth repeat of this message, the

Magistrate paused and addressed the courtroom, "Hey, that's not a bad message." "As a matter of fact, I can't see any harm in that at all and I think the prosecution is simply wasting the court's time." The Magistrate then dismissed the case and ordered Adam to pay the minimum fine of \$15 plus court costs of \$60.

Adam and I continued as firm friends right through to the time of his death in 2000. It's been my pleasure to assist in finalising the writings of Adam with his editor, Kerri Lane, in Sydney and to bring this publication *Who is Adam Dollar?* to completion.

**As Government Expands Liberty Diminishes**

The message which landed Adam Dollar in court.



Adam Dollar outside court after being convicted of defacing currency.

## Dollar's dollars cause trouble

FIVE words — "as government expands, liberty diminishes" — landed a Perth business man in court yesterday.

Adam Dollar (62) stamped the words on money that came into his Belmont business, Drive-A-Dollar car rentals, and yesterday was in court on four charges of defacing the currency.

He was arrested on Tuesday after a customer complained to the federal police about receiving notes stamped with the message.

Mr G. Rutherford, for the Commonwealth, told the Chief Specially Magistrate, Sir Clifford Grant, that Dollar informed federal police that he believed in minimal government interference.

Dollar had told police that he believed that by stamping the money with this message he would make people think about their loss of liberty.

Mr R. W. Cannon, defending, said that Dollar believed that the business of government was not business.

Dollar had told police he stamped the notes to make people think about their loss of liberty as government expanded with each law that was passed.

Dollar had also stamped his message on business correspondence. He was not aware that it was an offence to do so on currency.

Sir Clifford said he had not come across such a case before, but he could not encourage others to follow suit.

He fined Dollar \$15 on each charge and ordered him to pay \$60 costs. — Susan Paul



*In 1984, as a protest against government 'destruction' of the Australian dollar, we flooded the market with 57¢ notes, in the colour and size of the \$1 note of that time.*

*The government policies continued so the following year we devalued our next print-run to 55<sup>1/2</sup>¢. Pictured is the official launching of the note on June 12, 1985.*

*Two years later the clarinet player, at the opening of the Jones Family's Boulder Block Hotel, recalls being paid in these 55<sup>1/2</sup>¢ notes; which by that time had become collectors items.*

## LIBERTARIAN CRASHES MEETING OF SOCIALIST INTERNATIONAL

By Ron Manners/ISIL Member/Australia

If you were present at the Socialist International Conference in Sydney, Australia last March, you would have seen me there in the back row fitted up like all the other delegates with the mobile earpiece translating device.

I had some difficulty getting in without documentation, but when interrogated by the gaunt-faced registration attendant I admitted to being a "poet of the revolution".

She still wanted to see my identifying documents, but accepted my reply that "poets of the revolution don't carry identification".

My interest in attending was simply to see what they have planned for us.

You would have seen Gough Whitlam, Bob Hawke, Gareth Evans and other prominent members of the Australian Labor Party and you would have followed the general discussion that as Communism is generally seen to be losing credibility around the world and that their switch to the word Socialism is also losing credibility, they have now redefined their plan under the general terms of "social democracy", and all the various Communist Parties in the countries represented at that conference now call themselves "Social Democrats". As a matter of fact in some of those East European countries the word Communism is in such low esteem that the Communist Party

by that name has been outlawed – but of course the communist bureaucracy lives on and it is keen to expand membership – so they have devised a new recruiting scheme: members who recruit a new member are excused from membership fees for a year. Members who recruit two new members no longer need to remain members themselves. Those who recruit three new members are presented with an engraved silver plaque which states that they were never members in the first place.

They may change their name but they haven't changed their philosophy, and it's the consistency of their philosophy that has enabled them to do so much damage.

Australia's Gough Whitlam was a raging success when measured by their standards. He transformed Australia in the vision of H.C. Coombs and the other back room socialists so that over the three years of Whitlam rule, although productivity rose only 1%, wages rose 70%, the size of the public service rose 12.6%, parliamentary salaries increased by 36%, Federal spending by 80% and inflation to 20%.

He had bought the minds and souls of the public sector and their hangers-on who now represent one in three of those termed employed, as defined by our official statistics.

### INTELLIGENCE GATHERING IN ENEMY TERRITORY-1993

*The above faxed article appeared in the U.S. publication*

*'Freedom Network News'—Jan.—Mar. 1993*

"Find out everything you can about possible antagonists. Anticipate what they are going to do and then change the rules of the game to something they simply won't understand." *The Next Whole Earth Catalogue p.304*

## Appendix II: Bert Kelly, John Hyde and Peter Walsh

Aside from the efforts of the Workers Party, at the federal level, there have been a small number of politicians from the two major political parties, the Australian Labor Party and the Liberal Party, who have championed economic reform. The three that stand out are Bert Kelly, John Hyde and Peter Walsh. During their time in federal politics they experienced ridicule, ostracism and criticism from their party colleagues. However, together they re-shaped the role of the state in the Australian economy.

To read their parliamentary speeches in 2014, one would have trouble understanding why they were so controversial in their own day. Part of the reason they attracted critics is because up until the 1970s, there was a general Keynesian consensus within political and economic elites which favoured a closed, highly-regulated and inward looking economy. While these sentiments unravelled in the 1980s and 1990s, even during this period, there were many that continued to favour the old statist models.

Compounding the challenges faced by Bert Kelly and John Hyde was the fact that they did not seek ministerial roles, but rather sought to encourage economic reform within the Liberal Party. Peter Walsh, while slightly later, was from the Australian Labor Party and a member of the Hawke Government ministry. Coming later than Bert Kelly and John Hyde, Peter Walsh implemented many pro-free market policies and helped bring them into the political mainstream.

The path of bringing free market ideas into the political mainstream was not without setbacks, defeats and in the early days, isolation. To understand the struggles, victories and, most importantly, the lessons from the setbacks, the following three books provide an excellent overview:

- *The Modest Member: The Life and Times of Bert Kelly* by Hal G.P. Colebatch
- *Dry: In Defence of Economic Freedom* by John Hyde
- *Confessions of a Failed Finance Minister* by Peter Walsh

For those that have an interest in the earlier ideas of freedom and liberty one can look further back to English history and events such as the signing of the Magna Carta and the Glorious Revolution. However, linking the English experience to contemporary Australian economic debates is two, now largely forgotten, Western Australians.

In *Land of Vision and Mirage: Western Australia Since 1826*, prominent Western Australian historian Geoffrey Bolton noted in the debates leading up to Federation:

“The *Morning Herald*, through its leader writers Archibald Sanderson and Hal Colebatch, argued that as a largely primary producer, Western Australia stood to lose by integrating its economy with the tariff-protected industries of south-eastern Australia. Thus originated a strand of ‘dry’ economic thought favouring minimal tariffs and limited government intervention in the economy, which through Colebatch, John Stone and John Hyde and others would form a consistent counterpoint to Australia’s major economic orthodoxies during the twentieth century.”

The achievements of (Sir) Hal Colebatch are catalogued in *Steadfast Knight: A Life of Sir Hal Colebatch* by Hal G.P. Colebatch.

## Appendix III: Senator David Leyonhjelm's Maiden Speech

*As stated in chapter four: "The most recent political development for Libertarianism has been the election of [Senator] David Leyonhjelm. Representing the Liberty and Democracy Party for the State of New South Wales, the LDP upholds many of the views which are dear to Libertarians. Particularly, a large reduction in Commonwealth taxation and interference in State issues, a reduction in Commonwealth programs with an emphasis on greater personal liberty. The 2013 Australian Federal Election which ushered in its first Libertarian Senator in Australian history is, without doubt, a defining moment for the movement."*

*Senator David Leyonhjelm gave his maiden speech on July 9, 2014, which is reprinted in full below.<sup>194</sup>*

Fellow senators and Australians, last September the people of Australia chose 40 men and women to represent them here, together with the 36 elected three years earlier—just 571 Australians have been granted this high honour. We come from diverse backgrounds and occupations. Beyond this place, each of us has been tempered by the challenges of life. We have all tasted the bitterness of failure and exhilaration of success. Whatever our political alignments, that experience will have imparted in us a collective accumulation of knowledge, judgement, wisdom and instinct that should serve our country well. Indeed, we are the most representative swill ever assembled.

I also believe we are about to begin one of the most exciting periods in the life of the Senate. In the service of this mission, at the outset I declare that I am proudly what some call a 'libertarian', although I prefer the term 'classical liberal'. My undeviating political philosophy is grounded in the belief that, as expressed so clearly by John Stuart Mill:

The only purpose for which power can be rightfully ever exercised over any member of a civilised society against his will is to prevent harm to others.

I pledge to work tirelessly to convince my fellow Australians and their political representatives that our governments should forego their over-governing, overtaxing and overriding ways. Governments should instead seek to constrain themselves to what John Locke advised so wisely more than 300 years ago—the protection of life, liberty and private property.

When I was elected nine months ago, and my party's policies became better known, there was a wave of rejoicing in certain circles. When I said I would never vote for an increase in taxes or a reduction in liberty, there were people who said there was finally going to be someone in parliament worth voting for. That was quite a compliment. What they, and I, believe in is limited government. We differ from left-wing people who want the government to control the economy but not our social lives, and from right-wing people who want the government to control our social lives but not the economy. Classical liberals support liberty across the board.

I have long thought that leaving people alone is the most reasonable position to take. I always suspected that I did not know enough to allow me to tell other people how to live their lives. But that did not arise in the background, so a bit of explanation is necessary. I never liked being told what to do, and I tend to assume others feel the same. The simple rule do not do unto others what you would rather them not do to you has always driven my thinking. At least since I reached adulthood I have also accepted responsibility for myself and expected others to do the same. Even when my choices have been poor, as they inevitably were at times, I do not recall being tempted to blame others or to consider myself a victim.

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<sup>194</sup> Speech transcript from: <http://australianpolitics.com/2014/07/09/senator-david-leyonhjelm-maiden-speech.html>. A full video of the speech is also available on this website.

During my early years, the issues that raised my blood pressure were those of individual freedom. But for the election of the Whitlam government, I would have either served two years in jail or in the Army. I refused to register for national service. Being forced to serve in the Army, with the potential to be sent to Vietnam, was a powerful education in excessive government power.

The abortion issue was also controversial at the time. There were doctors and women being prosecuted over what were obviously difficult private choices. Backyard abortions were common. I knew some women affected and could never see how the jackboot of government improved things. I also noticed that those opposed to abortion or in favour of conscription were not interested in trying to debate their opponents; instead they sought to seize the levers of government and impose their views on everyone else.

As my family never had much money, I used to think spreading other people's money around was a good way to make life fairer. As the saying goes, 'If you're not a socialist at 20 you have no heart, but if you're still a socialist at 40 you have no brains.' By that standard I hope I have preserved a bit of both. Not long after I started full-time work as a veterinarian, I recall looking at my annual tax return and being horrified at the amount of money I had handed over to the government. When I looked for signs of value for that money, I found little to reassure me. To this day I am still looking.

Our liberty is eroded when our money is taken as taxes and used on something we could have done for ourselves at lower cost. It is eroded when our taxes are used to pay for things that others will provide, whether on a charitable basis or for profit. That includes TV and radio stations, electricity services, railways, bus services, and of course, schools and hospitals. It is eroded when our money is taken and then returned to us as welfare, with the only real beneficiaries being the public servants who administer its collection and distribution. It is eroded when our money is used on things that are a complete waste like pink batts, unwanted school halls and accommodation subsidies for wealthy foreign students. It is eroded when the money we have earned is taken and given to those of working age who simply choose never to work. Reducing taxes, any kind of taxes, will always have my support. And I will always oppose measures that restrict free markets and hobble entrepreneurship.

But the cause of liberty is challenged in other ways as well. Liberty is eroded when our cherished right to vote is turned into an obligation and becomes a crime when we do not do it. It is eroded when we are unable to marry the person of our choice, whatever their gender. It is eroded when, if we choose to end our life, we must do it before we become feeble and need help, because otherwise anyone who helps us commits a crime. It is eroded when we cannot speak or write freely out of fear someone will choose to take offence. Free speech is fundamental to liberty, and it is not the government's role to save people from their feelings. Liberty is eroded when we are prohibited from doing something that causes harm to nobody else, irrespective of whether we personally approve or would do it ourselves. I do not use marijuana and do not recommend it except for medical reasons, but it is a matter of choice. I do not smoke and I drink very little, but it is unreasonable for smokers and drinkers to be punished for their alleged excesses via so-called sin taxes. Liberty includes the right to make bad choices.

Quite a few people say they support liberal values but claim there are valid exemptions. The most common one is security or safety, something that has become pervasive during the so-called war on terror. As William Pitt the Younger observed:

*"Necessity is the plea for every infringement of human freedom. It is the argument of tyrants; it is the creed of slaves."*

Perhaps some are scratching their heads right now. How can someone support marriage equality, assisted suicide and want to legalise pot but also want to cut taxes a lot? If you are scratching your heads, it is because you have forgotten that classical liberal principles were at the core of the

Enlightenment, the period that gifted us humanity's greatest achievements in science, medicine and commerce and also brought about the abolition of slavery.

Classical liberals do not accept that there are any exemptions from the light of liberty, but we are not anarchists. We accept there is a proper role for government—just that it is considerably less than the role currently performed. Government can be a wonderful servant but a terrible master—something leading Enlightenment figures, like John Locke, realised. John Locke's view of the role of the state was starkly different from that of another important philosopher Thomas Hobbes. Hobbes thought the natural state of man was perpetual war, with life nasty, brutish and short. In his view, the only way to achieve civilisation was to relinquish all liberties to the sovereign who then allowed us certain rights as he chose. Hobbes is also known for arguing the sovereign should rule with due regard for the desires of the people. There is no doubting though where he thought ultimate power resided or rights originated.

Locke was much more optimistic. Man is peaceful and industrious, he argued. But to establish a society in which private property can be protected it is necessary to relinquish certain liberties to the sovereign. However, this is a limited and conditional arrangement. Only sufficient powers as required for the preservation of life, liberty and property ought to be relinquished and ultimate power remain with the people. If the sovereign gets too controlling, those powers can be reclaimed. Locke was heavily influenced the American Declaration of Independence. As many here will recognise, it says:

*“We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government ...”*

When it says ‘all men are created equal’ it does not mean everyone is the same or that everyone should achieve the same outcome in life but that no individual or class enjoys moral or legal superiority over other individuals or classes. When it says ‘we are endowed with inalienable rights’ it means rights that cannot be taken from us. Good governments can help protect our rights by reflecting them in governance, but they do not get to dole them out piecemeal. Bad governments may seek to legislate away our rights, but only by usurping them.

The right to life is obviously the most fundamental right of all and no government should ever seek to deprive us of that. That includes not only arbitrary killing but also judicial killing. Likewise, it includes the right to protect your own life and that of others, for which there must be a practical means—not merely an emergency number to call. Self-defence, both in principle and in practice, is a right, not a privilege.

Liberty is not a cake with only so many slices to go around. It only makes sense when the freedom of one person does not encroach upon that of others, but instead reinforces it. Thus it is perfectly legitimate for governments to place limits on things done by a person that limit other people's freedom. Those include such things as violence, threats, theft and fraud. It is not, however, legitimate for government to involve itself in things that an individual voluntarily does to himself or herself, or that people choose to do to each other by mutual consent, when nobody else is harmed. It is quite irrelevant whether we approve of those things or would choose to do them ourselves. Tolerance is central to the concept of liberty. It may matter to our parents, friends or loved ones, but it should not matter to the government. Those things belong in the private realm.

This distinction between the public and private realms can be traced all the way back to the ancient Greeks and is well known in Roman or civil law. Some things fall within the legitimate scope of government, some do not. The Declaration of Independence also says ‘governments are instituted among men, deriving their just powers’. That means: when governments act to secure rights they are acting justly and when they move to violate those rights they are acting unjustly. They derive

that legitimacy from the consent of the governed in places like this. When the people fear the government, there is tyranny. When the government fears the people, there is liberty.

Australia does not have the equivalent of the Declaration of Independence, a bill of rights or even a history of resistance against authoritarian government. The Eureka Stockade, which was prompted by excessive taxation and oppressive enforcement, is about all we have. That makes it especially important that those in places like this understand the only thing standing between an authoritarian state and the protection of life, liberty and private property is a vote in parliament. We must never forget that we are the people's servants. This means we must be willing to take a light touch and to de-legislate, to repeal. As much as possible, people need to be able to choose for themselves and be free to choose, for good or for ill.

For that reason, some may think of these as being peculiarly American words, but the ideas have their origins in the Scottish Enlightenment. Although it sometimes seems Scotland has produced nothing but incomprehensible socialists, it also gave rise to the modern world's most liberty-affirming thinkers. Among them was David Hume, who argued that the presence or absence of liberty was the standard by which one ought to assess the past. And on the subject of property, he said:

*No one can doubt, that the convention for the distinction of property, and for the stability of possession, is of all circumstances the most necessary to the establishment of human society, and that after the agreement for the fixing and observing of this rule, there remains little or nothing to be done towards settling a perfect harmony and concord.*

I do not think the Americans disagreed with the Scots on the importance of private property when they substituted the pursuit of happiness, but, if they did, I would side with the Scots!

Notwithstanding my earlier comments, I am not a student of philosophy. While Locke, Adam Smith and Mill have their place in my thinking, along with Friedrich Hayek and Milton Friedman, I consider the Enlightenment to be part of Australia's political and intellectual heritage: it does not belong to the Scots, the Americans, or the French.

While I sit in the federal parliament, I do not approve of the extent of its power. Liberty is more secure when power is shared with state governments, independently funded and competing with each other to be more attractive to Australians as places to live and do business, and, of course, each doing their bit to protect life, liberty, and property.

On the subject of private property, there is much today with which Locke would find fault. Rather than protecting private property, governments federal and state have been retreating from this core duty. The property rights of rural landowners have been undermined by bans on clearing native vegetation, imposed at the behest of the Commonwealth in order to meet the terms of a treaty Australia had yet to ratify. Over and over, the value of property is indirectly eroded through government decisions, and typically without compensation. In enacting plain-packaging laws on cigarettes, for example, the previous government destroyed valuable intellectual property. No matter what you think of smoking, it does not justify destruction of property.

We trade years of our lives to pay for the things that we own, and, when governments take them from us or try to tell us what to do with them, we lose part of ourselves. And yet, when it comes to property that we own in common, like national parks and fishing grounds, we are often locked out on the claim that nature is far too important to let scruffy humans enjoy it. Whilst in this place, I will do all I can to oppose this trend. Environmental fanatics are not omniscient geniuses: they do not know enough to tell other people how to live their lives any more than I do. Indeed, they are the same people who engage in anti-GMO pseudoscience—pseudoscience that is not just nonsense but murderous nonsense.

The Liberal Democrats are strong advocates of capitalism. But, before capitalism, we are advocates of freedom. When people are free and entrepreneurial, free-market capitalism and prosperity are what follow. However, I am pragmatic enough to recognise that two steps forwards require one step backwards. I am only one vote, and one voice.

I am also aware that some senators in this place share my views but are constrained from speaking openly. Whatever party you are in, if you believe in making the pie bigger rather than arguing about how it is cut up, we have plenty in common. To all of you, I would say this: when any specific issue arises—be it legislation or advocacy—that advances the cause of liberty, if I can say or do something to help, you only need to ask. In my party, the only discipline I am likely to suffer will be due to not pursuing liberty enough!

I have pursued liberty through membership of the Labor Party, the Liberal Party and the Shooters Party, so I can say with confidence the Liberal Democrats do not seek power to impose our views on the nation. All our policies are about freedom—the absence of control by others. We seek to have representatives elected in order to restrict the power of the state over individuals, to encourage the government to do less, not more.

I have one matter to address before I close. It is traditional in first speeches to thank those who contributed to one's being here. I acknowledge that it would not have happened without the help of a number of people. First and foremost is my friend and colleague Peter Whelan. Peter and I have been a tag team ever since 2005, when I introduced him to the Liberal Democratic Party. If Peter had not decided to join, I might never have got involved myself. Peter is perpetually optimistic and willing to help, and has chipped in with even more money than me. One of my enduring regrets is, in failing to submit our preferences in Victoria on time, I destroyed any chance of him also being elected to the Senate.

There are others in the party who deserve thanks. I am reluctant to name them as I am sure to miss out on some, but long-term supporter David McAlary warrants a mention. I also want to thank those libertarians who established the party in 2001 and contributed so much to its principles and direction. I also thank my employee Michelle, who has helped in many ways. I thank my friends and colleagues in business, who never let me take myself too seriously. Finally, I would like to thank my wife of 30 years, Amanda. She has long humoured and tolerated my political activities, never sure if any of it mattered but now immensely proud that it does. I view my election as an opportunity to help Australia rediscover its reliance on individualism, to reignite the flame of entrepreneurship, and to return government to its essential functions. There is much to be done.

