

Mannkal's Musings*

MANNKAL FOUNDATION'S
HALF-YEARLY REVIEW

2012-2013 Vol. 5

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*n. mus-ings A product of contemplation; a thought

Events in 2013

2013 looks set to be full of great events and programs for Mannkal. To keep up to date on the latest and to receive information about scholarships, subscribe to our monthly newsletter Focus by visiting:

<http://mannkal.org/subscribe.php>



Mannkal's Facebook page has grown exponentially over the past year. It's definitely worth subscribing to as "Mannkal's Man in New York", Luke McGrath, is constantly updating the page with interesting articles and videos. It continues to grow, but the stats below speak for themselves! Check it out at www.facebook.com/Mannkal.

5th–11th December 2011

247 monthly active users

277 people like this

47 wall posts or comments this week

105 visits this week

5th–11th December 2012

310 monthly active users

462 people like this

62 wall posts and comments this week

184 visits this week

Freedom Factory

Freedom to Choose

Mannkal ECOMS Student
Dinners... and much more!

Ron's Mannerisms

Each month Ron shares his thoughts on a range of topics in a section of our website entitled "Mannerisms". Ron has discussed everything from his adventures in Turkey, ruminations on the need for a 'poet laureate' for the Australian mining industry, and a judgement on the claim that Wayne Swan is the world's best treasurer! To read these and more, please go to:

www.mannkal.org/mannerisms

Library Launch + Library USB

In late November 2011, Mannkal's Library was officially opened by Joanne Nova. To commemorate the opening, Mannkal has produced over 200 USB sticks, each of which contains the entire library catalogue. The library currently has 2,095 books and counting!



Mannkal Volunteers and Staff

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Advisory Council

Sarah Basden (UK)

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Prof. Steven Schwartz

(Sydney)

Chairman's Report

Why is our focus on economics, and not on politics?

As Mannkal commences its sixteenth year, we are launching into an expansion phase, mainly in response to enthusiastic encouragement from so many of our supporters and partners.

Supporters often ask why our focus is on economics rather than politics.

We have nothing against politics, or government, other than regarding it, in its many varieties, as dangerous for the health of those who it attempts to govern; so we actually feel that the less of it ... the better.

We are not alone with these thoughts. Let me quote from last week's *W.A. Business News*, editorial (February 28, 2013):

"Voters need to remember that some of the most significant and positive changes in WA have come from governments doing less, not more."

Yes, we do seek change for the better, but are mindful that we, as voters in a political process, can only have a minute influence on policies that affect many people,

whilst our economic decision-making can have a major effect on our own personal well-being and on the well-being of those around us.

Our focus is on the style of economics that will be of much value to students as they go on to run their own businesses, pursue their own careers and raise their own families.

We enjoy our partnerships with each of Western Australia's universities, with the Institute of Public Affairs (IPA) and with the Centre for Independent Studies (CIS), as we continue to focus our attention on creating these short, sharp experiences for young Western Australian leaders of tomorrow.

Watch for these opportunities in the "For Students" section of www.mannkal.org.



Ron Manners
Chairman
Mannkal Economic Education Foundation

[*www.facebook.com/Mannkal](http://www.facebook.com/Mannkal)

[*www.facebook.com/ron.manners](http://www.facebook.com/ron.manners)

Pleasant Growing Pains

To accommodate growth and succession planning it is my pleasure to advise of the formation of a Board of Trustees (see facing page) who are taking on this responsibility from the joint trusteeship of myself and Mr Robert W.F. Sceales (Mr Sceales continues as our legal adviser and I thank him for his continuing wisdom and advice).

We are also pleased to welcome Donna Withers as our permanent Scholarship Co-ordinator. Donna, herself a graduate of Curtin University, continues the work of our part-time student assistants.

With some regret we say farewell to Felicity Karageorge who has become well known to so many of you as she has assisted so many students as they apply for scholarships through their various universities. Felicity, on completing her studies, will take a position with a leading Sydney law firm.

Genevieve Mitchell is a welcome addition this week to our team as a Research Assistant.

It is a great pleasure and honour for me to work with our team as listed on the facing page and every single day brings with it another new learning experience for me.



Mannkal Events

Freedom to Choose 2012 Conference

Report by Lisa Tidy

Freedom to Choose 2012 was based around 'The Rise of Free Trade Sentiment in Australia in the Twentieth Century'. Numerous speakers discussed the shift of sentiment from protectionism to free trade, the benefits that free trade could provide and the contribution of Australian economists to this issue.

The first speaker was Peter Lloyd, who looked into the history of tariff and non-tariff measures. He argued in favour of free trade, stating that in the last 60 years there have been major changes that have altered the way people look at protectionism.

William Coleman examined The Brigden Report by looking at both the context behind it and the report itself. He spoke about how it was written during the 1920s, a time in which there were growing tariffs in Australia. In the discussion of the report itself, he began with the thesis that tariffs decrease the income of a nation as a whole while increasing the income of the majority of its citizens. He then moved on to examining the rest of the report and the aftermath, noting that not all reviews of The Brigden Report were positive.

Anthony Endres spoke about the Bretton Woods exchange rate system and Australia's trade policy ideas from the 1950s through to the 1970s. He examined the changes in opinions and the economy in the different decades, starting with the idea of using quantitative controls on imports to protect the liquidity position in the

1950–60s. Following this, he discussed rising reserves in the 1960s, which were seen as a reference point for removing quantitative controls but not tariffs, as well as the collapse of the Bretton Woods system in the 1970s.

Paul Oslington opened by questioning why there is so little contemporary Australian trade theory, before moving on to examining the theory behind small open economy modelling in the post-war period. He concluded by stating that it was naïve to throw out the concept of modelling even after the Global Financial Crisis because it is still fundamental to the economy.

David Vines' speech tied all the other presentations together, as he examined the general role of protection in Australian. He spoke about the different periods of thought regarding protectionism, arguments for protectionism, and what effect it actually has on the economy. He also discussed The Brigden Report.

Jonathan Pincus examined the arrival of public choice theory in Australia and how opinions on competitiveness have changed. Before 1960,



Professor Derek Parkin, Professor David Gilchrist, Professor Greg Moore, from Notre Dame.

competition was regarded as damaging. This changed after 1960, however, with competition being encouraged and there being more regulation.

Max Corden took a more personal approach, speaking about how he became involved with Australian tariff policy. In particular, he spoke about the period of his life from 1950 to 1967, when he started writing and researching on tariffs. This began when Mr Corden attended the London School of Economics and read The Brigden Report which he found confusing while still relevant. This prompted him to begin writing papers on tariffs. He then discussed his time at Melbourne University and how many of his articles ended up being published as a book, Road to Reform.



Economics Professor Michael McLure talks with a student at the conference.

The last panel of speakers reflected on Max's contribution to tariff policy, all of whom spoke very highly of him. John Hyde concluded the day by briefly speaking on public choice theory and stressing the importance of younger generations stepping up and making an impact when it comes to politics and policy decisions.

The Freedom to Choose 2012 conference gave students the chance to expand their knowledge on a

range of topics relating to free trade. Overall, it was a very enjoyable day, with academics, students and other guests being able to discuss many issues relating to 'The Rise of Free Trade Sentiment in Australia in the Twentieth Century.'

** Lisa Tidy is a recent Economics graduate of the Curtin Business School and has worked with Mannkal for the past six months.*

Milton Friedman 100th Anniversary Celebration

On Thursday, 9th August 2012, Mannkal Economic Education Foundation hosted a movie screening and panel discussion event in celebration of the 100th Anniversary of Milton Friedman.

The event was held at the University of Western Australia (UWA) Business School and attended by over 70 enthusiastic academics, business people and followers of Friedman's school of thought. At the opening of the event, Winthrop Professor Ken Clements, who personally studied under Friedman during his time at the Chicago School of Economics, formally welcomed the guests. This was followed by an introduction by Justin Bloomfield, president of UWA's business school student society Economic and Commerce Student Society (ECOMS).

Ron Manners, Chairman of the Mannkal Economic Education Foundation, proceeded to welcome the guests and introduce a DVD montage of some of

Friedman's most notable interviews and discussions. Mr Manners himself also had the pleasure of meeting Friedman on several occasions which made for a fascinating reflection on Friedman and his career.

Following the montage screening, both Ken Clements and Ron Manners gave a more in-depth presentation as to their own personal experiences with Milton Friedman and their views on some of his most famous works and values. This provided myself and the guests with some interesting firsthand knowledge of the academic side, giving the audience food for thought which later triggered some great discussion. The most notable features of the discussions included reference to one of Friedman's interviews with Playboy magazine, with

the original copy of the interview passed around the audience, as well as Professor Clement's presentation that provided the audience with ten of Friedman's greatest characteristics.

The speakers then opened the panel discussion whereby audience members were able to ask questions and add comments regarding Friedman's life and work. The issues that were raised caused some interesting debate by intellectuals and business people alike, particularly around the issues of legalizing drug usage and prostitution, as well as the benefits of school choice in the education system and the Friedman solution to lowering carbon emissions.

Following the panel discussion, food and drinks were provided and audience members were encouraged to continue discussions with the two speakers. Nearly every member of the audience stayed after the formal part of the event to continue to reflect on Friedman's work and the atmosphere soon became bittersweet as the crowd sang 'Happy Birthday' to Friedman and raised a toast to continuing to advocate for freer markets in both political and economic spheres.

Overall, the event was a great success. I feel that as a member of the audience, I was able to gain both insight and a deeper understanding of Milton Friedman as a person as well as an academic. The discussions were also able to transcend generations; after speaking to audience members from those in their late teenage years to those past retirement age, I felt that everyone was able to take away some great ideas and concepts from the man who made such an impact on the global economy.



Photos from top to bottom:

Professor Ken Clements with Mannkal Chairman Ron Manners.

Professor Ken Clements reflecting on Milton Friedman.

UWA Students Hannah Berdal and Justin Bloomfield,.

Ron Manners with attendees of the event.



Launch of *Project Western Australia*

In August 2012, the joint Mannkal–IPA publication *Project Western Australia* was launched. The publication aims to encourage discussion and restart the reform process of Western Australia, with an emphasis on the free market and small government. Chairman of Mannkal, Ron Manners, gave the following address at the launch.

Unlike our Federal Treasurer, we will not call upon the mystic spirits of present or past rock singers, to give credibility to our efforts.

We will let this document, itself, stand tall and hopefully inspire some vigorous debate and resolutions about the way forward for our great State of Western Australia. Our Mannkal Foundation, over the past 15 years, has sent 600 of Western Australia's brightest students to internships, conferences and seminars, both in Australia and overseas and that has put us in the privileged position of learning how our younger generation feel about whether our current generation is leaving for them an asset or a liability.

They ask some good questions, such as:

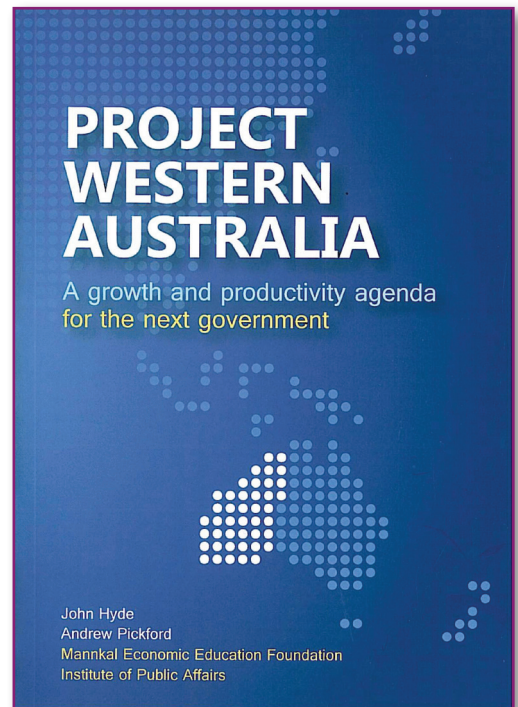
- *How can our Federal Treasurer say that Australia came through the Global Financial Crisis (GFC) 'unscathed' when Australia now has the highest level of household debt in the world? The household debt of \$82,000 for every Australian did not exist before the GFC. This is not 'unscathed'. It is 'mega scathed'.*
- *How come our State Government is borrowing money to establish a Sovereign Wealth Fund?*

These are very good questions; there is general concern from the next generation.

So, if our Project W.A. handbook is to be dedicated to anyone, let it be dedicated to our next generation.

Background to this Handbook

In 2006, the Mannkal Economic Education Foundation was often asked: "Who in Western Australia is generating and developing State policies that look beyond the short-term political election cycles?"



There was mounting concern at the glacier-like process of our Local Government and State Government approvals process. So abysmal was this process that it gave rise to an expanding lobbying industry as the only way of achieving any conclusive outcome. Mannkal recognised the need for thoughtful policy development and sought an experienced and credible joint-venture partner to join us in this task. The Institute of Public Affairs (IPA) was more than up to this task.

Taking the lead and maintaining focus on multiple deadlines were John Hyde (Mannkal), Andrew Pickford (Mannkal), John Roskam (IPA) and Chris Berg (IPA). Over these intervening six years a series of Discussion papers have been publicly launched and circulated with considerable feedback received. We also extend our sincere thanks to those un-named advisors.

Let me mention one point in particular. John Hyde, in his modest style, is no stranger to policy formation. In his past lives he generated several similar policy manuals for both Federal and State Governments. During his term as Liberal Federal Member, with a small group (including Bert Kelly, Jim Carlton and Peter Shack) known as the Drys, he was successful in generating policies that were implemented by the Hawke and Keating Governments, resulting in a remarkable acceleration of Australia's economic progress during those years (and I can remember the benefits that flowed through to every level of the economy).

So, with that example in mind, we don't mind much who picks up these ideas from our current handbook as long as someone does so and enables us to pick up the pace.

Outcome of our Six-year Project

Now, this deceptively slim volume summarises all these endeavours to drive this discussion further.

Your input and thoughtful comment are welcome and, in fact necessary. We have made it easy for you to be part of this process. Simply click on the Project Western Australia button on our home page – www.mannkal.org – and input your 'comment', indicating the subject covered and perhaps the page reference from this attached handbook.

In this way we will maintain the momentum of our focus on constructive ideas for the future.



A gallery of policy rogues (from left to right): Andrew Pickford (Mannkal), Chris Berg (IPA), Ron Manners and John Hyde (Mannkal).

HETSA Annual Conference

Report by Lisa Tidy

Conference Summary:



I think Max Corden summed up the importance of the History of Economic Thought Society of Australia (HETSA) and its annual conference when he said that

education these days includes so much, but also leaves out so much. For me, the HETSA conference expanded on so many things beyond what my formal education provided. From Pigou's *Wealth and Welfare*, to Ricardo's work, to the concept of Cliometrics, each day brought a new array of topics to listen to, learn about and question. The chance to have a discussion with many of the speakers, from Larry White to Deidree McCloskey was invaluable. In addition, being able to talk and mingle with like-minded individuals allowed me to build on the knowledge I had gained from many of the speakers. Attending a HETSA conference is an amazing opportunity and I would recommend it to anyone who was given the chance like I was.

Presentation by Michael McClure:

One of the speakers I found most fascinating was Michael McClure, who spoke on Pigou, his famous book, *Wealth and Welfare* and how he was influenced by Marshall. Pigou was a fascinating man, one whose name was not mentioned often enough throughout the units I completed as part of my university degree. This was one of the reasons I was drawn to Michael's presentation. Having very little knowledge of Pigou and his works, this provided a great overview on who influenced him, one of his most famous books and the reaction it received.

Michael began by discussing Pigou as Marshall's successor and then looked into the question that some historians had raised of whether *Wealth and Welfare* is non-Marshallian. Pigou's book, however, is an extension on Marshall's previous work on economic welfare and Michael therefore came to the conclusion that the book still fits within the general Marshallian tradition. In fact, *Wealth and Welfare* represented the first opportunity for Pigou to make a theoretical statement that stamped his authority as Marshall's legitimate successor.

Michael then went on to discuss each of the four parts to *Wealth and Welfare*. As I had never previously

received an explanation of the book beyond a simple summary, hearing about each of the parts helped to expand my knowledge on the interesting topic.

The first part, *Welfare and the National Dividend*, discusses the general relationship between wealth and welfare. Pigou writes two general propositions about welfare and the purpose of *Wealth and Welfare*. Firstly, welfare includes states of consciousness only, and secondly, welfare can be considered by categories such as 'greater or lesser'. Pigou then expands on how there is both welfare, which is broadly defined, and economics welfare, which is directly concerned with the national dividend. There are three criteria for an increase in welfare, the 'wealth-efficiency' criterion, the 'distributive fairness' criterion and the 'macroeconomic stability' criterion, with both harmony and disharmony between them.

The *Magnitude of the National Dividend* is the title of the second part of *Wealth and Welfare* and is Marshallian in origin, which emphasises the influence Marshall had on Pigou and his work. Most analysis comes from the second part of the book, and involves discussions on Pareto's Law and the notion of 'hindrances' to equality. Pigou goes on to investigate the effect of 'hindrances' to investment, which introduces the concept of externalities and producer and consumer surpluses, and 'hindrances' in respect to competition and increasing returns.

Part three discusses the Distribution of the National Dividend and in particular, the goal of improving distributive fairness. This goal is examined from two perspectives: how variations in the wage rate can alter income distribution and how income distribution can be 'directly' altered through the transfer of funds. This section then goes on to discuss concepts such as artificial and natural wages, as well as the idea of a national minimum.

Lastly, part four, based around macroeconomic stability, is titled the *Variability of the National Dividend*. It is largely concerned with the effects on wages and wage rates of fluctuations in macroeconomic activity. Pigou also wrote on the psychology of investment and forecasting, and the impact of the variability of national dividend on the poor.

For me, Michael McClure's presentation was the perfect companion to Karen Knight's, who had spoken about Pigou the day before. Karen presented on Pigou, the man behind *Wealth and Welfare*. I learned about Pigou's role as a scholar at Harrow, his strong family-military connections and how he was influenced by Marshall and an advocate for free trade, actively engaged in the tariff debate. That many of the presentations given were interlinked or gave opposing views was one of the great things about the HETSA conference in general. While each presentation was different and interesting, you could draw on the knowledge gained from listening to other presenters and apply it accordingly.

Threats to Freedom of Speech Conference

Report by Alex McVey

For the first time in 2012, the Mannkal Economic Education Foundation and the Murdoch University School of Law held a two-day conference dedicated to the discussion of threats posed to the security of liberty in Australia and worldwide. The theme of the inaugural conference was 'Threats to Freedom of Speech'.



Research Fellow at the Institute of Public Affairs Chris Berg, Dean of Murdoch Law School Professor Jurgen Brohmer, Professor Augusto Zimmermann from Murdoch University.

The first part of the Conference was a welcoming reception held on 12th of October in the Murdoch Law School Foyer, which gave attendees the opportunity to speak with the other guests before formalities began. The second part was a day conference held on the afternoon of 13th of October, also on the University campus.

The first speaker of the event was Professor James Allan of the University of Queensland. Professor Allan focused his presentation on the concept of a Bill of Rights and its ability to protect citizens' rights. He suggested that a Bill of Rights would jeopardise the ability of parliament to control freedom of speech, instead leaving the concept to be defined by the unelected judiciary.

Dr Augusto Zimmermann of Murdoch University then spoke about the state of religious vilification in comparison to freedom of speech in general. Dr Zimmermann drew the conclusion that speech on religious vilification laws should be treated in the same manner as the implied freedom of political communication contained in the Australian Constitution.

The Dean of the Murdoch Law School, Professor Jürgen Bröhmer used his background studies of the European Convention on Human Rights to explain its past and current relationship with the concept of freedom of speech.

Lorraine Finlay, lecturer at Murdoch University, presented her paper on the possibility of necessary limits being placed on an unfettered freedom of speech and illustrated her discussion with the recent controversy surrounding Julian Assange and WikiLeaks.

Following the last presentation, the audience had the opportunity to question a panel consisting of the first session speakers to further explore issues that had been raised. Moderated by former Attorney-General Christian Porter, the second session of speakers continued the flow of ideas generated by the first session.

Stephen Hurworth, Director of Saint Augustine's Classical Christian College presented a discussion of his school as a case example relating to freedom of speech, specifically the freedom to teach pupils through a curriculum alternate to the norm.

Dr Michelle Evans, lecturer at Murdoch University, gave a presentation on the concept of freedom of speech and its relationship with the law of defamation and the Australian Constitution.



Curtin University's Professor Joseph Fernandez offered the audience an overview of the 2012 Finkelstein Report and its effect on the question of media regulation in Australia.

The Hon Nick Goiran MLC, Member for the South Metropolitan Region, sought to answer the question: "How can parliament protect free speech?" Mr Goiran also discussed alternatives to using parliament as the mode for protection of this liberty.

The keynote speaker for the event was Chris Berg of the Institute of Public Affairs, author of the book *In Defence of Freedom of Speech: From Ancient Greece to Andrew Bolt*. Mr Berg discussed several examples of threats to freedom of speech throughout history and at





present, suggesting that the burden to reject offensive speech should be placed on the public, rather than leaving it to the parliament to legislate against.

Ron Manners then closed the event, reflecting on the successful discussion of ideas that had occurred throughout the weekend. Both Mannkal and Murdoch Law School look forward to working together on another similar project in the future.

** Alexander McVey is a student at the Murdoch University School of Law and an intern with the Atlas Economic Research Foundation during January and February, 2013.*

The Australian Mises Seminar

Report by Tait Marston

My Personal Experience:

The Australian Mises seminar was held over two days in December, 2012 at the Establishment ballroom in Sydney. As one of the Mannkal scholarship recipients, I was sponsored to attend this event and listen to a number of speakers covering an array of topics. In true libertarian form, the topics covered ranged from free market economics, personal liberty, responsibility and self determination, through to the abuse of anti-discrimination legislation, the role of central banks, and the growing state of regulation and restrictions being placed on some professional bodies.

As an attendee, I was able to meet guest speakers, discuss their presentations and share ideas in a relaxed atmosphere. Overall, I found this event to be invigorating, as I was able to meet like-minded people who share the same concerns and values, and who identify themselves as an individual rather than a cog in this growing collectivist society. In addition, I departed with an alternative perspective on free market economics which I had not previously encountered in my university studies. I encourage all people who value self-responsibility, personal liberty and the reduced role of the State to attend this event in the future. This movement will surely expand while government continues to regulate and encroach upon personal autonomy. I would like to thank Mannkal and Ron Manners for this opportunity and I look forward to becoming more involved in the Australian libertarian movement.

A Reflection on Konrad S. Graf and His Work on Action-Based Jurisprudence

One of the guest speakers present at the 2012 Mises seminar, Konrad Graf, works as a translator of investment research. He explained that during his travels, he spent many hours in airports where he would read, write and theorise. Mr Graf's interests led him to examine how institutional restructuring could provide more freedom in society. Consequently, he sought to identify and challenge conventional thought over a broad range of topics. The self-titled 'Paradigm Detective' set sights on one of the most rigid fields of expertise: jurisprudence. Concerned with addressing inconsistencies and procuring answers to some of the harder legal/ethical problems, Mr Graf set out to apply praxeology.

Praxeology, the study of particular elements of human action that can be grasped (such as preference, choice, and means-end schemes) is most often associated with the Austrian School of economics. However, Mr Graf identified a method of applying praxeology to jurisprudence and explained the value of doing so:

This praxeological action-based framework can be used to evaluate, filter, and refine the world's inherited body of legal concepts and traditions. Action and its formal implications emerge as an essential foundation for sound legal theorizing.¹

Following the Austrian tradition set out by Ludwig von Mises in economics, Mr Graf applies praxeology in the action-based methodology to challenge conventional thought resulting from the scientific or empirical approach. Action-based jurisprudence – distinct from natural law theory, legal positivism and critical legal studies – focuses on forming deductible implications from human action, rather than hypotheses or a priori justification.

At the conference, Mr Graf addressed action-based jurisprudence in relation to property, intellectual property, contract and criminal law. In addition, the non-aggression principle and victimless crime was discussed. He explained how property rights might be transformed under action-based jurisprudence with an interesting exploration of intellectual property law. Mr Graf concluded that the current constraints on intellectual property law and associated intellectual hoarding might not be permitted in a system which encourages ownership through (positive) action.

Aside from the potential for action-based jurisprudence to restructure legal and social institutions, Mr Graf explained that it is ultimately more resilient. Action-based jurisprudence separates ethical issues from legal issues more efficiently because it is conceived outside historical or religious associations:

'Action-based jurisprudence produces internally consistent formulations of the requirements of justice. It is helping to weed out confused, arbitrary, and inconsistent elements from traditional and positive-law formulations, even as it draws on valuable insights and

distinctions found in traditional legal principles from customary law and case-based legal traditions.'

Of particular interest, Mr Graf addressed the legality of police officers being permitted to break the law in order to maintain peace and order. While some might argue that it is entirely necessary, he questioned whether this action has the potential to undermine the confidence or respect citizens may have toward the police, authority and to the legal system more generally. Mr Graf claimed that a system which does not focus on individuals, but rather the specific actions (objectively) could or has the potential to avoid these inconsistencies in law.

Konrad Graf's exploration of contemporary issues and explanation of action-based jurisprudence was well received at the Mises seminar. Many people requested more information on this branch of jurisprudence and celebrated Mr Graf's ability to address the harder questions or challenge the perceived hurdles in the legal system. This addition to the field of jurisprudence is another example of how the Austrian libertarian movement can make small change toward a more open, stable and free society.

Notes:

1. Konrad S Graf, 'Action-Based Jurisprudence: Praxeological Legal Theory in Relation to Economic Theory, Ethics, and Legal Practice' (2011) 3 *Libertarian Papers* 1, 2.

2. *Ibid*, 69.

* Tait Marston is a current student at Murdoch University School of Law.

Lion Rock Institute Sundowner

On Monday, 25th February, Mannkal hosted a sundowner event to celebrate the fifth successful year of the Mannkal/Lion Rock Institute Internship Program in Hong Kong. Each year, Mannkal selects two Western Australian Scholars to travel to the Hong Kong-based think tank, where they are able to experience interesting public policy research and help develop persuasive communicative skills. All Mannkal/Lion Rock Alumni of the program joined in celebration of the milestone, and were greeted by Lion Rock Directors via Skype where they discussed the program and ideas to expand the global alumni network. We are excited to continue to develop our relationship with the Lion Rock Institute and look forward to furthering the success of the program.



Mannkal Scholars Abroad

FreedomWorks—Washington DC

Report by Tom White



The United States is confronted with a number of staggering economic problems, not least of which is a national debt of around \$16 trillion USD. Naturally, figures such as these have become the focus of national political debate, particularly with the birth of

the Tea Party movement in recent years. Washington D.C. is the coalface of that debate, and the home of FreedomWorks, perhaps the most influential Tea Party organisation in the United States, and one with a firm focus on promoting policies of economic liberalisation in US legislatures at both the state and federal levels. I was fortunate enough to spend the months of October and November in 2011 in the organisation's Campaigns Team, learning from some of the most successful libertarian and conservative activists in Washington.

Of particular interest to me were the innovative methods of online communication being employed by FreedomWorks and other organisations, such as the Heritage Foundation. Being immersed in an association with such a strong emphasis on building a network of volunteers was highly rewarding, as I was better able to understand the most effective political communication methods. FreedomWorks' FreedomConnector, which is something of a private social network for FreedomWorks members and supporters, was particularly impressive. The website allows members to network, advertise training programs and events, and is largely driven by geography, using a person's location as a key determinant in the content and invitations they receive. I have been able to employ a number of the techniques used in Washington with organisations I am involved in here in Perth, to promote liberty and the benefits of economic development.

Just as beneficial were the personal networks I was able to establish in Washington. I am glad to say that I can now call on a rich array of well-informed and experienced activists from across the United States, some of whom have become friends. Working alongside these people, on campaigns ranging from the

deregulation of the public service in Ohio, to lobbying presidential and other nationwide campaigns on policy commitments, was rewarding both professionally and personally.

Towards the end of my time in the US, I travelled from D.C. to New York for a gala dinner hosted by the Atlas Economic Education Foundation and featuring Mario Vargas Llosa, a recipient of the Nobel Prize in Literature (2010). Hearing from a Nobel Laureate is a rare treat. To do so in New York, surrounded by some of the world's most accomplished leaders and thinkers in the free market movement, was especially memorable. That evening was an obvious highlight of my two-month stay in the United States, and rests in my mind as an ever-present reminder of the power of economic and trade liberalisation to lift the world's poor from the depths of poverty.

I am very grateful to Ron Manners, Andrew Pickford, and the rest of the team at Mannkal for offering me such a unique and fulfilling opportunity to better myself. I know the skills and experience that I have been exposed to will help me become a more valuable warrior in the battle of ideas in the future.

** Tom White works for the State Government Ministerial Office in Perth, Western Australia.*



Attendees of the FreedomWorks Presentation (from left): Stuart Hatch, Alan Metcalfe, Bill Hassell, Professor David Flint.

Frontier Centre for Public Policy—Winnipeg

Report by Tim Sondalini

Early this year, the Mannkal Foundation sponsored me to travel to the Canadian prairies and intern at the Frontier Centre for Public Policy. The Frontier Centre is a free market think tank with headquarters in Winnipeg, Manitoba. Due to its location on the eastern edge of the Canadian prairies, Winnipeg experiences extreme weather conditions and when the winds blew from a particular direction, the city could seem like the coldest place on Earth. However, this environment is perfect for a libertarian think tank like the Frontier Centre which is fighting to protect individual rights.

Apparently, the winter I experienced was relatively mild and I actually walked to work most days. There was not much snow on the ground and on one memorable occasion, the temperature breached four degrees Celsius. On one particularly cold day, however, my scarf froze to my face and my eyelids iced up, so learning



Tim Sondalini shares his experiences as a Frontier Centre for Public Policy Intern, based in snowy Canada.

to cope with the climate was an incredible experience. Generally, though, the weather was hospitable and I avoided becoming a popsicle.

At the Frontier Centre, I spent my time working under the tutelage of Ben Eisen. My work with Ben was, at times, a little odd, due to the fact that Ben was based in Brooklyn, New York. In fact, most of the Frontier Centre's analysts work outside Winnipeg and collaborate with one another via Skype. I worked as Ben's offside and reviewed a myriad of projects, as well as writing a number of policy briefs on topics ranging from taxation to health care. The similarities between Canada and Australia were astounding, and I actually learned a lot about the philosophy and function of the Australian political system through my studies at the Frontier Centre.

At the conclusion of my internship with the Frontier Centre, I attended the International Students for Liberty conference in Washington, D.C. Almost 1,000 young people attended the 2012 conference. I was one of approximately six Australian attendees among participants from Canada, China and Namibia. The passion exhibited for the ideas of liberty at the event was overwhelming.

I would like to thank the Mannkal Foundation and its entire staff for making my internship possible. It was an incredible opportunity and I am still processing my experience.

** Tim Sondalini is a Law/Arts student at the University of Western Australia.*



Lion Rock Institute—Hong Kong

Report by Hannah Berdal



Hong Kong is a remarkable place. From the moment I stepped off the plane and onto one of Hong Kong's incredibly efficient MTR trains, I was instantly captivated by the city and the insatiable, collective drive of its people.

With the region's population of over 7 million crowded into a landmass smaller than the ACT, Hong Kong's exhilarating atmosphere could be felt everywhere I went. The city provided the perfect backdrop for me to cultivate my passion for free markets. As the freest economy in the world for the 18th consecutive year according to the Heritage Foundation, its bustling markets and highly developed landscapes were prime examples of how this low tax, light regulation economy has created a land of amazing opportunity and freedom for the people of Hong Kong.

My main role as an intern in the Lion Rock office was to help with the development and publication of the Institute's quarterly journal as it was in the process of being revamped and renamed, quite suitably, to Capitalism.HK. At the Institute, I was also given the opportunity to attend meetings with members of the Legislative Council and spent a lot of my time researching and writing pieces on the hotly-debated Competition Law Bill and some of the problems facing homeowners of heritage-worthy properties.

My article on Competition Law looked into Australia's history with the law as well as the potential problems, such as significant compliance costs and an unstable business environment which would be faced by business owners and consumers if the bill is passed in Hong Kong. The Lion Rock Institute's work was crucial in helping delay the bill from being passed in its current form and it continues to advocate against the poorly drafted legislation as talks continue in the government.

During my downtime, I was fortunate enough to be taken around by a colleague from work to some of Hong Kong's greatest local areas and sights. I visited the Island's tallest and most famous mountain, the Peak, as well as some amazing local restaurants and areas past Kowloon that allowed me to see Hong Kong's true traditional local culture. I was also taken to some interesting eateries and wet markets – an experience I was told necessary to truly experience

life as a *Hong Konger*. The sheer number of choices available for locals in every range of goods and service is truly astounding and it is an amazing example of competition working for the benefit of the consumer.

Working with some of the most passionate free market thinkers in the freest economy in the world was something I had never dreamed possible during my degree – each day was an opportunity to learn something new not only about the values that the people behind the Lion Rock Institute stand for, but the principles and values I stand for as a person as well. I would like to extend my greatest thanks to Mannkal as well as Ron Manners for giving me the opportunity to embark on such a life changing experience. It has helped me enormously in understanding the challenges faced by modern libertarians as well as the roots of Austrian economics and the legacy they leave to us today. I had an amazing experience at the Institute, one that I will always cherish.

** Hannah Berdal is a Law/Commerce student at the University of Western Australia and is currently working at Mannkal.*



A local tram in the bustling Sheung Wan, Hong Kong, where the Institute is located.

ECOMS Essay Competition

Mannkal once again held its annual essay competition in conjunction with the Economics and Commerce Society of the University of Western Australia. This year's winner was **Toby Evans**, a student at the University of Western Australia, who responded to the question:

"To reduce smoking rates, on 1 December 2012, all tobacco products in Australia must be sold in plain packaging. Do you think this is a sensible policy? Should government be trying to protect people from themselves? Should plain packaging be expanded to alcohol?"

Toby's winning entry appears below.

Cigarette Packaging and the Hidden Benefits of Minding your Own Business

"The majority, being satisfied with the ways of mankind as they now are, cannot comprehend why those ways should not be good enough for everybody...Spontaneity forms no part of the ideal of the majority of moral and social reformers, but is rather looked on with jealousy, as a troublesome and perhaps rebellious obstruction to the general acceptance of what these reformers, in their own judgement, think would be best for mankind" [John Stuart Mill, 'On Individuality, As One of the Elements of Wellbeing']

Roughly fifteen thousand people die every year in Australia from smoking related illness. With every one of these deaths, the rallying cry of the anti-smoking crusade grows louder. You may agree with them – after all, smokers seem to pay an enormous toll for such a small pleasure. Surely there is something they do not understand, or they are somehow being manipulated. This small leap of logic, unfortunately, is where the majority of people overstep the line. They seek to assert, not only that they have sound medical reasons to intensely dislike smoking, but that people who do not share this opinion are somehow 'wrong'.

In a society of individuals, people constantly make choices which are, in the mainstream opinion, wrong. When this wrongdoing directly harms other people, it is generally accepted that governments should become involved to protect other individuals, as a manifestation of the collective will. However, if a person is merely living their life, privately attempting to progress their own interests (whatever they may be) without harming their fellow individuals, what right does this 'collective will' have to hamper or coerce them? Most people would intuitively answer "none at all". Nonetheless, in

the case of cigarette packaging, this intuitive sense seems to have been caught up in a storm of (perhaps justifiable) anti-smoking emotionalism.

To the libertarian, or classical liberal, individual liberty is the single most important thing in our political system. That is, the right for individuals to make personal decisions for themselves, free of government coercion. In the words of political philosopher John Stuart Mill, "the individual is not accountable to society for his actions, insofar as these concern the interests of no person but himself" [Mill, 'Applications']. Classical liberals regard freedom of this kind not as an abstract right, but as the vessel through which individuality, entrepreneurship and creativity are achieved. After all, nobody ever had a ground-breaking idea, or created a great piece of art, by blindly following the herd. Indeed, the ability to follow your 'true calling', whatever that may be, is essential to both your personal happiness and usefulness to society. The continued existence of individual liberty is therefore plainly in the interests of humanity.

This is not to say that classical liberals always regard government intervention as illegitimate, merely that it should be confined to situations where action is essential - either because certain conduct is causing harm to innocent third parties, or because the continued health and cohesion of society is being directly threatened. To that end, I propose a simple two step 'test' to determine whether a piece of legislation is both justifiable and sound in content, in line with classical liberal principles. Firstly, the problem being addressed must be so grave that it outweighs the right to individual liberty we enjoy. Secondly, the proposed measure must actually be effective at remedying the problem - if we are trading away our liberty for this policy, it is reasonable to expect that it delivers what is promised. If proponents of any piece of legislation are

unable to clear both of those hurdles, their legislation should be thrown on the scrapheap as an unjustifiable infringement on individual liberty.

Despite their admirable intentions, anti-smoking campaigners seem to have fallen on their faces at the starting line with these proposed cigarette packaging laws.

1.0 - The 'Justification' requirement:

Looking at the cigarette packaging laws objectively, one thing is immediately obvious to anyone; they are aimed at protecting people from themselves. This concept should immediately arouse suspicion in any individual who values their liberty, as it betrays a deeply patronising attitude amongst our legislators - apparently they do not even trust us to make a responsible decision on an issue as fundamental as our own health. Instead, they have decided, we must be coached towards the correct decision through pseudo-psychological manipulation of our perceptions of brand imaging. This seems to be the exact situation Mill foresaw when he wrote that "[no-one] is warranted in saying to another human creature of ripe years that he shall not do with his life for his own benefit what he chooses to do with it. He is the person most interested in his own well-being, the interest which any other person... can have in it, is trifling, compared with that which he himself has". [Mill, *Of the Limits to the Authority of Society over the Individual*]

The idea that a government bureaucrat is able to make better decisions about your personal health, wellbeing and happiness than you are is absurd. Governments seem to see the Australian public as a group of simpletons who could not tie their own shoelaces without consulting the 'Feet and Shoes Act 2011'. The reality is, every smoker has at some point decided that, for them, the benefit of smoking cigarettes outweighs the detriment to their health. As the late Christopher Hitchens put it:

"I have never met a smoker who began the habit under the impression it was good for the pipes, and neither have you." [Christopher Hitchens, 'Smoke and Mirrors', *Vanity Fair*, October 1994]

Based on the same knowledge that you and I possess, smokers have decided that, in their own personal circumstances, smoking is still worthwhile. People will always make a few bad choices when they are left to their own devices - but would you prefer to live in a society of forced conformity under the guidance of some stuffy bureaucrat who has never had a moment of careless fun in their life? The infinite complexity of an individual human life demolishes such an appalling

notion; not only is it impossible to control the actions of every person, but to attempt to would be hugely damaging to society. Australia would be vastly less socially vibrant, or economically powerful, if nobody was permitted to defy the mainstream opinion of how a life should be lived. So let the smokers smoke – ultimately, their different 'experiment of living', as a cohesive whole, may turn up something beneficial to society.

2.0 - The 'Effectiveness' requirement:

The second hurdle is more pragmatic. If we agree that individual liberty is extremely valuable, and that government action typically necessitates the sacrifice of said liberty, it stands to reason that we should try to get our money's worth. A particular societal ill may well justify intervention, but if legislation would not actually fix the problem then the sacrifice of liberty was entirely wasted.

Dubious justification aside, I am doubtful that this legislation will actually improve public health to any meaningful extent. The 'plain packaging' idea came about based on evidence that packages become "less attractive" and the "inferred experience" of smoking cigarettes is less positive when the branding and colouring is taken away. This (strangely) seems to simultaneously be a matter of common sense, and deeply misguided. Certainly, the sickly green packages are less appealing, but has any young smoker ever started a lifelong and destructive habit because of a flashy box? Has any habitual smoker ever thought "I'm dying for a smoke but that box is so unappealing"? You may think I am being facetious, but when you boil it down, this really is the underlying thinking of this legislation. A much more effective way to cut smoking rates is to attack the initial allure of smoking through education; a strategy which has already been employed effectively for decades, without any need to attack individual liberty.

3.0 - Conclusion

Smoking has some devastating health effects. This is not new information, and has been firmly ingratiated into the Australian psyche through years of public health education. However, this education does not lead you to believe that you are under an obligation to rip cigarettes from people's lips to prevent them from making a poor decision. You, no doubt, respect and value that person's right to make their own decisions. So you should – a society of forced conformity of this kind would be dull, listless and economically stagnant. I believe it is high time we apply the same logic to our legislators. If it is none of your business, it is none of the government's business either.

A True Gift Lives On

The Regal Theatre's Legacy to the People of Perth

Report by Hannah Berdal

Earlier this year Hannah Berdal, a Mannkal Scholar for 2011/12, was asked to research and report on the fascinating story behind the Regal Theatre and its surprising entry into the world of private philanthropy during the late 1980s. Here, Hannah reflects on the history of the theatre and the potential for future development in years to come.

Standing proud after over 80 years of operation, the Regal Theatre remains as one of Perth's most iconic and cherished buildings – and with its charming Art Deco exterior and impressive 1,100 seat auditorium, this comes as no surprise. As one of the State's most prominent live theatre destinations, the Regal's dynamic and eclectic mix of performances continues to draw sell-out crowds. The combination of live entertainment, theatre and comedy sees the theatre in operation for over 260 nights a year, ensuring a great night out for entertainment goers and theatre lovers alike since its 1930s inception.

The building itself is bursting with character. The notable 'crying room' (once a venue for patrons to tend to their crying children), original ticket dispenser upon entry and of course, the theatre's 'love seats', still exude the Regal's original vibe, providing the digital-fuelled generation of today with an insight into the theatre's true

heritage. The split-level venue has maintained most of its original features, with the upstairs bar and balcony still intact. The theatre's unique and distinctive facade has also led to a Heritage listing in 1995 and listing with the National Trust.

One of the most important features of the Regal, however, is its ownership. The theatre belongs to the people of Western Australia and has done since 1986, providing entertainment to thousands each week on behalf and for the benefit of the Perth community.

The story of the inspiring philanthropy behind the Regal Theatre, led by Mr Clarence 'Paddy' Baker and carried on through the Baker Theatre Trust, remains seemingly untold. Long before philanthropy became popularized into the mainstream, Baker became a prime example of how philanthropy, if handled correctly and with a solid, long-term focus, can continue to create such wonderful



outcomes for the greater community for generations to come.

The Regal Theatre was first built in 1938 by the Hewitt family as a fully-enclosed picture theatre with a small outdoor cinema. Situated in the heart of Subiaco, the Regal soon became a notable feature of the Rokeby Road landscape with its distinctive, corner facing premises and a lively exuberance at show time. However, it was not until Paddy, a lover of film and budding picture show entrepreneur, bought the property in 1952, that the Regal began to take shape as a predominantly live production venue. As television began to supersede cinema as the entertainment of choice, the theatre was eventually extended and developed in the late 1970s to properly accommodate live shows. Paddy's passion for the theatre quickly became a full time affair – he lived in a flat above the theatre and personally managed it until his death in 1986.

Following Paddy's death, the Baker Theatre Trust was formed as a way to ensure the Regal operated efficiently and effectively and for the greatest benefit to Western Australians. As a man who was known to have little interest in chasing 'The Mighty Dollar' and wishing for the property to be returned to the people who brought him much joy, Paddy's vision for the Regal after his death was wholly defined as being for the future good of Western Australians.

Members of the Trust, all of whom have a shared passion for Paddy's vision, continue to carry on his legacy, with the recent additions of Brian Bath and Lisa Hadow adding a fresh commercial edge that ensures the trust will continue to grow whilst maintaining continued outward engagement into the future. The

theatre's community initiatives run on a busy schedule. The notable recent charity night for policeman Ryan Marron, involvement with the West Perth Rotary and Edith Cowan University's WAAPA, as well as supporting Telethon and various community groups throughout the year, provide invaluable opportunities for young and old. For a theatre often thought of as a purely commercial establishment, the Regal has continued to successfully pursue its aim of ensuring that every person in Perth is able to access and experience the joys of theatre whilst bringing the community together.

Today however, the Regal finds itself in a period of renewal and rejuvenation. As one of the only non-government subsidized theatres, it is now in dire need of an upgrade. These upgrades, such as the inclusion of disabled toilets, lift access and significant refurbishment to the interior, coupled with extremely tight funding and stringent regulations due to its heritage listing, depends on the continued philanthropy and goodwill of the public. Future funding and partnership will be essential to ensure the Regal is able to maintain its profitability, retain the vibrancy of the establishment and continue to invest into new initiatives and community programs in the future.

Paddy's gift to the people of Perth has continued to live on through the hard work and passion behind the Baker Theatre Trust and it has been an exceptional story of private philanthropy - one of which that has, and will, continue to bring much joy to the Perth community for generations.

If you would like further information about the Regal Theatre or would like to make a donation, please contact Brian Bath at the Regal Theatre on 9388 2066.

Book Review

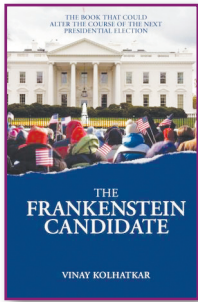
Simplifying Ayn Rand: A review of *The Frankenstein Candidate* by Vinay Kolhatkar

Reviewed by **Tom Sondalini**

Set in a dystopian America during the lead up to the 2020 Presidential election, *The Frankenstein Candidate* follows Olivia Allen, a promising young Democratic Senator, who is haunted by the feeling that something is wrong with America but frustratingly unable to pinpoint the exact problem. As the traditional primary campaigns get underway, a new figure emerges on to the political stage and rips the cover off the American political system, exposing the hypocrisy and ethical

cancer that riddles the nation. This new figure, Frank Stein, a respected billionaire who disavowed crony capitalism and made his money honestly, advocates a radical new philosophy of minimal government and the predominance of the rational individual.

Sound familiar? Well, you're right. *The Frankenstein Candidate* is an attempt to fix the jarring problem with the seminal works of the novelist and philosopher,



Ayn Rand. In novels such as *Atlas Shrugged* and *The Fountainhead*, Rand outlines her theory of Objectivism that holds the rational, self-interested individual as absolute. The problem is that outlining a philosophy in a narrative is a tough job. For example, in *Atlas Shrugged* the story drifts off to describe the injustice of the

corrupt political system and explain how Objectivism solves these problems. At one memorable point, the story stops for 70 pages and one of the protagonists delivers an epic speech, outlining the core tenets of Objectivism. While these deviations serve the purpose of outlining Rand's beliefs, they are very jarring and many readers have been distracted from the novel's crucial points because of the clunky style of philosophising.

The author of *The Frankenstein Candidate*, Sydney-based Vinay Kolhatkar attempts to solve this problem by condensing and crystallising the tenets of Objectivism in a succinct novel. Vinay does an admirable job at this formidable task. The character of Frank Stein, the eponymous Frankenstein candidate, acts as the conduit for outlining Objectivism. As the story progresses, Frank Stein outlines ten central precepts of Objectivism in a clear and hospitable manner. However, Kolhatkar is not attempting to out-

do or even compete with Ayn Rand. In fact, throughout *The Frankenstein Candidate*, there is an unspoken reverence for Rand's original works. Accordingly, *The Frankenstein Candidate* is best understood as homage to Ayn Rand's work.

The focus on America is *The Frankenstein Candidate's* only blemish. America is undeniably important as the primary setting for Ayn Rand's novels, but it is striking that an Australian author would base his novel in a country whose political system is defined by its intractable political division and decision-making inertia. It is unfortunate Australia was not used as an alternative setting. There are innumerable Australian entrepreneurs who could satisfy the role of Frank Stein and the Australian electoral system is more conducive than the American system to individuals and parties with new ideas. The plot of *The Frankenstein Candidate* transposed on to an Australian setting would be a very interesting book indeed.

However, this point is relatively insignificant, as *The Frankenstein Candidate* is an excellent novel and the ideal introduction to the philosophy of Ayn Rand. This book is the perfect read for someone who is interested in politics and is beginning to realise the importance of the individual. Vinay Kolhatkar should be commended for constructing a brilliant brief to the broader world of pro-individual politics.

Book Launch and Speech

The Modest Member: The Life and Times of Bert Kelly by Hal Colebatch

Report by **Andrew Pickford**; Launching Speech by **John Hyde**



On November 21, 2012, a small group comprising of parliamentarians, think-tank representatives and interested members of the public met in Perth to launch *The Modest Member: The Life and Times of Bert Kelly*

by Hal Colebatch. Reflecting on the achievements and influence of this remarkable politician, I was struck by the courage of those who ran then against what was deemed conventional wisdom. Capturing his story is

critical as many similar battles will need to be waged again following the re-regulation after the so-called Global Financial Crisis.

Bert Kelly, MP for the South Australian seat of Wakefield from 1958 to 1977, has been identified as one of the most influential parliamentarians in the history of the Commonwealth. Yet, Bert Kelly was never ambitious in the sense that is usually applied to politicians.

His ambition was not to attain high office but to change

opinion within the parliament and the community at large about protectionism and the harm which tariffs had done to Australia since they were introduced by Alfred Deakin in 1902.

Bert Kelly was almost alone and isolated in this great undertaking, but his gifts as a writer and as a political strategist eventually brought success when, after he had retired from parliamentary politics, the Hawke-Keating Government in 1984 began dismantling the protectionist structure which had impoverished Australia for more than 80 years.

He was known as “the Modest Member”, the title he used for his influential column in the *Australian Financial Review*. His powerful opponent, Sir John (Black Jack) McEwen, Deputy Prime Minister and Minister for Trade, described him in the Parliament as “the Modest member with much to be modest about.” But it was Bert Kelly who won this great contest, and his victory has been of inestimable benefit to all Australians.

There have already been a number of very insightful book reviews on *The Modest Member*. Rather than describe the publication, the following is a transcript of John Hyde's speech at the Perth book launch. John sat in Parliament with Bert and was very much the standard bearer for Bert's work. Also, John spends a lot of his time conveying his experience to current Mannkal Scholars (many of them born after John himself left the federal parliament.) His words are therefore very suitable to link the past, present and future of Bert's achievements.

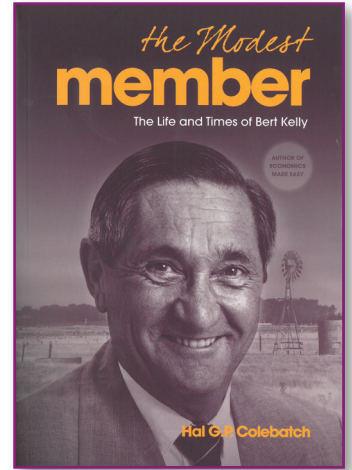
John Hyde's speech



I learned most of what I believe I know about the arts and obligations of politics at Bert Kelly's feet. This occasion, therefore, has a particular poignancy for me. Politics can be played like footy for the artificial goal of beat-

ing the other team and leaving your team's name on a bit of silverware or whatever. Alternatively, it can be an inch-by-inch endless struggle to make good but unpopular policies popular. Of course, all politicians play a bit of both games. Nevertheless, despite having been a skilled footballer, Bert thought there was far too much of the former and built the reputation we are here to honour by attending to the latter.

I have written an address, which is not something I have done for years, because I want to place my opinion concerning the current unsatisfactory state of Australian national politics on record. I am sure Bert would have had something to say about it and I am deliberately drawing on his authority in the confidence that he would have approved of my doing so.



First, however, I congratulate you, Hal Colebatch, on an excellent account of an exceptional and worthy contribution to Australian public life. You reminded me of things I had forgotten and of a few that I never knew. You drove home to me the fact that political standards have slipped from levels, achieved partly as a result of Bert's sustained effort, prevailing for some twenty years. It is a good read, an instructive read, and should be read by every politician.

I loved Bert Kelly with the sort of love I had for my father when he lived. In Bert's presence I knew that I was not necessarily with my intellectual or tactical superior, although probably that too, but also my moral superior. Time and again I have asked myself would Bert approve? In Federal Parliament he mentored me and chastised me. When in South Australia collecting funds for the two think tanks Helen and I ran, I would stay with the Kellys. I sat several nights with Bert and Lorna discussing politics, family farming, morality and even Kipling. It has gone largely unremarked among Bert's attributes that he made an excellent home brew. Lorna drew upon an enormous fund of common sense. I am pretty confident that she was Bert's most effective and respected critic.

1. BACK BENCH FREEDOM

Think what Bert's response might have been if some well-intentioned, or not so well-intentioned, colleague or leaders' apparatchik, had told Bert to 'stay on message'. Most likely he would have said something like, 'if the message is correct'. I remember the occasion following Labor's 25% tariff cut when we were all exhorted to go to Tasmania to win the Bass by-

election. Bert told Malcolm and the party room that he was happy to go to Bass but that we should all bear in mind that he would be on Gough's side. Bert found lies made for political advantage too difficult. Most politicians did stay more or less on message most of the time. Nevertheless, had back-bench Liberals then been told instead of occasionally being very politely requested to stay on message, the consequence may well have been a minor revolt. In my day, at least, even if we did not often exercise it, we valued and I thought had been promised, a parliamentarian's right to speak his mind.

I cannot speak with the same certainty about the Labor Party but some Labor MPs did, at times, depart from the party line. We Liberals thought that our relative freedom meant that we were quite a superior bunch. Except for Jensen and Washer, since the Liberal Party's decision to oppose further deregulation of the wheat market, it is a conceit that has been made impossible. It is an issue of principle that should be second nature to anyone who dare call himself liberal that farmers ought to be allowed to sell their wheat to whomsoever they please. By positioning the Liberal Party so clearly on the socialist side of Labor, our Federal representatives have called into question what they claim to believe in. Do they believe in anything except that it would be nice to be in office?

The Liberal Party cannot credibly promise to out-spend Labor. Without offering the public something to believe in they offer nothing, even to football game politics, save their dubious claim to greater competence.

Some say the decision is necessary to keep the peace with the National Party. Oh dear! Have they learned nothing from Labor's experience of the Greens? I don't think that Abbott, Bishop and Co are more socialist than Labor. They are just weak—pathetically so. It is for that weakness that I feel they have earned my disgust. It's not just the Feds: there is a parallel and equally immoral situation in WA with potato marketing.

2. CHARACTER ASSASSINATION

Although politicians of Kelly's day were often enough untruthful, there was not then the unscrupulous and professionally designed spin considered normal today. I



am certain Bert would not have contributed to an attempt to destroy an opponent by attributing to his character a trait of which he was patently not guilty. Bert played the ball and not the man. Would he have defended the man? Probably yes. As well as attacking Whitlam with considerable effect he also, in some contexts, defended him. But so far as I recall his forays always had a policy context. At least in private discourse to me, he defended even McEwen. Bert, with great foresight and sustained courage, destroyed some bad policies. He did not set out to destroy people. Perhaps others of us did. Certainly there was then spin but there was no real equivalent of Mr John McTernan, Gillard's spin doctor, and no equivalent of the attack on Abbott's character. Neither was there an equivalent of the vicious attack on Rudd by his ostensible colleagues. In this matter parliament's standards have changed, if not in substance, then at least by considerable degree. I think this too is making it more difficult to conduct constructive policy debate. Remember that Bert managed to appeal across the House. Remember that he earned the respect in disagreement of many protectionists.

3. THE NATIONAL INTEREST

I concede that to some extent the jury on the current administration must still be out, but we can agree, can we not, that the Canberra Government's dedication to reform in pursuit of the national interest compares badly with that of the Hawke government.

I dare say of course, Bert was not as humble as he made out. His self-deprecation occasionally irritated his closest friends. He knew perfectly well what he



was achieving against opposition that would have overwhelmed a lesser man. Malcolm Fraser's opinion notwithstanding, he was an instinctive tactician of great political judgement, but his concern was government not the immediate election. Which party implements the right policies was to him and still is, relatively unimportant. We cannot now benefit from an attempt by say, Tony Abbott, to have him stay 'on message'. I am sure such a contest would not only be instructive but at times very amusing.

The tendencies, encouraged by professional spin doctors, for party leaders to insist that parliamentarians stay on message and devote much of their energies to the nationally unproductive activity of character assassination, are unlikely to be the sole causes. However, they have surely contributed to a return towards the bad old days with which Bert contended—the days before the better government of Hawke, Keating and Howard, the days when short term political advantage and/or personal aggrandisement trumped objective policy analysis.

Bert was a great parliamentarian. He used the forms of the House. The other opportunities to speak afforded all parliamentarians and those of a columnist to address great national interests especially the evil of economic privilege that was not only unfair but inefficient. In Bert's day, when standards were truly appalling, bad

government had by the 1970s resulted in relative decline in Australia's living standards, too much industrial strife and stupid catastrophic episodes such as the wool industry debacle. (In passing, for those who wish better to identify the vipers in the nest, I also recommend another book, Massey's *Breaking the Sheep's Back*.)

Spin is primarily intended to divert public attention from the difficult and essential to the trivial. We have, for instance, just had another much spun report telling us to get closer to Asia and that command of an Asian language will be the key to success. The spin clutches at the straw of bilingualism when a life jacket might be reached with sufficient effort. If we are to

be much use to ourselves we must offer the Asians, and non-Asians for that matter, the goods and services that they need at competitive prices or, as with defence, must respect. To do that we must improve economic productivity by addressing the bottlenecks in our labour markets, our inappropriately regulated industries, our insufficiently productive public investments, our defence shortfall and our needless public debt. In short, we must continue, or return to, genuine reform.

There is no Bert Kelly in the Federal Parliament, but we celebrate Kelly because he was an exceptional man of whose like we may not see again. Instead of just waiting for such a man we might deplore and try to change the political practices that make it harder for politicians who cannot quite muster Bert's courage and abilities to address the great issues. There is a lot of ruin in a nation of Australia's strength but, if we don't, we will continue to undo the reforms of the Hawke, Keating and Howard years that stood by us so well during the Global Financial Crisis until we return to the gradual economic decline that predates them.

Thank you Hal Colebatch. Thank you Bob Day, Harold Clough, Ron Manners, and the Bert Kelly Research Centre for *The Modest Member: The Life and Times of Bert Kelly*. It is with very real pleasure that I declare it launched in Western Australia.

Copies of *The Modest Member: The Life and Times of Bert Kelly* may be purchased from the Mannwest Libertarian bookshop at <http://www.mannwest.com/bookshop.php?isbn=9781922168023>
\$29.95 within Australia, \$42.00 for international orders

‘As I keep saying, I am optimistic in the sense that if the politicians do not destroy the world in the next twenty years, I am sure that a new and less misguided generation will be able to take charge. But I am no longer sure that we have twenty years: while the growing understanding of the young makes me hopeful, what I see happen in politics makes me most apprehensive about the next ten years.

The future of civilization may really depend on whether we can catch the ear of a large enough part of the upcoming generation of intellectuals all over the world fast enough and am more convinced than ever that the **method** practiced by the Institute of Economic Affairs is the only one which promises any real results....

— Extract from Prof. F.A. Hayek's 1 January 1980 letter to Antony Fisher, Institute of Economic Affairs.

Mannkal works with universities and institutions to support:

- **Events** that allow individuals to exchange ideas defending free markets.
- **Seminars and student scholarships** to promote the greater understanding of the concepts that underpin free societies.
- **Policy papers** on relevant topics pertaining to Western Australia.

