

## **INTEGRITY IN POLITICS: THE POWER OF IDEAS**

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Lecture Theatre GM15, Level 1

Melbourne Law School

185 Pelham Street, Carlton

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Over the past two years, I've contributed to public debate on several themes: media trivialization of politics, Labor's loss of purpose, the Digital Revolution, and the Global Financial Crisis. Tonight I intend to draw these threads together into a single narrative. While not quite a universal theory of everything, I will seek to explain the big structural shifts rippling through Australian politics and society. As Tom Uren famously remarked, everything is connected to everything else. By exploring the decline in intellectual integrity in our politics I aim to place it in a wider context.

In early 2010, my media advisor Nardia Dazkiw was asked by a Fairfax journalist if she had any gossip for a *Good Weekend* profile of Barnaby Joyce, who was then Shadow Finance Minister. She responded by asking "Why don't you do a profile of Lindsay?" The journalist replied: "Lindsay's too normal".

These three words tell you everything you need to know about modern politics. When Nardia relayed the conversation to me later, my deepest suspicions were confirmed. I was now working in the entertainment industry.

There's always been a substantial element of theatre in politics. It can be useful in making complex issues and processes a little more accessible. Unfortunately the theatrical dimension has taken over our politics completely. It determines the content of our public discourse, and thus corrodes the essence of democratic government.

Our mass media portray politics as a sporting contest dominated by outsized personalities and simplistic morality tales. The content of issues is grotesquely distorted in order to make them entertaining and titillating to a largely uninterested and distracted audience. Irrelevant trivia becomes national news, and the serious processes of government occur mostly beyond the public gaze.

Politicians have responded to the growing dominance of the entertainment imperative. Much of our national leaders' time and effort is dedicated to generating attention-grabbing images for the visual media. Whenever you see footage of a leader at a building site, in a classroom, or on the beach in speedos, you are viewing the end product of a process that inevitably consumes much valuable time and energy. By definition, that time and energy isn't being used to tackle serious issues.

There is a more insidious aspect to all this. Our political leaders have become ever more skilful at the creation and manipulation of misleading imagery. And national politics has become a contest of meaningless announcements and personal narratives. Politicians collaborate with media to produce content that is entertaining but not informative. Some of it is harmless, but much of this content actively misinforms.

Australian politics now functions around two core operational principles: look like you're doing something, and don't offend anyone who matters. If you think back over the past decade or so and take note of the seemingly endless stream of announcements of reviews, inquiries, targets, offices, committees, issue ambassadors, feasibility studies, summits and forums, you'll see what I mean. Announcing a pointless process and pretending it's substantive content is now universal.

In mid-2007, the Labor Opposition announced it would establish a business advisory group headed by Sir Rod Eddington to provide direct advice to a Labor Government. The ensuing media coverage conveyed the desired impression: Labor was serious about helping business, and business could work with a Labor Government.

The advisory group never eventuated. In spite of occasional casual inquiries from journalists after Labor formed government, no media outlet ever exposed the fact that nothing had happened.

Recently Tony Abbott made a major speech on productivity. To justify media coverage, it needed an action point. As all available options to improve productivity are difficult and controversial, he defaulted to the standard formula, and announced a backbench committee to consider productivity reform ideas. The announcement got good media coverage. It's a fair bet that few journalists will take any further interest in this committee, and that nothing substantive will emerge from it. It has already completed its work, because its real purpose was to create media coverage, not produce reform ideas.

Such announcements allow a political leader to convey an impression of action while avoiding anything concrete that may upset crucial interest groups and voter blocs. New policy initiatives of any significance usually involve challenging those with an interest in the status quo, and at very least spending scarce dollars that have to come either from increased taxes, increased debt, or spending cuts on other programs.

Politicians and media now collaborate in this process of deception on a daily basis. While neither set out deliberately to deceive, that is precisely the wider impact generated by the combined effects of their behavior. The media treat meaningless announcements seriously because they have to report something. They're merely businesses engaged in the manufacturing and retailing of information and entertainment products. Accuracy and significance don't figure prominently in their business models.

In order to be electorally competitive, politicians need exposure. Nothing is more important than name recognition. Anything which delivers publicity without upsetting a politically significant constituency is of enormous value. That's why leading politicians routinely appear in silly outfits, engage in juvenile stunts, make pointless announcements, tell personal stories, and viciously attack political opponents. There is only one guaranteed path to failure in politics: anonymity. So the battle of ideas is displaced by the battle of IDs.

The outcome of this charade is the steady erosion of intellectual integrity in our national political discourse. Political leaders construct pictures for voters that resemble mobile phone plans: they're designed to maximize outcomes for the producer by obscuring the real choices facing the consumer.

This trend carries extremely serious implications for the standards of governance in Australia. Intellectual integrity in politics is just as important as ethical integrity. Democratic accountability is undermined by misinformation as much as by misappropriation. The typical excesses of government - waste, cronyism, poor decision-making, lack of transparency and pork-barrelling - all thrive when voters are relatively uninformed. The fact that the misleading images created by our politicians and media generally don't involve outright lies makes it even more insidious. Carefully selected pieces of information that are factual in isolation can easily be pieced together in a configuration that creates the political equivalent of an optical illusion.

These techniques are also eroding the established brands of the major political parties. The more they contort themselves to avoid controversial stances that define them, the more they lose definition in the eyes of voters. Like all organizations, a political party must have a reasonably clear purpose in order to succeed. Sustained loss of purpose will ultimately destroy any organization. The Australian Democrats are now nearing extinction because the purpose which sustained them - a middle class umpire party to moderate the perceived excesses of the major parties - has faded substantially. By collaborating in the media sideshow, the Labor and Liberal parties are now eating away at their own distinctive underlying purposes. The more these purposes are confused and obscured by short-term media games, the more voters lose ongoing attachment to the parties. Much of the Greens' recent electoral success can be explained by relative clarity of purpose. John Howard's extraordinary electoral resilience had a lot to do with strong product definition. If we think for a moment of Labor's positions on climate change, asylum seekers and livestock exports, or the Liberals' stance on foreign ownership, coal-seam gas, and industrial relations, the loss of coherent purpose is obvious.

Clarity of choice is essential to democratic politics. Political parties represent different interests and ideals. The contest they engage in generates meaningful political choices which enable democracy to function. Voters exercise influence over the governance of the country by making such choices.

When the content of these choices is blurred to the point of indistinction, democracy begins to lose meaning. When our political discourse is dominated by Tony Abbott's speedos and Julia Gillard's shoes, voters are denied the opportunity to make a genuinely informed choice.

The sorry state of Australian politics is not attributable to the bad behavior of any individuals or organizations. The supremacy of announceables, soundbites and picfacs reflects profound structural shifts in our society.

I entered Parliament in 1993 at the height of the Age of Rationalism. I left in 2010 at the peak of the Age of Populism. Over that time I lived through a fundamental shift in the tone and content of public debate.

From the mid-1980s to the late 1990s, national politics was dominated by big debates about big issues. Since then, shallow populism has almost completely taken over. After a decade or more of reasonably serious debate, Australian politics has been swamped by a tidal wave of trivia, stunts and posturing.

The transition from rationalism to populism occurred between 1998 and 2001. The One Nation juggernaut, the shock defeat of the Kennett Government in 1999, the Tampa affair, and the September

11 attacks shaped and defined the change. After years of relatively serious debate and tough decisions, a populist revolt from those most resistant to change transformed our politics. And both major parties switched their focus. They particularly absorbed the lessons of the demise of Jeff Kennett, the high priest of the Age of Rationalism.

The Australian population can be roughly divided into five major political tendencies: conservative, liberal, populist, labourist and green. While these categories are obviously very general and infinitely debatable, they provide a useful backdrop to the task of understanding Australian politics.

In the Hawke-Keating era, the liberal terrain was the main political battleground. In more recent times, the battle has moved to the populist zone. Educated and engaged voters are no longer particularly important. The growing backlash against rationalist reforms and the erosion of past tribal loyalties has forced politicians to change focus. From John Howard's exhortations to "battlers" in 1995 through One Nation and on to Bob Katter and Barnaby Joyce, the contest is now dominated by a battle for the hearts and minds of the disengaged. The *7.30 Report* and the Democrats have been elbowed aside by *Today Tonight* and One Nation.

Things are more complex, of course. The economic impact of the mining boom, prolonged economic growth, and structural changes in the media have all changed the shape of Australian politics. The net outcome, though, is both clear and profound: a political class drawn almost entirely from the educated elite exercising most of its energies communicating with the less educated and disengaged, as level of education becomes an indicator of political orientation as significant as income level. And as they have not emerged from this group and generally don't understand them very well, most leading politicians tend to exaggerate the significance of their distinctive characteristics. When an almost exclusively university – educated political leadership endlessly professes its empathy with "tradies", everyone outside the political class sees right through it.

This extended period of empty populism has had a profoundly negative impact on the Labor Party. As announceables have supplanted policies and personalities have trumped programs, the clarity of Labor's mission has faded. Identifiably Labor initiatives are still launched, but usually in response to immediate political pressures rather than any strong sense of inner purpose.

These symptoms – politics as entertainment, the dominance of populism, and Labor's loss of purpose – all reflect deep structural economic and technological changes that are sweeping across western societies. Because we are living through it, we tend to underestimate the importance of the transformation driven by digital technologies and globalization that is engulfing our world. The countless incremental shifts in human behavior unlocked by computers, mobile phones, the internet, Ipods, Ipad, and other devices are producing a structural upheaval more fundamental even than the Industrial Revolution.

In his landmark book *Faultlines* and in a more recent elaboration in *Foreign Affairs*, former IMF Chief Economist Raghuram Rajan shows how structural economic change in developed economies incubated the Global Financial Crisis. Rapid technological change and associated globalization have undermined the market value of the labour of large sections of the workforce in developed economies. Faced with

the obvious challenge of declining living standards, political leaders opted to paper over the emerging gap with debt, both public and private. That inevitably proved unsustainable, and the finances of major western nations simply blew up. We are still working our way slowly and painfully through the consequences.

Within a generation, western economies have moved from requiring specialized skills from only a minority of workers to needing skilled input from most workers. And more workers need adaptable, flexible capabilities that can change as technology changes, and an array of complementary soft skills. We are accustomed to viewing our economy as an artifact of three factors of production: land, labour and capital. I think it should now be four, with human capital added to the list. Specialised skills are now so central to the production process that it is misleading to define them as a subset of a wider category based on brute force. Muscle will always be important in human endeavour, but the organ that governs muscle, the brain, is now much more crucial.

The production process, its inputs and the distribution of its rewards, continue to dominate the shape of human society. When it changes fundamentally, society changes. That's what we are living through. And these changes don't just affect economic relationships. They challenge entrenched identity. We can respond to the economic disruption by engaging vigorously in what has been described as the endless race between technology and education. That doesn't help us to deal with the impact economic change has on identity. Human beings are obsessed with status. If your contribution to society is devalued by technology, the consequences are much wider than the purely financial. Your identity and sense of self-worth is assaulted. That's ultimately why populism is on the rise around the developed world. As George Lakoff memorably noted in *Don't Think of an Elephant*, people don't vote their self-interest, they vote their identity. Susan Faludi's excellent book *Stiffed* reflects the pain and disorientation that economic change has wrought upon workers displaced by economic and technological change.

Bewildering confusion in our political discourse is directly linked to this economic transformation. Our legacy institutions and political parties are creatures of the industrial age, woven around a particular kind of economy and society. That world is receding. It won't disappear, just as the Industrial Revolution didn't lead to the disappearance of agriculture. It will simply change shape, with old debates, old processes, and old mentalities ceding ground to the new. Ancient institutions like universities will be forced to move to models of digital delivery or melt into insignificance. Entrenched debates like the perennial distributional arm-wrestle between public and private in health policy will make way for new policy challenges of efficient resource utilization and well-being maximization.

All industrial societies have developed political systems built predominantly around a simple polarity between fairness and enterprise. Each has a party of fairness, like Labor, and a party of enterprise, like the Liberals. These parties have fought an endless contest over the distribution of the rewards of national economic endeavour. This polarity no longer completely dominates politics as it once did in nations like Australia. New faultlines like environmental sustainability and globalization have emerged.

The continuous arm-wrestle over material distribution is Labor's natural comfort zone. Fighting against Workchoices, increasing pensions, introducing paid maternity leave, are all straightforward propositions

for Labor. Climate change, asylum seekers, and animal welfare definitely aren't: they don't fit the established framework which Labor has evolved around. They don't have natural workers versus bosses dimensions. More and more, the issues of tomorrow will revolve around different poles.

The Age of Populism will eventually pass, just as the Age of Rationalism passed. It's impossible to predict when or how, but it may be sooner than we think. Pauline Hanson demonstrated how easy it is for a single individual to have a huge political impact if the underlying conditions are favourable. One insistent voice can express the deep frustrations of millions. I don't know if there is any counterpart to Pauline Hanson out there, but conditions in the political marketplace are ripe for a revolt of the engaged. Mounting anger with our childish political discourse will inevitably find an outlet at some point.

There are no simple interventions that will solve this problem. We must beware of the simplistic siren song of political reform. There are good reasons why well-intentioned proposals like secret ballots in Parliament have never been introduced: they wouldn't help, they'd make things worse. Fiddling with rules is no way to deal with the effects of elemental structural change. The issue is much wider than parliamentary politics. Crucial non-government institutions like universities, business and unions aren't exactly generating lots of ground-breaking public policy ideas either.

Consumer behavior governs the fortunes of businesses, and voter behavior ultimately shapes our politics. And voter behavior consists of a great deal more than merely voting. Other than a relatively small minority of partisans, most politically engaged people are passive, content to express their frustrations to those around them without ever doing anything about it. It is surprisingly easy to influence the direction of Australian politics. Yet countless Australians who have the interest and knowledge to enable them to do so choose to remain inert. Often this reflects genuine reservations about how they will be perceived in their workplace, family, and neighbourhood. The most important thing that key opinion leaders can do to address the malaise in Australian politics is tackle this culture of passivity. Those in leadership positions in our community should encourage those they lead to actively participate in public debate. Technological change is ushering in a new world where this will be normal: Twitter and Facebook are the new dinner party and barbecue. The era of rigid hierarchy, demarcation and control is passing. It's time we tackled the entrenched habits of reserve and self-containment that constrain so many who could make valuable contributions to public debate. The powerful demand for high quality politics this would unleash would be an irresistible force.