ourcommunity.com.au

More than Luck: Ideas Australia Needs Now

Communities in Control Conference
Melbourne, 30 May, 2011

Presentation by

Miriam Lyons

Executive Director, Centre for Policy Development

Thank you so much Denis for that very generous introduction and thanks so much for the Our Community team for inviting me along.

It's absolutely delightful, when you've edited a book, particularly given the size of the policy wonk non-fiction market in Australia, to actually be invited to speak entirely to the themes of the book.

I'm going to talk a little bit about some of the stuff that we looked at in *More Than Luck*. But I also want to talk a little bit about some other issues. I think they'll probably be some issues that are quite close to your hearts.

I wonder if everybody in the whole room could do me a favour and shut your eyes really, really tight – nobody peeking. You people up in the audio box I want you shutting your eyes too. I want no visual evidence of what I'm about to ask you for.

I want you to put your hand up very, very quietly so the person next to you can't hear, if you've ever had a sneaking suspicion that the work you do with your community group or your NGO is more important on some level than the work that some other community organisation or NGO out there is doing. Very quietly, everyone's eyes are shut. No-one can see you.

OK, put your hands down. You can open your eyes now. I'm not going to tell on anyone. I'm just going to park that thought for a little bit later. I just want it to be in the back of your heads.

This is a little bit less of an embarrassing question so you can keep your eyes open for this one. Hands up if you've ever gotten frustrated because you're so busy working on one important issue that you just don't have enough time to stay across all of the other issues that you care about. It was a bit of a less embarrassed kind of assent there.

Last year the organisation that I work for, the Centre for Policy Development, decided to put together a book for everyone who had their hands up just then. Heading into 2010 we had this little bit of a hunch that it might be a policy-light election year. I'm not sure what gave us that impression. It could have been the ditching of the carbon price promise. It could have been

that both major parties replaced their – let's face it – rather genteel and wonkish leaders with the political equivalent of pit bull terriers.

Whatever our hunch was based on, it did turn out to be well-founded. We had an election that was marked by furious agreement on the non-existence of large parts of each major party's platforms.

The Coalition definitely didn't want more workplace regulation. Labor definitely didn't want a carbon tax. Neither of them wanted Australia's population to grow any bigger but nor did they really want to talk about any policies that might actually stop that from happening.

There was bipartisan commitment on returning to a surplus as soon as possible and bipartisan confusion about whether this was because Australia's economy was too strong or not strong enough.

And thank you to modern political journalism, those of us who were looking for serious analysis of why voters were being offered so little substance instead found serious analysis of the strength of Latham's handshake and the length of Gillard's earlobes.

So it was clear, in the absence of leadership from our leaders, that the community was going to have to step in and do the job itself, with just one problem.

Did anyone find it a little bit of a struggle to take two whole entire days out of work so you could come and get your annual dose of inspiration of Communities in Control? I don't know about anyone else, maybe this is just me, but do you do that thing where you book conferences really far ahead so you can pretend to yourself that you'll be less busy when the date actually comes around?

You may have noticed this but life in the land of the long weekend has been getting just a tad frantic in the last few decades. And it's not your imagination. Australia has some of the longest working hours in the Western world. One in five of us puts in at least 50 hours a week. Half of us would like to work fewer hours. We're working over 2 billion hours of unpaid overtime a year between us.

When you're working those kind of hours it can be hard to find enough time to step back and look at the long term and the big picture.

At the Centre for Policy Development we realise that a large chunk of Australia's voting public was experiencing what it must be like to work in Kevin Rudd's office. So we thought hey, there's a point. Politicians are busy people. They don't have time to do their own research or write their own speech notes. That's why they hire policy advisers. Their advisers do some background reading for them, find out how to put their aims into practice, summarise the evidence of why new policies are needed, how they'll work, give them some tips to argue on their ideas. It's quite a useful service.

We asked ourselves, why should only politicians have access to that? An increasing proportion of the voting public are busy people trying to manage conflicting demands on our time, even more so if we're actually engaged in our communities and trying to stay reasonably informed as citizens.

We figured there would be a bunch of other people out there who weren't really satisfied with what was on offer but felt like they could use a cheat sheet when it came to stepping outside their own area of expertise.

Also a lot of people who aren't satisfied about complaining about what they don't like but would prefer to have a positive idea to offer in its place.

So we invited a whole bunch of deep thinkers on everything from Indigenous policy to health reform to cultural policy and climate change to submit their ideas for *More Than Luck*. The brief we gave our authors was pretty simple. We asked for big ideas that a federal government that actually had guts could potentially stomach in the next few terms, to be accompanied, if possible, with a few appetising little tasters of quick-win policies to get them in the mood. And we asked that all of these ideas be written in plain English with simple explanations of the evidence and the assumptions behind them.

The result was a mix of ideas that spoke to three main themes: how to share the fruits of Australia's good fortune more fairly; how to make our good luck last; and how to develop the kind of governance that we need to make both of those goals possible.

On health, for example, we had Jennifer Doggett looking at out-of-pocket health payments, which is still an issue that hasn't really been picked out strongly in the health reform agenda. Australians make higher direct payments for our healthcare than people from many other countries. Out-of-pocket payments are a really big barrier stopping a lot of low-income people from getting the care that they need, as well as making the system needlessly complex for everyone else.

One of Jennifer's big ideas was a healthcare credit card. It was a government-run credit card where you could basically pay your out-of-pocket health bills on the government's tab and then pay back that amount, with the minimum repayment actually income tested. So it was dealing with the fact that actually a lot of us can afford to pay for a large amount of our own healthcare but the big problem is that quite often you're not earning money at the same time that you're getting treated. A lot of people can't afford that and you don't want to have those incentives basically discouraging people from getting the care when they need it.

So that was a big idea. She also had a more simple idea to help free up more doctors for rural and low-income areas by restricting new provider numbers in areas of oversupply, neatly bypassing [some of] the Australian Medical Association objections to produce the kind of change that we'd need to solve the problems of a health system where basically the funding follows the access to health, rather than the need for healthcare.

On education, we had Chris Bonner looking at what it would take to reverse the social segregation of Australia's schools, a system where the ability for schools to pick and choose desirable students has increased inequality, not just between the private and the public system but also within those systems and in the community more broadly.

He put forward a set of principles for managing long overdue transition to a funding system based on students' needs and evidence of what works.

On work-life balance, we had Elizabeth Hill and Barbara Pocock suggesting everything from increasing parental leave to 52 weeks to paying superannuation during parental leave and extending the right to request flexible working arrangements to any carers of kids or adults.

We had Fiona Armstrong and Ian Dunlop showing that by dealing with the challenge of climate change we could also be building new economic advantages in this century's growth industries, managing our very high exposure of skyrocketing energy prices, for example by taking away the incentive for energy suppliers to sell more energy, rather than helping their customers to use less, by reducing existing fossil fuel subsidies and strengthening Australia's transport and fuel consumption standards.

There's just a whole big list of ideas that are in this book and if you've got time it would be great if you could either buy it or read it online. It is actually available completely free online. Thank you very much to Denis for the plug to actually buy it through Our Community's site as well.

I'll stop there or I'd just be here all afternoon listing ideas that the book covers.

Most of our authors gave the Government credit for taking some useful incremental steps. But they also really criticised the unwillingness to take on the really big systemic changes that are needed to adapt old policies to new circumstances.

Judging by the policies of the current Federal Government, it's betting that the mining boom will last forever, we'll discover a cure for Dutch disease, the effect of the mining boom on the rest of the economy, that doesn't involve slowing the boom down, that cheap oil won't run out or an equally cheap alternative will be found before it does, that global inaction on climate change will continue, and Australia will escape the worst consequences of that inaction if it does.

In many areas Australian policies are designed for a world that no longer exists, a world of endless credit or single-income families, a world where money is scarcer than time for the majority of households rather than the other way around.

In many cases, policies are designed around fads and prejudices rather than evidence of what actually works on the ground, a case I think Larissa Behrendt makes really strongly in her chapter on Indigenous policy.

Many of our authors identified areas where they thought that decision-making power needed to be devolved to local communities. But they also saw a lot of areas where the community needs to take collective control of policy at a national level in order to counterbalance the short-termism and the vested interest that undermine the universal conditions that all communities need to flourish.

Of course playing with ideas is awesome fun. That's why I work in a think-tank. It's great. But the important thing is to make them matter.

We treated this whole project as a bit of an experiment in how to feed an increasingly fragmented and under-resourced media sphere with substantial ideas in the form of free words, free column inches.

So we put an e-book version of *More Than Luck* out before the election, gave it a Creative Commons licence so that lots of NGOs and online media could syndicate it without having to ask permission first, and a lot of them did.

In the lead-up to the election we had all the authors writing up kind of bite-sized versions of their ideas for the media with a spoonful of whatever was at the top of the news cycle at the time to make the medicine go down.

We updated it and released a printed edition after the election which has nearly sold out of it second print run. We've had staffers telling us they're using it for speechwriting, businesses are buying copies for all their staff, people are telling us they're using it to help them win political arguments with their relatives and next-door neighbours.

That's all great but how many of the ideas are actually going to get implemented by nervous politicians with an eye on the next election? I think that whole demanding the reform, change, hope, now theme is really coming home to us at the moment.

It got me thinking before I came to do this speech; that's really the tricky part. It depends on processes of policy change that are becoming increasingly confusing for people in the community who want to engage in those processes.

How does change usually happen? How does policy reform work when, in the Our Community team's words, "we all go on the same old way carrying out our good works in our own corners"?

I reckon that for any given policy debate there is a spectrum of ideas that represents a kind of sliding scale of assumptions about values and about what works. Sitting over that spectrum is a window and inside the window are all of the ideas that are seen as politically realistic at the time.

Outside that window, on either side, are all the ideas that are difficult to voice without being seen as unrealistic or idealistic or out of touch or just plain nuts. Policy change happens when the window shifts along that spectrum for good or ill.

All sorts of organisations play a role in shifting that window. Most organisations have a comfort zone that they're happy operating in, whether that's inside the window or outside the window or sitting on a sill and dangling a leg on each side.

Quite often smaller and newer groups will take positions outside the window and well-funded and older groups will tend to take more positions inside the window. You think about the political economy of the NGO and community sector, it makes sense that it might be this way. A large part of NGO funding, of course, comes from government and governments tend to prefer funding groups that either grew with them or that will only push them politely and not too hard.

Another large chunk of that funding comes from philanthropic foundations. Foundations like funding direct service provision mostly, more than advocacy. It's easier to measure whether or not you're actually making a difference. Advocacy's success is very unpredictable and hard to come up with hard metrics on and everybody likes hard metrics these days.

And I suspect that quite a lot of foundations have taken to heart the old saying about being called a saint when you feed the poor and a Communist when you ask why the poor have no food.

Another large chunk of funding comes directly from public donations and while it might seem that this is potentially a source of funding for more radical ideas, in practice there's a strong temptation to run campaigns that you think you can win in a fairly short timeframe so you can report success and raise funds for the next campaign.

In Australia some very well-funded right wing think-tanks have been quite effective in dragging the boundaries of that window of political possibility to the right but with quite different tactics.

Here in Melbourne there's the Institute for Public Affairs. Has anyone heard of them? They'll often take stances that are really well outside the window. They'll oppose all environmental regulation; they'll deny the science of climate change. They'll talk about removing most workplace protections. Their head John Roskam is really quite open and up front about this. He says publicly that their role is to push the boundaries of debate so that political parties can then have more room to move in that direction. By not moving as far as the IPA wants they can be seen as pragmatic and considered. He actually gave an example of this: when the Institute for Public Affairs argued for radical deregulation of the labour market while John Howard was arguing for Work Choices, the Government was able to say that essentially its laws were moderate because the IPA were arguing that they didn't go anywhere near far enough.

In Sydney, where I live, we have the Centre for Independent Studies, which tends to take positions just inside or outside the window. Interestingly, the Centre for Independent Studies has about three times the funding, the last time I checked, of the Institute for Public Affairs.

So that's the overall picture. I'm making a big generalisation here but I think the community sector generally, as well as specific movements, do tend to be made up of smaller agenda-setting groups that have less money, fewer paid staff and less airtime but can sometimes be quite effective in pulling the boundaries of political possibility in their direction.

And they have sometimes more cautious groups that will sometimes take up the agendas of those outside the window, make them look respectable and will also spend a lot of energy slowly pushing in that same direction from inside the window.

The good news is that for most part this picture works really well. I think social movements are effective when they resemble a healthy ecosystem. We have big established canopy organisations and they provide cover to the smaller, fast growing undergrowth organisations, all taking quite a diverse range of symbiotic approaches.

Despite the amount of effort that does get wasted in debates between moderates and radicals over who's more effective, for the most part a range of approaches is not only inevitable, it's actually necessary to shift that window. The moderates help make the shift in the window look less threatening to people who are inside there and the radicals help make the steps that are a bit closer to the window look more moderate.

The existing ecosystem of social change delivered us paid maternity leave and, even if the birth was a few decades overdue, it put mental health, dental health on the agenda, and it delivered funding for some really useful programs for the long term unemployed in the last Budget, even if they were sometimes a bit hard to spot amongst the patronising tough love rhetoric.

With this model of social change we've developed universal health insurance that delivers better health outcomes at half the cost of the American system. We took action to protect iconic forests, iconic buildings that are now massive sources of tourism revenue, all of that in the face of opposition from vested interests.

We're all giants, we're all standing on each other's shoulders and though the burden may sometimes feel a little heavy it works.

So to the bad news, and something that became really obvious to us when were editing *More Than Luck* is that there also many cases where it doesn't work. Those hard cases are getting more urgent. And in many cases I think the community sector is actually the only sector that is geared up to deal with them.

So I'm just going to rattle off a couple of examples of those hard cases and I hope we can get stuck into them properly in Q and A.

Firstly, any policy or any set of policies that benefits everyone and therefore has no single constituency or interest group to support it. Was anyone here when Wilkinson and Pickett were talking about their book *The Spirit Level*, about how everyone's better under more equal societies? I would put a progressive tax system and policies to limit the growth of inequality in that category. Inequality, the single biggest indicator of the level of mental health problems, life expectancy, infant mortality, obesity, teenage births, trust, things that so many different groups are so deeply affected by and care about.

But where's the Equality Trust in Australia? That's what the UK organisation was that actually helped promote and fund the Wilkinson Pickett study.

We've got this massive tax summit that happened and we've got a follow-up tax summit that's coming up and the community sector's involvement in that, pushing for things like a progressive tax system, the nuts and bolts tools that you need for reducing inequality, was barely there compared to the business sector who were all over it and knew exactly what their collective interest was: to cut more tax.

I think that this is also true in cases where a system is so ossified, so complex that incremental change doesn't make that much difference. I put things like urban planning and transport policy probably in that category. The kind of whole-system changes we need for urban transport really aren't going to happen one bus route at a time. The potential benefits of bringing urban planning into the 21st Century are absolutely massive, not just because of climate change but because, for example, for every extra 10 hours Australians spend commuting they trust each other 5% less – another one of those cross-cutting themes where you don't necessarily think it directly impinges on your issue but it does. There are also the equity implications of huge numbers of low-income households who could potentially be stranded in outer suburbs when peak oil leads to really rapid rises in the cost of petrol.

Next is any policy that's subject to major tipping points – do people know the idea of tipping points? Malcolm Gladwell popularised it but actually he nicked the idea from Schelling who nicked the idea from a 1960s study that looked at how long white families remained in a neighbourhood while the number of black families was increasing. At a certain point when one

too many black families arrived the remaining white families would just move out en masse in a process known as 'white flight'. That was called the tipping point.

The latest evidence from the My School data is that we are getting very, very close to a tipping point in Australian schools. Across Sydney, for example, 52% of public school students are from language backgrounds other than English. It's a good proxy indicator for ethnic diversity. This is compared to 22% in independent schools and 37% in Catholic schools. That's pretty close to what has been identified as a tipping point. And the implications of segregating our schooling, the one experience that we all tend to share as citizens along ethnic and economic lines, has massive implications for trust and social cohesion, for poverty over the long term.

But where is the united voice on something that has that kind of broad implication? We are so very, very close to a situation which may be really hard to reverse.

Many environmental issues fall into that category. They're also subject to tipping points. It's much easier to turn a forest into a salt plain and climate into a hothouse than it is to turn it back again.

They're also subject to positive feedback, so some of you may be aware that the Arctic Sea ice is melting. And as it's melting there's more dark ocean around it which is warmer than the white ice. So that warmer ocean is melting that ice even more rapidly so there's a positive feedback loop there; it speeds itself up.

Many environmental issues are subject to those kinds of feedbacks. And it means that they're not really subject to what we think of as a normal political negotiation process in timeline, where if you stuff something up you can always go back and undo it. You can't just have the climate rise by two degrees and then just take it back again with a different set of policies.

I've always been a bit of a pragmatic idealist. The idea of taking two steps forward and one step back doesn't bother me too much, which is good because that's pretty much what happens all the time.

I've always found the argument that not letting the perfect be the enemy of the good pretty convincing. A lot of people described the people who held out for a better form of republic as

having suffered from that syndrome. That seems like a convincing example. God knows when that's going to be on the agenda again.

I think there's a problem when we apply that logic to environmental issues, especially climate change. The main problem is that the window of what is seen as politically realistic right now is here. What the scientists are telling us that they know is necessary is sitting way over there. And in-between there's this kind of vast desert of airtime and resources.

So that idea of an ecology of social change, the canopy organisations and a vigorous undergrowth, the vigorous undergrowth can barely get a start. It's out there in the desert between what's seen as politically realistic and what the scientists are telling us we need to do.

And those same pressures are true, I think, in the environment sector. The big established environmental NGOs are all under the same pressure as any big organisation, to win campaigns, stay credible, pretend that 5% targets are a meaningful step towards where we need to be.

In between we've got tiny little isolated, really low-budget organisations like Safe Climate Australia or Beyond Zero Emissions who are actually trying to, with a voluntary army of engineers, figure out what it would take to turn Australia's whole energy sector renewable in 10 years, which is pretty close to what the scientists are telling us that we should have done 10 years ago.

So all these issues, the urban planning, environmental change, social tipping points, all these issues where our current way of doing things isn't working so well, unfortunately business as usual and politics as usual is even less well equipped to deal with them.

Politicians have also had a bit of an eye on the next election. But now the constant, the instant feedback from focus groups on the one side and the opinion polls on the other side kind of means that they're trapped between two funhouse mirrors. They keep on seeing images of themselves reflected back with less and less clarity.

The kind of media we have now allows us to have 'he said, she said' journalism, and that context rhetoric can be just completely divorced from policy reality, and no-one actually calls it.

So you can have people in the US say that Obama's health reforms are complete socialism when any actual objective analysis of where they sit in the spectrum of global health policy shows that it's a really tiny incremental reform that is probably inadequate to do that much to deal with some of their really underlying issues. It was very, very conservative.

I think Obama expected to get Brownie points for all of the policy compromises. But unfortunately these days you can make policy compromises and the rhetoric of public debate can go on as if you have not made any and as if you're at the very end of the spectrum on the outside of the window.

I think the decline of the political parties as agenda setters has meant that community groups have really needed to take up the slack and we're the ones that are setting the agendas now.

Unfortunately when it comes to long-term public interest, business isn't really going to save us either. If we needed any more evidence than the global financial crisis for that, their incentives for short-termism are possibly even worse.

I saw one study that found that 80% of managers would decrease discretionary expenditure on research and development and on maintenance in order to meet short-term earnings targets. That's not a situation in which you can really expect long-term leadership on some of these big systemic issues.

So basically it's down to us. And for all those issues where maybe the standard approach doesn't work, I want to kick off a conversation about how, if at all, we can do things differently. Can we do more to recognise and value the role that groups, at different points along that spectrum, inside and outside the window, play?

Can we refrain from talking each other down as extremists or sell-outs? That might sound really easy to do but actually I think Hugh Mackay touched on that issue of belonging earlier. It has its positives and it has its dark side. We all need to feel like the amazing amount of energy

that we're putting into our jobs, jobs that we care deeply about, jobs that we hope will change the world – that that's the best use of our time.

You bond as a little team or as a big team. There's a lot of research around how groups bond and part of it is about putting down other groups. It's actually a really, really basic psychological urge. So that's an interesting challenge for us to overcome.

I think we could potentially get quite strategic about building daisy chains, of cooperating and coordinating groups that occupy different steps along that spectrum from the kind of current political window to policies that are based on evidence of what works and what's in the long term public interest.

And I think that we can do that on a case-by-case basis, so analysing where business as usual can work – in which case, great – or whether we've got a special case on our hands.

Given all of that I just want to end with the Our Community team's very, very good question from the start of the conference program, which is that maybe we don't have to confine ourselves to minimalism and incrementalism.

If we knew our own strength as a whole sector, and not just the individual groups all thinking that maybe what we're doing is a little bit more important, what could we achieve together?