

Inaugural Donald Horne lecture

The curse of the Lucky country

14 May 1991

Sydney Opera House

We are here this evening, in one of the world's most spectacular buildings, to honour an exemplary Australian. Donald Horne is a man whose intellectual energy and prodigious writings have helped shape the way we think about ourselves as Australians. If we still used such phrases, Donald Horne could be described as a true renaissance man -- someone whose devotion to arts and letters and a wide range of intellectual pursuits has guided his life.

Donald Horne has been driven by fierce curiosity and boundless optimism. His sense of humour never allowed him to meander off into solipsism. In a career that is still far from over, he has traversed practically the entire scope of Australian intellectual life, unfettered by arbitrary career boundaries or academic disciplines.

He has been a journalist and essayist, an autobiographer and an historian, a novelist and a social critic, an editor and a professor, an arts chairman and advocate and a constant agitator for us to develop, as he put it when he addressed the federal caucus in 1989 "a more distinctive and confident Australian intellectual life".

But I would be wrong to leave the impression that all of his callings have been the traditional intellectual ones. We are speaking, after all, of a well-rounded man.

Most of us probably know that his editing career included two stints at The Bulletin, and that he edited Quadrant, the Sydney Observer and Newsweek International.

But did you know that in 1941 when he was editor of Honi Soit, the University of Sydney's weekly rag, he introduced 72 point tabloid-style bold headlines to student publishing? Or that in the mid-1950s, when he edited a trashy weekly called Weekend, he was responsible for yet another editorial innovation? In Portrait of an Optimist, his third autobiographical volume, Donald describes it thus:

For the first time, I made what was to become one of the most meticulous weekly decisions of my professional career: how far down, with safety, could one reveal a cover girl's 'cleavage'?

I should also mention that Donald's student activism and the second world war meant that he never graduated from university. Like the great China scholar, C.P. Fitzgerald, Donald Horne is one of that rare, and today almost extinct breed of Australian intellectuals: those who occupied university chairs without having a degree. By the time the University of New South Wales awarded him an honorary degree in 1986, Donald had already held a chair there for more than two years!

Page 2

At a time when many people would feel entitled to put their feet up and bask in retirement, Donald Horne is as energetic as ever.

His latest project is to chair the Ideas for Australia campaign, which arose from the National Ideas Summit. That same summit prompted the Hon. John Dawkins, Minister for Employment, Education and Training, to establish the Donald Horne lecture.

The purpose of the lecture, Mr Dawkins said in his letter of invitation, is

... To recognise Donald Horne's exceptional dedication to intellectualism in Australia and his efforts to encourage the development and application of ideas.

Mr Dawkins also said that to ensure the Ideas for Australia program "does not become solely introspective", an Australian living overseas would each year be invited "to give a personal impression of Australia, its people, and its place in the world of the present and the future".

I am deeply honoured to be the Australian chosen to deliver the inaugural Donald Horne lecture.

The creation of this lecture is an important milestone. It says we are changing the way we think about ourselves. It says that accomplishments in the field of ideas are as important as those on the sporting field.

This year's theme for the Ideas for Australia program is "understanding our own country". I want to take this theme as a starting point for developing the subject I have chosen to address this evening.

I have taken Mr Dawkins at his word when he said he did not want this lecture to be "solely introspective". It is important, I think, in understanding who we are to scrutinise ourselves in relation to the rest of the world. I have spent the past five years living in the United States, and as a result have collected

observations and opinions about our relationship to that country which, I suspect, might surprise many Australians.

I will come to this in a moment. First, I want to say something about the way we see ourselves as Australians today.

Page 3

Our country is changing rapidly, especially in its ethnic and racial composition, and we need to redefine ourselves as a result. The ideas we have about ourselves are mostly relics of an earlier time when we were a smaller and more inward looking nation, with a smug sense of superiority.

Today we are less certain of ourselves. We are searching for a vision to inspire us, and give us confidence. We want to feel assured that we can take control of our future. We want to be able to feel optimistic.

In the past, we rarely felt this need.

We saw ourselves as a remote island continent, untroubled by the wars and turmoil of other nations. We enjoyed a benign climate and a homogeneous population. We had immense physical resources that were either beautiful or wealth-producing. We did not feel the need to work hard.

We seemed blessed. Lucky.

Donald Horne is, of course, most famous for the phrase he coined as the title of his first book. Along with "the tyranny of distance" and "the cultural cringe", "the lucky country" remains one of the key phrases which Australians use to describe their land and their circumstances.

As Donald himself has commented, the mid-60s mining boom which followed (but was not caused by) the publication of The Lucky Country "gave the phrase meanings not intended by its inventor".

We chose to overlook the irony of the phrase and quickly adopted it into our national lexicon as a self-evident verity.

It has proven to be remarkably resilient.

It has survived several recessions, Britain's entry into the

Common Market (and the consequent loss of our guaranteed markets with our former "mother country") and the corporate collapses and other economic disasters of the late 1980s.

And although our political leaders, and Donald Horne himself, have tried to discourage its use and suggested other phrases more pertinent to our present circumstances, it refuses to die.

It's even still being used in government-published tourist promotion material available from Qantas in New York!

Page 4

Why did we embrace it so ardently? Subsequent books, using other adjectives, have never matched, let alone superseded, its appeal.

The reason, I believe, lies in the fact that it gave a name to the sentimental view we held of ourselves. It was a consolation, to think of ourselves as lucky, when we could quite easily have concluded the opposite.

That we were unlucky for being so far from Europe, for never having gone through the nation-building exercise of a war of independence, for not having the invigorating challenges of a smaller territory or a larger population.

We needed to believe we were lucky. Perhaps because we secretly harboured fears that Australia Felix was a self-reinforcing myth and because we needed a cloak for our insecurity we seized upon its title as if we were a life-raft.

It became our legend, our way of describing ourselves. We placed our faith in a gambling term. We decided, in effect, to take a flutter on the future.

It was so seductive, to think of ourselves as graced, as godzone country. It justified complacency, and gave legitimacy to a whole sub-set of phrases we believed epitomised our carefree, fortunate way of life: "no worries, mate!" And "she'll be right!" And "near enough is good enough".

And for a while it seemed to work. Except that the mining boom of the 1960s was not the result of luck. It came from the vision and the labors of a generation of businessmen who happened to be miners.

Even when we "rode the sheep's back", we were really riding on the backs of the station owners and the station hands and the shearers and the wharfies and all the others who put in the back-breaking work to bring the clip to the world's markets.

And that has been the curious thing about us. We have not really been a nation of shirkers but we chose to represent ourselves as such. Perhaps because the initial work of taming the continent was so hard, we chose to cloak the toil with a romance. We wanted to believe that our wealth was acquired effortlessly.

We wanted the world to see us as an antipodean paradise. It was our way of advertising ourselves. It was another sign of our insecurity.

Page 5

Unlike the American Dream, which promised - and delivered - to generations of immigrants a good life in return for hard work, the Lucky Country offered instant gratification. Just to be here was sufficient. It was like winning the lottery.

The allure was so strong that generations of our immigrants believed it. They too eventually succumbed to the "she'll be right" myth and adapted to our lackadaisical ways, thereby depriving us of the infusion of energy and drive that transformed the United States in the 20th century.

In this sense, the lucky country was a curse. It was dangerous for us to gratify our gambling proclivities in this way. It led us to believe we could spend the money before we earned it, something we have done time and again.

Our state and federal governments did it in anticipation of a 1980s resources boom which never delivered the expected goods. Our corporate buccaneers did it in the 80s, with their profligate acquisitions and prodigal borrowings.

So intoxicated were we with this self-congratulatory way of describing ourselves that we quickly forgot what the book The Lucky Country had argued: that we needed to adapt and change if we were to maintain our standard of living and become a better country.

Today we know, if we are honest with ourselves, that whatever luck we had has run out. We may curse the fact we deluded ourselves for so long. Had we listened to what Donald was actually saying back in 1964 we might not have wasted more than two decades during which we failed, and our political leaders failed us.

Instead, we failed to confront the new realities of a European Common Market, of our declining and inefficient manufacturing base, of the move to high-growth, high-technology economies of the former colonial nations to our north.

We failed to look into our hearts at the kind of people we had become: narrow-minded, bigoted, racist.

We chose instead to bask in the belief we were lucky, that it would all work out one way or another, that someone would always step into the breach - as the United States had during the second world war - if things really got tough.

Page 6

Today, more than twenty-five years later, we are a much better country. We are no longer narrow-minded (although some of the recent debates over immigration suggest we have not expunged our racism). We are more realistic. We recognize we are alone in the world. No longer part of the British Empire nor, since Richard Nixon enunciated the Guam Doctrine in 1972, the American. We have had to strike out alone, identify the things that are important to us and find the ways to fight for them.

But in doing so I think we may have lost sight of the need to nourish or cultivate relationships with nations with whom we have things in common and who can be of help to us in our quest for greater self-assurance.

The United States is one such country.

Our relationship with the United States is marked by ambivalence, resentment and, at times, hostility. The security alliance between our two countries notwithstanding, or perhaps because of it, there is considerable antagonism towards America on the part of many Australians.

There is a surprising coalition on this issue of both the left and the right - and those who want us to be part of Asia.

The left in Australian politics has always been suspicious of the United States for its militarism and its imperial adventures, in addition to feeling distaste for its capitalist ethic.

What is new is the antipathy of the right towards America. The days are long gone since Harold Holt's artless declaration of "All the way with LBJ". Today conservatives are perhaps even more ardent than left-wingers in espousing an independent defence and foreign policy, and being sceptical of many American policies.

Then there are those who repudiate an American alliance by asserting that our future lies in Asia, ignoring the huge chasm of culture, tradition, language and political systems, not to mention the willingness of Asian nations to embrace us, that stands in the way.

A significant number of Australia's opinion-formers and decision-makers are cool, if not hostile, towards America. Many of the people who today edit our newspapers, or produce our television news and current affairs programs, or who occupy important positions in the bureaucracy came to adulthood during the 1960s and 70s.

Page 7

These were the days of Vietnam, Watergate, U.S. intervention in Central and South America - most dramatically the overthrow of the Allende Government - and, even, the dismissal of the Whitlam Government. These events all confirmed to an idealistic generation that it was the U.S. That was the evil empire.

I am part of that generation, and had similar views, until I went to the U.S. In 1978 as part of a foreign journalists' program.

Most of my foreign colleagues on the program, particularly the Latin Americans, were even more hostile to the United States than I was. But after six months' exposure to virtually every facet of American life, we all came to the conclusion that it was wrong to confuse U.S. Government policies we might disapprove of with the amazing vibrancy and regenerative powers of American society.

We learned that for every criticism we had, there was a constituency within the U.S. which was even more vociferously opposed than we were. We also came to admire the way America works, the way it holds together and thrives on such dissent.

America has changed a great deal since the 70s, but I am constantly surprised by how ill-informed many Australian opinion-leaders are about this. Australian media coverage of the United States bears much of the responsibility for this, but I believe it is also incumbent on those Australians who seek to lead us into the next century to become better acquainted with the country that, at the end of the day, is potentially the best friend we have,

I was in Australia in January when the Persian Gulf War began and was struck by how much of the anti-war sentiment was in fact thinly disguised anti-Americanism.

If we truly want to divorce ourselves from the United States it

should be done for intelligent and rational reasons - not because old emotions have not been tested against present realities.

I believe though that whatever ambivalence or resentment many Australians feel about the United States, they do not really want to sever the tie.

Indeed, I sometimes get the impression that it is precisely because they believe the relationship to be permanent and immutable that many Australians feel they can afford to kick a bit. After all, we have those American defence facilities on our territory. They need us. Don't they?

Page 8

Well the truth is, they don't.

Our importance to America has always been marginal at best and today whatever relevance we had is declining. If we want to continue the relationship it is going to need a lot of work.

The origins of that relationship should perhaps be seen as another example of that luck which allowed us to become complacent in so many areas of our national life.

The American decision to enter the Pacific War against Japan provided us with a seamless replacement of the security we had enjoyed under the once Great Britain. It also gave us unparalleled political access to our new protector.

But the political friendship between Australia and America in the past four decades has stemmed almost entirely from personal links.

It was mostly as a result of the sentimental attachment to Australia acquired by American ex-servicemen who were based here or came for R & R during the war and subsequently became political or business leaders.

Their numbers were substantial. We perhaps forget that more than one million American GIs were in Australia between 1941 and 1945. At the time our total population was only seven million so they certainly made an impact!

The efforts of our leaders, and our diplomats, in cultivating these friendships have of course been important but they were made considerably easier by the being able to deal with Americans who already had an affectionate predisposition towards Australia.

George Bush is the last of those Americans. Once he is gone from

power, we will have to find other ways to attract the attention and interest of the leaders of the United States.

The new generation of American politicians has no natural sympathy for, or interest in, Australia. Sure they like us, and yes, they know we fought alongside them in Vietnam and did something in the Gulf, but the community of interests that we like to assume exists between our two countries is not especially apparent to them.

Page 9

This was brutally brought home to us when James Baker replaced George Shultz as Secretary of State. Shultz was an old war buddy, and someone whose friendship Bob Hawke had cultivated. He would always pick up the phone when Australia called, and was sympathetic to our point of view.

James Baker had none of these associations. To him Australia provided none of the challenge or exotica of areas like the Soviet Union or Eastern Europe. We were just another medium-sized, generally reliable country which could be taken for granted. He had to be talked into going to Canberra for his first ministerial meeting.

Neither did the Vietnam War produce a new generation of political leaders sympathetic to Australia. The best and the brightest in America in those days opposed the war or, like Vice-President Quayle, found ways to get out of going. They were not in Sydney for R & R, and those who were have tended not to go into politics. Less than fifty of the 535 members of the current Congress fought in Vietnam.

So we can no longer rely on old buddies, and war comrades, to grease the wheels of the relationship. We have to find other avenues of influence.

That is, if we see the need.

Perhaps it doesn't matter when our current defence policy is one of self-reliance, and our immediate economic objectives call for a greater integration into the markets of North Asia?

Why should we be friends with a country whose trade policy in recent years has led to subsidized agricultural products competing against us in our traditional markets?

Do we want an alliance which means we have little choice but to participate in military operations, such as the Gulf War, which we may prefer to avoid?

I think we do. And this is why.

Economics is the principal reason - we need easy access to the large and diverse American economy.

However much we might want to increase our economic interests in Asia, we cannot ignore the fact that most Australian investment abroad is in Europe and North America - not in Asia. Almost eighty per cent of our trade in services is with Europe and North America - not with Asia.

Page 10

The United States is the second largest home of Australian investment overseas.

The American economy is huge and, except for agricultural products, remarkably open. Virtually the only field of business closed to foreigners is ownership of broadcast media. The only limit on the expansion of Australian goods and services into this enormous economy is our energy and our initiative.

The state of California alone has a population of 30 million and is now the eighth largest economy in the world, and the fastest growing part of America. It is also the most accessible to Australia and absorbs most of our funds invested in America.

For many Australian companies, especially mining and transport companies, expansion overseas is their only means of growth. Our market is too small for them to expand further here. If they can grow into economies like America's, they can earn much needed income for Australia.

The United States presents the easiest market for such companies to enter and its entrepreneurial culture is surprisingly hospitable to foreign entrants.

When my former partner Sandra Yates and I were in the magazine publishing business in New York we were pleased - and relieved - that being foreigners was not an obstacle either in raising money or in conducting our business.

Even though we had to learn a lot about the ways of doing business there, it was surprisingly easy. I can't imagine being able to do the same thing in Japan or even in France or Italy.

We share English as a common language which makes the marketing of our products - and especially cultural products such as films and television programs - considerably easier than anywhere except Britain and New Zealand.

And although there are significant differences in our laws and with many of the ways we do things -which I will address later in this lecture - these differences present fewer difficulties than in most other countries.

America is remarkably open in sharing its research and its technology with its friends - too much so, in the eyes of many Americans who watched with dismay as Japan captured world markets for semi-conductors, VCRs, ceramics and other of the high-tech innovations which originated in the U.S.

Page 11

We don't have the physical or financial resources to develop new generation technologies ourselves - however innovative and clever we become. We need to be able to tap into the work done elsewhere. America will always be a major source for us.

Apart from economic self-interest, there are other compelling reasons for us to maintain a close friendship.

We have much in common and many shared values. We are both industrialised, multi-cultural federations with a strong commitment to democracy.

America remains the world's most democratic nation as well as being the staunchest defender of democracy around the world.

However much some past American military adventures shamelessly equated the maintenance of democracy with its economic self-interest in those nations, we should keep the picture in perspective. Where would we be if they had not come to our aid in 1941? If the need ever arose, wouldn't we want them to do so again?

America imposed democracy on Germany and Japan as the price for helping them rebuild their war-ravaged economies. The world relies on America to keep these two powerful nations democratic.

With the end of communism in Eastern Europe, and the world-wide movement towards democracy, perhaps this American role is now superfluous but I think we would be foolish to count on it.

Besides, what are our alternatives?

We no longer have the international stature we enjoyed as the 20th century began.

While we were a member of the British Empire, with guaranteed access to the markets of Great Britain and her dominion, we enjoyed a prestige and influence not really warranted by our size. In the post-colonial era, that changed.

Today, as new geopolitical and economic alliances form, we find ourselves even further out in the cold.

The United States has already formed a free trade zone with Canada, and has begun negotiations to bring Mexico into this common market. Europe intends to dissolve its remaining trade barriers before the end of this decade. We cannot, by definition, belong to either of these clubs.

Page 12

We are not big or powerful enough to belong to any of the big power groups such as the Security Council of the United Nations or the G7 group of industrialized nations which manages world monetary policy. And we now face increasing competition from many other medium-sized economies, some of them newly democratic like Spain or Chile, others like India, Korea and Brazil newly confident and starting to stake out claims in the international pecking order.

We have to work harder now to have our voice heard, and to get the leverage we need to protect our interests. We are able to do it as several recent initiatives in the field of trade and foreign policy have shown.

Initiatives like the Cairns Group, the Asia Pacific Economic Cooperation (APEC) and our leadership of the United Nations Cambodian Peace Plan all forced us into the international lime-light and gave us a seat at the table on issues that matter to us.

The Cairns Group, a lobby group of commodity-producing nations created to improve our bargaining strength within the Uruguay round of the GATT negotiations, was the brainchild of Mr Dawkins when he was Minister for Trade.

It was APEC, a Bob Hawke initiative designed to increase regional leverage in the Uruguay round, which finally forced us secretary of state, James Baker, to overcome his lack of interest in our part of the world.

After reluctantly attending the first meeting he conceded there

was value in the group. Among other things, I heard he said, APEC could help - to use the current jargon - to "de-bilateralise" some major economic issues between America and Japan.

Similarly the United Nations Cambodian Peace Plan showed us in a new and interesting light for our creativity with this seemingly intractable problem.

Proposals like these help us look out for ourselves, but if they had not received United States support I wonder how far any of them would have gone. Without their sponsorship we would find the going a lot rougher.

The United States extracts a price for such support - but, as New Zealand discovered, going it alone is not cost-free either.

Page 13

Following the Gulf War America is reviewing its friendships.

There is a palpable anger in the U.S. at what is perceived as Germany and Japan's failure to provide adequate support for the allied effort.

The mood is perhaps best summarised by recent articles in the Wall Street Journal and Fortune magazine which called for a renegotiation of the defence treaty with Japan, with the explicit demand that Japan contribute far more to its own defence.

Similar demands are being made of Germany.

A sizeable number of members of Congress now take the view that strong economies which refuse to do their share of defence "burden sharing", with either troops or funds (or both) are moving targets when it comes to trade policy.

In this context, Australia's military contribution to the Gulf War was regarded as adequate only because it was early and it was enthusiastic. Although we refused to send money requested to help fund the war - indeed, we could not afford to - - we probably have emerged from this exercise being seen as more reliable allies than either Japan or Germany.

But in choosing to make a minimal contribution to the war (so small that most Americans were unaware of it), we may have missed an opportunity to give ourselves more leverage in trade and other

economic areas.

As we Australians grapple with understanding our tasks for our country, we have to recognise that the rest of the world is on a very fast roller-coaster.

We sat back once before, in the 1960s, and let the world pass us by. We must not let that happen again.

This means we have to be utterly literate and up-to-date with how the countries with which we wish to do any kind of business understand themselves in this latter part of the 20th century.

Much of our knowledge of other countries is ill-informed or out-of-date, or based on stereotypes and prejudices. This is particularly the case with the United States.

Such ignorance is dangerous.

Page 14

It is also mutual, I might add. Americans don't know much about us either, and what they think they do know is, similarly, ill-informed or out-of-date, or based on stereotypes and prejudices.

We are largely to blame for this. Many of the stereotypes Americans fondly imagine represent the "real" Australia we served up to them under the guise of promoting ourselves, and we have failed to complement these with more complex images of our country.

There is a larger problem, though.

We need to understand the United States because of the business we do, or want to do, there. We need for them to know us better for the same reason. They think they can afford to be ignorant about Australia. We need to prove them wrong. We need to be confident that we can give as well as take in the relationship - as I believe we can - but the onus unfortunately is on us to make it happen.

To be effective, we need to become more conversant with American power, with American symbols and with American processes.

This might sound like an easy assignment. It is not. It was only after I had already lived in the United States for two or three years that I began to realise how little I really understood the country.

America is a far more complex, puzzling and contradictory society

than most Australians realize.

American power and how it works is especially difficult to grasp. From afar, the United States might seem omnipotent, often menacingly so. But there are subtleties in the exercise of power that are quite different to the way things work here.

The President of the United States is supposedly the most powerful man in the world. But he is not so powerful in his own country, despite the extraordinary esteem with which the office is endowed.

He cannot initiate legislation and be sure it will pass, the way our Prime Minister can. He does not control either fiscal or monetary policy and so cannot effectively manage the economy.

This is why most Presidents prefer foreign policy. There are fewer restraints on them. But they cannot declare war without the permission of Congress.

Page 15

To pass legislation, the President must negotiate and cajole. To achieve his economic goals, he must fight for his appointees and hope they remain loyal once in office. The exercise of political power in America is both fascinating and frustrating.

I prefer our system because we can set goals and achieve them but we have to understand the way the separation of government powers works and frame our diplomatic strategy according to the way things actually work.

It is not enough to have strong diplomatic representation working the White House, the Pentagon, the State Department and the Office of the Special Trade Representative.

We also need to stalk Capitol Hill - to keep abreast of the key committees, cultivate members of Congress and their staffs. We have to monitor the multitude of bills, any bits of any one of which might find their way into an omnibus piece of legislation which could somewhere in its fine print have the capacity to wipe out part of our market share for one of our vital exports.

The government finally recognised this a few years ago when it created the post of Congressional Liaison Office within our embassy in Washington. We now have, in effect, an Ambassador to the Congress.

It is now time to consider other innovations in our method of

diplomatic representation.

I am sure I will be highly unpopular with career diplomats for saying this, but we could learn something from both the Soviets and the Canadians when it comes to representation. Both nations judge their relationship with the United States to be far too important to subject it to the discontinuity of the usual three to four year diplomatic term.

Their ambassadors serve for decades, and they become well wired into the Washington scene, in fact almost indispensable to it, as well as being absolutely versed in how Americans do things.

Our people serve for three or four years. Their kids are just getting used to the American school system, and their father has just begun to fathom the depths and intricacies of American political life, when it's time to leave. However well briefed the next man is, he - it's always a he - has to start the learning curve all over again.

Page 16

Because as well as working with the Administration and the Congress, we need to be wired into those non-government areas where decisions are made, or where policy-formulation often begins: corporate boardrooms, think tanks, foundations, and the informal networks which gather around special interests.

The ways in which business, government and semi-private institutions interlock in America is quite different from here. Not only is there is a revolving door between government and these other bodies which our professional civil service precludes, but business is much more directly involved in government processes than happens here.

I was surprised to learn, for instance, when I went to Uruguay in 1986 to cover the opening of the new round of the GATT, that James Robinson, the head of American Express, was part of the U.S. Delegation. More recently, the President of the Xerox Corporation has left his job to become the number two person - not even the number one - in the federal Department of Education.

There have been efforts here in recent years, mainly on the right-wing to emulate private American think-tanks. But we do not have any real parallel for the role of private think-tanks in contributing to policy formulation in economics, foreign policy and social policies.

Occasionally, one of the members of these think-tanks takes an

interest in Australia as, for instance, when Howard Penniman of the American Enterprise Institute, included several Australian elections in his series on comparative elections.

But we should not just sit around waiting for an American academic to find us. We should be arranging active exchanges with these bodies, having Australians work within them as catalysts, trying to get some of our issues injected in the broader studies and debates.

The emerging interest in the Pacific as a potential economic zone is something on which we have expertise we can exploit, but to do so we need activist academics, people with knowledge and the flair to get themselves listened to.

But we also need American experts on Australian issues and issues that affect Australia. We need them in the academies, in the think-tanks, and in the media. It will not be easy to persuade even a small number of Americans that it is in their career interests to study us - but we have to find ways to convince them.

Page 17

If we increase our visible presence in American life, and put the same energy into American politics, business and society that, say, the Japanese or the French or the British do, I think the task may become a little easier.

When it comes to doing business in America, Australians need to be rather less aggressive - and, like our diplomats, more attuned to the way things are actually done.

The head of an Australian company which has been very successful in the U.S. brought this home to me recently when he said, "America is a more ceremonial society than Australians perceive".

He is right. There are conventions and rituals practised in most areas of American life, and especially in business, which are quite foreign to us.

Yet we don't think of America as foreign. If we were doing business in Japan or Italy or Brazil we would take for granted that, as well as the language difference, there are likely to be rituals and ceremonies in those cultures which a courteous foreigner would take care to study and conform to.

We don't see the need to do this in the United States because of the common language, and because movies and television have exposed us to so much of American life, we assume we have little to learn and no need to make special preparations.

In fact, American movies and television represent American society very imprecisely. They tend to deal in idealizations or with eccentricities, and they ignore the subtleties of so much of American life.

J.R. Ewing, Bill Cosby, Roseanne Barr, Rambo, Bar Simpson, the citizens of Twin Peaks - none of these characters have much to teach us about how to sell our music or our meat, our beer or our books to the people who can help us - or stand in our way.

The Australian businessman gave me as an example of how things are different there, the ceremony required to make a business presentation in America.

Page 18

What matters, he said, is form. You can go into a presentation with the world's leading expert on whatever the subject is, but if you don't bring enough people with you, or present a video - or whatever the convention is for that industry. You will be deemed to have shown insufficient respect - and you will not be taken seriously.

This means of measuring "respect" is peculiarly American. Australians tend to see respect as something to be earned, and accorded after only a certain amount of time and testing. Americans, by contrast, regard respect as an automatic entitlement, on a par with a constitutional right, only able to be lost through certain types of reprehensible behaviour.

I had to learn these rituals too. Shortly after I became editor of Ms. I received an invitation to a party at Leonard Bernstein's apartment. Wonderful! I thought, I'm really making it - until I saw that it would cost me \$1,500 to attend! Like most parties in New York, this was a fund-raiser.

When Sandra Yates and I were advised to set aside a large budget for corporate philanthropy, we scoffed. We weren't going to waste our money on going to parties. We soon discovered that to get business we had to. If, for instance, the chairman of Revlon was hosting a fund-raising dinner for muscular dystrophy or

whatever his pet charity was, any magazine that hoped to get Revlon's advertising better take at least one \$10,000 table or you simply weren't in the race.

To Australians, who are used to government support for such organizations, this scene is initially very hard to take.

But by now there are large enough numbers of corporations and individual business people working in the U.S. who have gone through this learning curve. We need to find ways to share this information.

I don't think this is a role for government, but a private sector business body needs to start figuring out ways to ensure new business entrant into the U.S. do not have to come in cold.

As well as understanding the operation of American power in politics and business, we should be closely studying American society and the immense changes that are taking place within it.

Page 19

Undoubtedly the most significant is the change in ethnic composition. The U.S. Census last year revealed the Asian population had grown by three and half million, and the numbers of Hispanics had increased by eight million, in the previous ten years.

We need to be aware that 12 per cent, or around 30 million, of the American population is African-American. That's almost twice the population of Australia.

By the end of this decade, more than 25 per cent of the American population will be non-white.

But more than thirty per cent of children will be Hispanic, Asian, Black or Native American.

White people will be a minority in California and New Mexico by year 2000 and in Texas fifteen years later; they already are in New York City.

If these figures are surprising to you, I suggest that the Australian media is not doing its job.

Our media coverage of America suffers from too much turnover and too little comprehension. As with our diplomats, our media

correspondents need to stay longer at their posts.

The short terms mean that many journalists never overcome their "gee whiz" approach to America. They are continually agog at the weird and the wonderful, and fail to settle down to understanding the country and how it works.

It is not unknown for an Australian journalist to return home after two years without ever having met an American socially. Where is the Australian equivalent of Alistair Cook who for more than thirty years has shared his profound knowledge of American society with radio audiences around the world?

Much Australian reporting of the U.S. deals in stereotypes or panders to Australians' pre-conceived notions - and prejudices - about Americans.

This does not apply so much to serious reporting of Wall Street or Washington, but it is a trap that writers and broadcasters fall into when choosing subjects for their lighter stories.

Page 20

I know from my own experience as a foreign correspondent how seductive this trap is: it is far easier to make fun of Americans and deal with the eccentric and the unusual than to go out and do interviews and try and understand what makes America tick.

There are many things American we find strange or even distasteful: their attitude to their flag, their patriotism, their religiosity, their worship of success, their extreme frankness on personal issues. Instead of snickering about these things, we would be better served by journalists trying to understand them - and then explain them to us.

We are rightly irritated when the American media singles out our aberrations and ignores the substance. I am still, three years after a small news item, reassuring Americans that dwarf-throwing is not a common or regular sport in Australia.

Just a few days ago, the latest episode of LA Law dealt with a case involving the use of cane toads for the hallucinogenic properties of their slimy coating. We were told that Australia had just added cane toads to the list of illegal substances! I guess I am going to have to spend the next three years telling Americans that toad slime parties are not all the rage in Australia.

Just as we are not a nation of dwarf-throwers or toad-lickers, neither can the United States be reduced to either Disneyland or Dallas.

If we don't make a serious effort to come to terms with the way America is changing we will have trouble maintaining the friendship.

I have yet to see a lot of evidence that our government representatives or business people are taking the ethnic changes into account. It is rare to see a Black person at an Australian diplomatic function.

White males may still dominate business and politics today but that is going to change. We need to be ready for it.

We are still widely perceived in America as a very racist country. Many people I encounter think we still have a white Australia immigration policy, and they look very sceptical when I say we have an even more diverse ethnic mix than the United States.

Page 21

The image of ourselves we project around the world fails to reflect this. Our official spokesman has been an ocker male, Paul Hogan, and our tourist promotion propaganda depicts us primarily as a giant zoo and geological theme park. Aboriginal people are portrayed only as artists or as simple folks reenacting corroborees for tourists.

If we want to be appreciated as the complex and sophisticated society we are, we have to promote more than koalas, kangaroos and Ken Done. We have to proudly proclaim ourselves as a multicultural society, with a large and growing Asian population. We should be honest about the appalling conditions in which most Aboriginal people live, but we should also point out the picture is not totally bleak. Americans are surprised to learn that Aborigines are barristers and bureaucrats, doctors and dancers.

The best way to improve Americans' knowledge of Australia is to encourage more people to study us - and to visit us.

The numbers of American tourists has increased sharply in the past decade, but we should not kid ourselves that we can ever persuade large numbers to come here.

Our share of the international travel market remains less than one per cent and the area for growth is Asia not North America.

The American tourists who come fall mainly into two groups: young backpackers and retired couples, the only groups who have the time to make the trip.

Most Americans have only two weeks annual holidays which they usually want to split into two one-week breaks and I have yet to meet an American who did not recoil in horror upon hearing how long the journey down under takes.

We Australians, accustomed to our remoteness, have few qualms about twenty or thirty hour plane trips but for most Americans, who can be in Paris in seven hours, we have little to offer that justifies what they see as an unbearably long voyage.

So while I agree that we should encourage tourists as a means of earning income, tourism can not be part of our strategy for increasing our influence in legislatures and board rooms around America.

Instead we need an aggressive, and well-funded, plan to bring present and future leaders from a wide spectrum of American life to visit us and learn what we are really like. R & R need not be confined to war-time.

Page 22

As part of that strategy, I believe we should make special efforts to ensure the people we invite represent the ethnic and racial mix, not to mention the gender breakdown, of the American population.

We do have a Special Visitors' Program under which people of stature from various countries are invited here for two weeks at government expense.

How many Americans do we invite each year under this program? A total of four! And since three of the four are sensibly selected from Washington, two of them from amongst the staff of members of Congress, we actually only give one of the 250 million people who live outside the national capitol the chance to come and get to know us.

There are other visitor programs run by other government agencies, and by private corporations, and this is good - but they are not coordinated, they are not part of an intense diplomatic strategy for enhancing our profile.

I recently had dinner in New York with an American economist who, a few months earlier, had been part of a group of a dozen or so up and coming young Wall Streeters who had been invited to Germany as part of a similar program.

The Germans had done it in style. They brought in a sizeable group, for two weeks, all expenses paid, and paid for spouses to come - something we don't do. The group had extraordinary high-level access, including a private dinner with Helmut Kohl whose briefing on the collapse of the Berlin Wall had included confidential information on a financial deal he had done with the Russians which had never before been made public.

These guys were impressed. We need to do things on a similar scale.

To reach the next generation of Americans, we need to attract students. So far we are failing dismally.

Each year some 65,000 American university students spend time studying in institutions abroad for which they receive academic credit from their own colleges. How many of these 65,000 future leaders of America choose Australia? Point oh seven - less than one per cent.

There are 2,400 colleges and universities in the United States. How many of these offer their students an opportunity to study any aspect of Australia? Precisely three.

Page 23

There are moves to try and improve this. Chris Hurford, Australia's Consul-General in New York, has formed an American-Australian Studies Foundation to persuade American colleges to establish programs to promote the study of Australia, and exchange visits, with their faculty and students. So far seventeen colleges have proposed some kind of program.

There are things we can teach America and this can be an interesting incentive for policy-makers to come and study us. The relationship does not have to be a one-way street.

We were once known around the world as a socially and industrially innovative society. We can revive that reputation.

Few foreigners these days know that Australian instincts for fairness and reform were responsible for such democratic landmarks as the secret ballot, women's suffrage, the eight-hour day, and the widows' pension.

Similarly, how many know that Australian inventiveness gave the world the stump-jump plough, the black box recorder and the interscan landing system in aviation, and the fax machine?

We failed to capitalise on our inventions and allowed other

countries to take them over and claim them as their own.

Such losses were lamentable - and we know it. We have lost confidence in ourselves as a result. We need to regain the confidence, because I am sure we have not lost the skills.

We must make the world once again aware that Australian products - be they Foster's beer or Elizabeth Jolley novels - are worth sampling, because they are good. And we should be bragging about our social and economic policies, and our policy-making process, because in some areas we still lead the world.

Christopher Lamb, our Ambassador to Capitol Hill, seems to be having some success in persuading both legislators and their staffers that the U.S. can learn from us in areas of social and economic policy.

He reports keen interest in the fact that Australia can deliver universal health coverage at a cost of around 8 per cent of GDP. The scandalously inadequate American system, which leaves 37 million Americans with no health insurance whatsoever, consumes more than 11 per cent of their GDP. Recently, a delegation of Congressional staffers visited Australia to study our system.

Page 24

Others have come to look at how we manage to balance budgets, and practise fiscal restraint while continuing to reform welfare programs.

We can teach America a lot about how to deal with the AIDS epidemic. Our early moves to ensure the safety of blood supplies, our aggressive education campaign, and needle programs for drug addicts, have been able to reduce the toll of this terrible disease.

In America, puritanism and fundamentalist religion - both rampant influences in everyday life - won out over public health requirements. Congress legislated to prevent safe sex literature and today, network television still refuses to advertise condoms.

In my own small way I have tried to spread the word about how women's interests are integrated into policy-making processes here, with the result that legislative reform and funding of women's services is far more advanced in Australia than in the U.S.

Donald Horne talks about the way countries represent themselves as being a sign of whether they actually exist as nations. A

country's art, its fiction, even its soap-operas, are examples of how a country represents itself - what it is, and what it wants others to see in it. We are failing to represent ourselves adequately to the rest of the world -- and it is hurting us.

I remember watching on early morning television in New York a year or so ago two art critics debating the merits of the newly opened Andy Warhol retrospective. The critics were Robert Hughes and Paul Taylor, both Australians. As I watched, I thought how impossible it would have been for the show's producers to find two Americans to discuss any area of Australian art or culture.

Nor would they be especially interested in having Robert Hughes and Paul Taylor discuss Australian art. We are just not considered interesting enough - despite the fact we have so much world-class talent working in the U.S. and elsewhere.

Trying to change this should become an urgent task of the Ideas for Australia program, and of the nation as a whole.

I believe we need to market ourselves far more aggressively, and with more sophistication and creativity than we have done to date.

Page 25

I have always admired the audacity of New Zealand in cheekily renaming the Chinese Gooseberry and marketing Kiwi fruit around the world as an essential ingredient in nouvelle cuisine. Sure, it didn't save the New Zealand economy but it helped get them noticed. I sure there is no direct cause and effect but, I hate to tell you this, New Zealand is far better known, and liked, by Americans than we are.

The revival of our film industry is imperative - whatever it takes. Nothing did more to enhance our reputation as an interesting country, worth knowing more about, than the wonderful Australian films of the 1970s and early 80s.

Americans still talk to me with admiration about such movies as My Brilliant Career, Picnic at Hanging Rock, Breaker Morant and The Last Wave.

I know the industry has been hurt by the departure for America of three of our leading directors, by the loss of tax-writeoffs and by the collapse of our television industry. But are we so dependent on three people - who left ten years ago? Are tax breaks necessarily the most efficient way of supporting a film

industry? Is Australian television the only market for this product?

We are already losing many of our skilled technical people to Hollywood because there is insufficient work here. If we can find ways to encourage the next generation of directors, we can resuscitate an industry that can make money and be of immeasurable benefit in representing us around the world.

The Americans would deny us even the small industry we have. They are presently portraying our local content rules as constituting intellectual property protectionism. We should certainly not concede this, but we should find ways to encourage more American movies to be made here.

We could outbid Canada, where more and more American movies are now being made, on all costs except air travel. Having movies made here would provide work, and skill-enhancement, and contribute to our own industry. But it is not going to happen while we are still seen as a frontier society whose only comparative advantage is our outback.

We need to tell our own stories on film to show the rest of the world the kind of society we really are - diverse, interesting and able to spin a good yarn. And we don't have to confine ourselves to Australian subjects.

Page 26

The Australian directors who now work out of Hollywood are producing an eclectic body of work. They feel the freedom to make American movies like Dead Poets' Society or Driving Miss Daisy, or Australian movies like Evil Angels, or films which are neither, like The Russia House and Mister Johnson. There is no reason why Australian directors in Australia should not exercise similar latitude.

Other of our cultural products may not generate as much income as movies but we need nevertheless to be showing our talent, and our view of ourselves, to the world.

The Australia Council was smart to hire a publishing public relations person in New York to promote our literature. She has been extraordinarily successful in getting our major novelists reviewed - usually favourably - in the New York times, the Washington Post and the Los Angeles Times, the principal arbiters of popular literary taste in America.

Unfortunately good reviews do not always translate into big sales but as the body of Australian literature available in the U.S.

Increases I hope this will change. Certainly if more American colleges were to teach courses in Australian literature, that would greatly help our writers.

Several years ago we held a highly successful exhibition of Aboriginal art at the Asia Society in New York. This resulted directly in several American plutocrats becoming serious collectors of these works. I think we need to mount similar exhibitions which promote Australian culture as whole.

Mexico has just held an enormous cultural exhibition in the metropolitan museum in New York and tied it in with major tourist promotion. Who would have thought that Mexico, so close to the us and increasingly so integrated into its economy, would need to do such a thing? They evidently thought so. So should we.

The specifics of what we should do I will leave to the people more qualified to make these judgements.

We have the talent, the energy and the vision. We must ensure that no law, tradition or prejudice stands in the way of encouraging our talented, energetic and visionary people - be they women, migrants, Aborigines, people with disabilities or people who lack English - from pursuing their work.

Page 27

We should also add to the Australian people by welcoming as many immigrants as we can possibly accommodate. There exists in the Soviet union and in eastern Europe at present what I believe is a unique opportunity for us. Hundreds of thousands of people in these countries are looking for a new home. They are mostly highly skilled and educated people who lack of opportunities in their own countries. And they are interested in Australia.

Last year 50,000 Russians applied for permanent residence here. Some half of the 400,000 Soviet Jews who expected to emigrate to Israel this year are now looking for alternative homes because of the parlous state of the Israeli economy. Many are reported to be looking towards Australia.

I believe that if substantial numbers of these people came to Australia, we could benefit from a comparable injection of intellectual talent to that provided by the thousands of Jewish and other central European refugees who arrived here at the beginning of the second world.

Such eminent people as Henry Mayer, Hugo Wolfsohn, Fred Gruen, Sol Encel and many others, all of whom made major contributions to Australian intellectual life, came at that time.

Despite the gloom many Australians feel at present, I believe there is reason to be optimistic. We have the energy and the will to revive ourselves. We will develop the vision we need. We have done it before. We have much to regret in the way we Europeans invaded this country and treated its original inhabitants. But we should not overlook our record of grit and innovation, and our success in forging a nation that is fairer and better than most.

Finally, two other reasons to be optimistic are with us this evening.

The building we sit in, the Sydney Opera House, is a world-renowned landmark. It is part of the way we represent ourselves and it says we are a creative people who will take risks and strive for excellence.

Page 28

Donald Horne's ultimate legacy to his country will not be the phrase that came to curse us. It will be his insistence that we had to start over again, and work on new ideas about what we need to do. The Ideas for Australia program is something Australians might have sneered at a decade ago. Today, I think we are ready and responsive - and willing to do the work.

We should all be grateful to Donald Horne for the leadership he has given in making us eager to be thinkers and innovators. He deserves our tribute.

THE CURSE OF THE LUCKY COUNTRY

INAUGURAL DONALD HORNE LECTURE

SYDNEY OPERA HOUSE

MAY 14, 1991

ANNE SUMMERS, A.O., Ph.D.