



# A summer reading list for the Prime Minister

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### A summer reading list for the Prime Minister

Summer is a great time to relax with friends and family, to take a holiday, to reflect on the year past – and to read.

During the year it can be hard to find time for reading. This is especially true for our ministers and MPs, who have less free time than most. So every year Grattan Institute releases a summer reading list for the Prime Minister.

The list contains books and articles that we believe the Prime Minister – or indeed any Australian – will find stimulating over the break. They're all good reads that say something interesting about Australia, the world and the future.

While we don't stand by every word in these books, they provide excellent food for thought. We enjoyed reading them, and we hope our leaders do too. We hope they have a refreshing break and return inspired to lead the country in 2014.

- Why Australia Prospered, Ian W McLean (Princeton University Press, 2012)
- The Blunders of Our Governments, Anthony King and Ivor Crewe (Oneworld Publications, 2013)
- Average Is Over: Powering America Beyond the Age of the Great Stagnation, Tyler Cowen (Dutton Adult, 2013)
- The Smartest Kids in the World, Amanda Ripley (Simon & Schuster, 2013)
- A Life Worth Ending, Michael Wolff (New York Magazine, 2012)
- The Narrow Road to the Deep North, Richard Flanagan

(Random House Australia, 2013)

#### Why Australia Prospered

#### Ian W McLean

This book comprehensively explains how Australia achieved the world's highest living standards within a few decades of European settlement, and, perhaps more surprisingly, has remained prosperous ever since.

Ian McLean, a leading economic historian, argues that Australia's resource abundance is only part of our remarkable growth story. He reveals the surprising mix of factors driving our development, from luck and talent to sound political institutions and economic policies.

Who would have thought our notorious convict heritage would be a key strength of our early workforce? Or that early policies prescribing small claim sizes in the gold fields meant that gains were spread across large numbers of individual miners, helping to spur a democracy? McLean compares Australia with Canada, the US and Argentina, who shared many of our advantages, but the outcomes were often different.

The book also provides background of what might happen as the current mining boom slows. The sources our economic growth have changed in the past, and they will doubtless change again.

This is the definitive economic history of Australia for our time. Like all histories it will not tell us the answers to our problems, but it gives us context without which good choices are almost impossible.



Ian W. McLean

#### The Blunders of Our Governments

#### **Anthony King and Ivor Crewe**

Political scientists, Anthony King and Ivor Crewe cast a pitiless eye on the blunders of British governments. All too often mistakes have been made with the best of intentions. Whether they were a consequence of brashness, naivety or just stupidity, they make for grim entertainment.

The book moves from a handful of well-known disasters, such as Margaret Thatcher's uncollectable poll tax and the Millennium Dome project, to a longer and more disturbing list.

There was Labour's training fiasco, which paid people to up-skill at new 'training providers' but did not check whether the providers actually ran training courses or if anyone actually took them. Fraudsters pocketed £97 million out of £290 million spent. There was the failed IT system for the National Health Service, and the Child Support Agency's two-year chase of a childless man to pay maintenance for a non-existent daughter.

The book provides a forensic account of the problems, showing how each mistake came about, what early warning signs were missed, and where the blame should lie. It concludes by analysing how both public sector managers and institutions might avoid blunders in future. Given how much we learn from mistakes, it's so much less painful to learn from the mistakes of others.



# Average Is Over: Powering America Beyond the Age of the Great Stagnation

#### **Tyler Cowen**

"This book is far from all good news," begins American economist Tyler Cowen in *Average is Over*. That's some understatement. Cowen's book describes an economy dominated by computers and divided into two classes: those who can manipulate the machines and those who can't. It sounds like science fiction, but Cowen says it is nearly here.

From dating agencies to supermarkets, factories to universities, computers are taking over more tasks. Coupled with globalisation and the split of advanced economies into dynamic and stagnant sectors, that's far from good news for some workers. Cowen believes current high unemployment levels in the United States are not just cyclical: many jobs are going for good. In their place will be a workforce in which 15 per cent earn fantastic levels of income, many workers have service jobs making the 15 per cent feel better about their lives and many others have no work. The mass of well-paid blue and white-collar workers who formed the core of the 20th century middle classes will no longer exist. Average is over.

It is a powerful book that even President Barack Obama has been forced to discuss. On the bright side, the plummeting cost of goods and services produced by machines will make life affordable for most. But societies must renew the efforts to give all children a good education so they can at least think in this brave new world, even if it is not clear what they will do. TYLER COWEN NEW YORK TIMES BESTSELLING AUTHOR OF THE GREAT STAGNATION

AVERAGE IS OVER

POWERING AMERICA BEYOND THE AGE OF THE GREAT STAGNATION

#### The Smartest Kids in the World

#### **Amanda Ripley**

Why are a few countries producing children who are learning at a higher level than others around the world?

American journalist, Amanda Ripley, takes a fresh approach to this topic by following the lives of three American exchange students living in South Korea, Finland and Poland. Through the eyes of these students, she describes what it is like to navigate the school systems and student life in these "smart" countries.

She has some intriguing findings. Tom, one of the American teenagers, is humiliated trying to solve a math problem in front of his class in Poland. In South Korea, Eric is shocked that he must endure a 12-hour school day. Schools in these countries expect much more from their students than do their American counterparts.

Yet the book is much more than just three personal accounts. Ripley delves into the systemic differences between countries, pointing to the elite selection and training of teachers in Finland as a cause of their success. She interviews leading educators to understand how each country's international standing became so high. Hard data is scattered throughout the book to give weight to anecdotal impressions.

Ripley shows how the world's best schools operate, and uses the voices of students to raise questions about how the US (and other moderately performing countries such as Australia) are educating their children.



#### A Life Worth Ending

#### **Michael Wolff**

We have created a new biological status held by an ever-growing part of the nation, a no-exit state that persists longer and longer, one that is nearly as remote from life as death, but which, unlike death, requires vast service, indentured servitude...and resources.

There are few more powerful accounts than this of the human and moral costs of allowing people to live too long. Journalist Michael Wolff uses his experience of caring for his mother to convey the difficulties of ageing and dying gracefully. His mother, Van, is a 'restless and compelling personality', who by the age of 86 is locked into a dependent and miserable existence without comfort or dignity.

Advances in medicine have extended life expectancy and made it harder to die. But do we want this protracted care at the end of life? Due to buck passing and fragmented care, no one is in charge of a patient's best interests. To avoid unnecessary suffering and cost, Wolff believes that patients and families should be able to decide when enough is enough.

He hopes for a day when there are 'better, cheaper, quicker and kinder' ways to die. In the meantime, he advises his children and readers to consider their wishes and plan for a more merciful departure.



### A Life Worth Ending

The era of medical miracles has created a new phase of aging, as far from living as it is from dying. A son's plea to let his mother go. By Michael Wolff Published May 20, 2012



From left, Nancy, Van, and Michael Wolff in 1958.

O in the way to visit my mother one recent rainy afternoon, I stopped in, after quite some constant prodding, to see my insurance salesman. He was pressing his efforts to sell me a long-term-care policy with a pitch about how much I'd save if I bought it now, before the rates were set to precipitously rise. For \$5,000 per year, I'd receive, when I needed it, a daily sum to cover my future nursing costs. With an annual inflation adjustment of 5 percent, I could get in my dotage (or the people caring for me would get) as much as \$900 a day. My mother carries such a policy, and it pays, in 2012 dollars, \$180 a day—a fair idea of where heath-care costs are going.

#### The Narrow Road to the Deep North

#### **Richard Flanagan**

The *Narrow Road to the Deep North* explores love and death in a Japanese prisoner-of-war camp in 1943 on the Thai-Burma Railway. The story turns around an Australian surgeon and officer, Dorrigo Evans, who is a hero to his men but a fraud to himself.

The horrors of the Railway – the cholera, beatings, starvation, and cruelty of the Japanese and Korean overlords – are brutally laid bare. Yet even in hell there is mateship, heroism and moments of surprising comedy.

Dorrigo feels detached from his wife and family, and fears he is incapable of love. In the POW camp he is haunted by the memory of a passionate affair with his uncle's wife, and he dreads the life to come with the decent but dull woman he is set to marry. Later he rises to renown, a survivor of the Railway, but never shakes off his self-doubt. He is a man of masks.

More than 12 years in the writing, the book is inspired by Flanagan's father, Archie, who was a Japanese POW. Flanagan meticulously paints a picture of life in the camps. He describes the journeys of men on both sides of the war: those who returned to Australia, and the Japanese soldiers who faced and sometimes evaded trial for war crimes. His grasp of humanity is complex: good and evil can co-exist in the same person.

It is a beautiful novel, hard and compassionate at the same time.



### Summer reading for 'wonks'

A few books and articles that the Prime Minister's advisers might be reading...

- Jonathan West, 'Obstacles to progress: What's wrong with Tasmania, really?', *Griffith Review*, 39, January 2013 <u>http://griffithreview.com/edition-39-tasmania-the-tipping-point/obstacles-to-progress</u>
- Karen Hitchcock, 'The medicine', *The Monthly*, 93, September 2013 <u>http://www.themonthly.com.au/issue/2013/september/1377957600/karen-hitchcock/medicine</u>
- John Bridgeland and Peter Orzag, 'Can Government play moneyball?', *The Atlantic*, 19 June 2013 <u>http://www.theatlantic.com/magazine/archive/2013/07/can-government-play-moneyball/309389/</u>
- Mariana Mazzucato, *The entrepreneurial state: Debunking public vs. private sector myths*, Anthem Press, 2013
- Peter Shergold, 'Why economists succeed (or fail) to influence policy', CIS Policy Magazine, 29 (1), Autumn 2013 <u>http://www.cis.org.au/images/stories/policy-magazine/2013-autumn/29-1-13-peter-shergold.pdf</u>
- Steven M. Teles, 'Kludgeocracy in America', National Affairs, 17: 97-114, Fall 2013 http://www.nationalaffairs.com/publications/detail/kludgeocracy-in-america

#### Independent, rigorous, practical

Grattan Institute is an independent think tank dedicated to developing high guality public policy for Australia's future. It was formed in 2008 in response to a widespread view in government and business that Australia needed a non-partisan think tank providing independent, rigorous and practical solutions to some of the country's most pressing problems.

These three words are vital to Grattan's mission. We are **independent**, taking the perspective of the Australian public interest rather than any interest group. We avoid commissioned work to ensure this independence.

We are rigorous in obtaining the best available evidence from our own data analysis and from published work. And we are practical in articulating what governments should do to improve the lives of all Australians.

Grattan runs seven policy programs: Australian Perspectives, Cities, Energy, Health, Higher Education, Productivity Growth and School Education. We chose them because we believe they are vital to shaping Australia's direction as a liberal democracy in a global economy.

We also believe they are areas where fact-based analysis and lively debate can change the minds of policy makers and the public, and where key issues are not being resolved. All our reports and our public events are free and can be viewed online.



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