

December 2017

2017 Summer Reading List for the Prime Minister



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. Our ministers and MPs have less free time than the rest of us. So every year Grattan Institute releases a summer reading list for the Prime Minister (and his parliamentary colleagues).

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 and articles, we believe 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 2018.

- **Still Lucky**
Rebecca Huntley (Penguin Random House Australia, 2017)
- **The Life to Come**
Michelle de Kretser (Allen and Unwin, 2017)
- **The Captured Economy**
Brink Lindsey and Steven M Teles (Oxford University Press, 2017)
- **Burn Out**
Dieter Helm (Yale University Press, 2017)
- **Breaking the Mould**
Angela Pippas (Affirm Press, 2017)
- **The Enigmatic Mr Deakin**
Judith Brett (Text Publishing, 2017)

Still Lucky: Why you should feel optimistic about Australia and its people

Rebecca Huntley

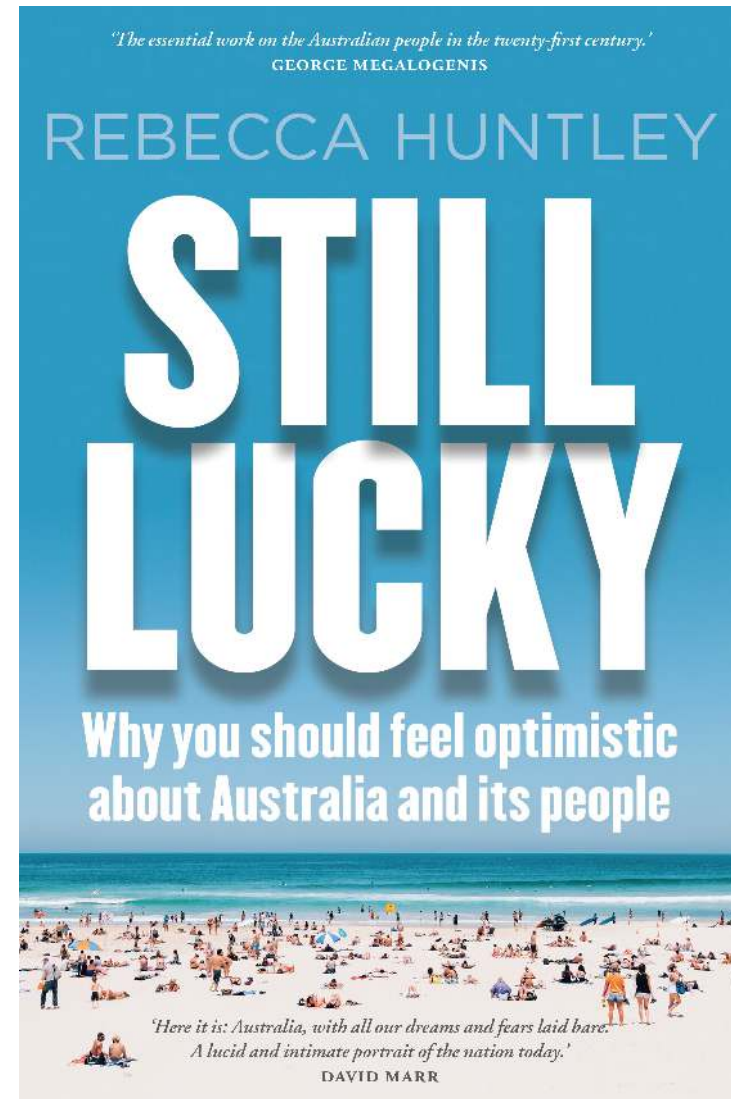
Half a century after Donald Horne's iconic (and ironically titled) *The Lucky Country*, social researcher Rebecca Huntley set out to paint a portrait of modern Australia. The result is *Still Lucky*: often funny, always respectful, remarkably intimate and ultimately optimistic.

Huntley has been the fly on our sunburnt country's wall. Her insights penetrate because they are informed by almost a decade of sitting on the living-room couches and around the kitchen tables of the nation, listening to Australians talk about what matters to them.

The glass is certainly not full. Too many of our women are exhausted; they are underpaid and overworked (in the home as well as the workplace). Too many of our men are lonely; it turns out that Aussie blokes are not very good at mateship.

But the national conversation Huntley heard suggests the media portrayal of a country divided is wrong. She reports that we want a strong public healthcare system. We want serious spending on education. We want our cities to be socially vibrant and green. We don't want rural and regional Australia to wither and so we believe in the importance of a world-class broadband network linking us together. We know the sky will not fall in if gay people are given the right to marry. And, "we remain a society where the values of egalitarianism, 'the fair go', still mean something".

Huntley herself emerges as a changed person. Before, she was something of a cynic. After, she's an optimist. "I don't think it pays to underestimate Australians," she writes. "We may face our share of problems and challenges, but we are still lucky."



The Life to Come

Michelle de Kretser

The biggest question is, What is a life well-lived?

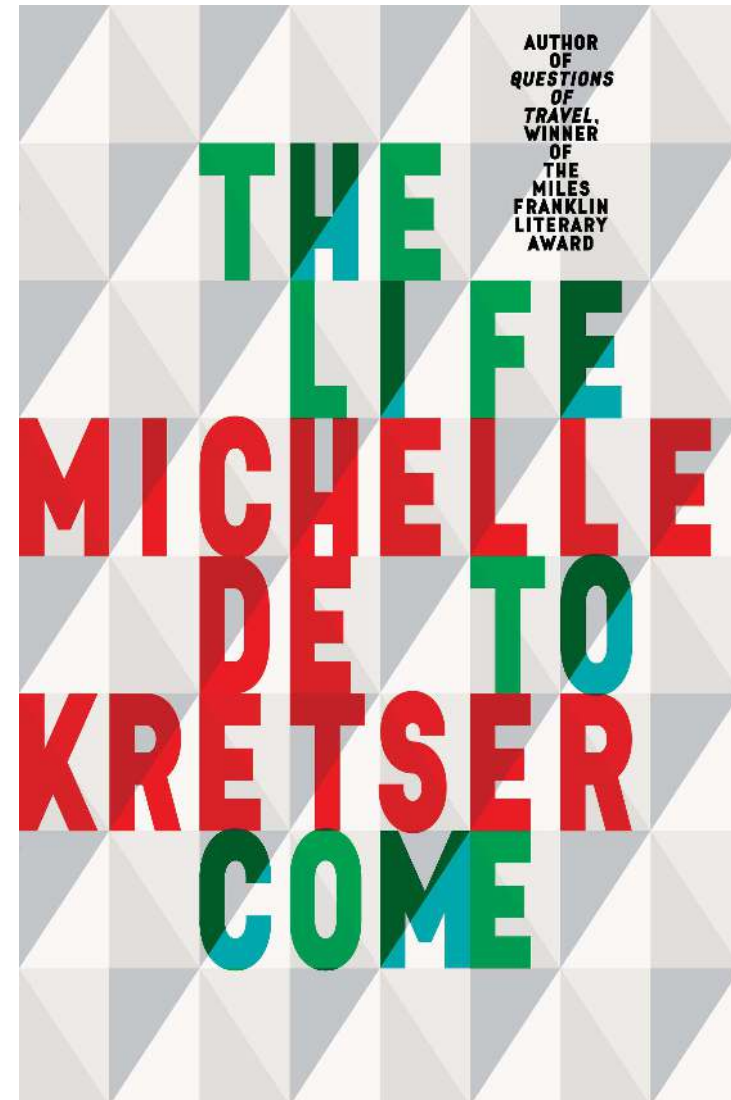
Michelle de Kretser is very funny in describing how it's not shallow virtue signalling. Parties where all the finger-food

"was provided by a not-for-profit catering group that employed only asylum-seekers [serving] Guatemalan empanadas, Burmese dumplings, Iraqi croquettes and Eritrean fritters that all had the same texture (paste), the same colour (mud), the same flavour (nothing) and came with the same tongue-stripping sauce."

The shallowness leaves too much unsaid. Ash, a Sri Lankan migrant, never tells his lover about the massacres of Tamils in his Sri Lankan childhood. Celeste never tells her lover about her father's death after French police beat him to extract a betrayal, contributing to the massacre of Parisian Algerians.

There are better ways to live. The book's final two characters meet as children in Sri Lanka. They reunite as adults when Bunty, who has been shipped to Australia after a teenage pregnancy, rescues Christabel, impoverished after her father's death. They are never lovers, but *"Thoughts would pass between them. Also: a comb, socks."* They take holidays together, and Greek memories of *"a white marble disc on a dry hill"* stay with them, even after the mementos are thrown away.

de Kretser is merciless in calling out Australia's cultural changes: *"Only people from the 'burbs have lattes now. You're no one if you don't ask for a flat white."* But her effortless prose is profligate about Australia's virtues: *"the time of year when the light – even in squalid Sydney – was a pure inquisitorial gold"*. And she's passionate that Australia can be a country that delivers a good life for people from all over the world – if we focus on what matters.



The Captured Economy: How the powerful enrich themselves, slow down growth, and increase inequality

Brink Lindsey and Steven M. Teles

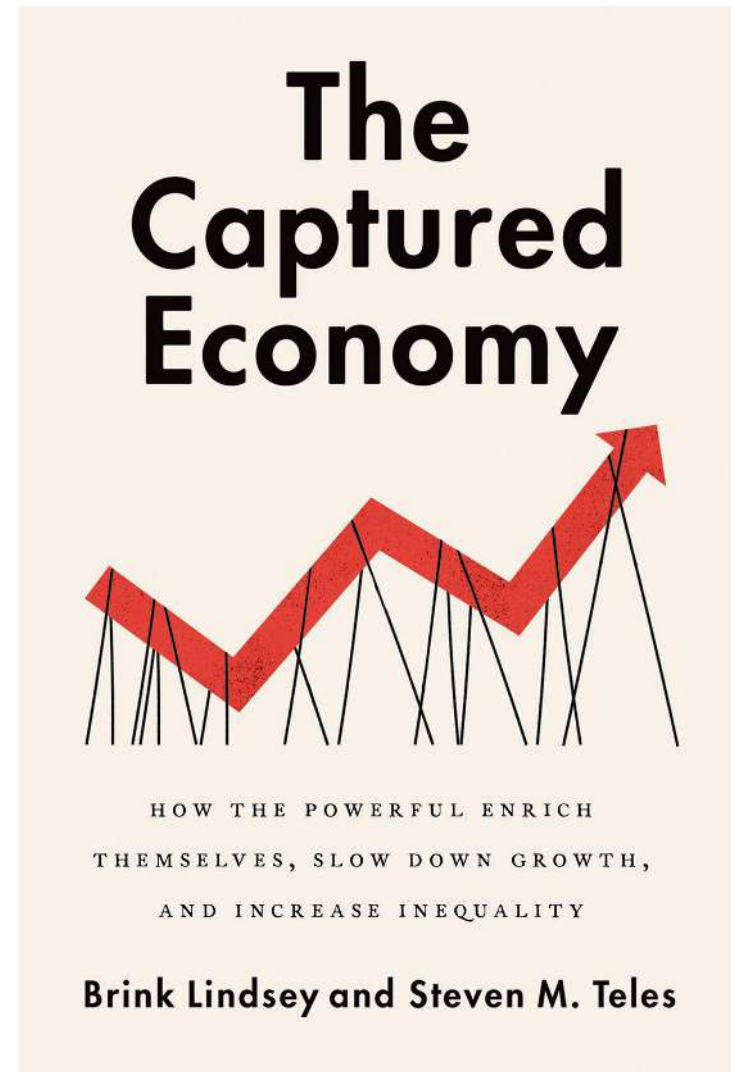
More than 40 years ago, economist Arthur Okun wrote that governments and policy makers must choose between equity and efficiency; between increasing the size of the economic pie, and ensuring that it is shared more fairly.

But today America faces the worst of both worlds: the economy isn't growing, and income inequality has reached record levels. What went wrong? And how can Australia avoid going the same way?

In *The Captured Economy*, Lindsey and Teles propose a new way of thinking about Okun's old trade-off. Using case studies from finance, intellectual property laws, occupational licensing, and housing, they show how America has incentivised rent-seeking, and created regulations that protect the wealth of its most powerful groups. They argue that governments can create both economic inefficiency *and* greater inequality when wealthy special interests have too much influence over the choices politicians make.

The two authors of *The Captured Economy* come from very different ideological camps – Lindsey is a libertarian, Teles a liberal. The result is a book that provides a unique perspective on the future of egalitarian market regulation.

This story could not be more timely: inequality is becoming an increasingly prominent theme in Australia's political debate. By cutting across traditional left-right divides, Lindsey and Teles show that both sides of Australian politics should care about the health of our democratic institutions. It's important they do, because both the economy and society suffer when the voices of the few dominate the voices of the many.



Burn Out

Dieter Helm

Electricity generation plants might have digitalised control rooms, but otherwise they still look much like 50 years ago. Despite all the climate change science, international diplomacy, and domestic politics, big energy companies are planning to increase fossil fuel production for a while yet.

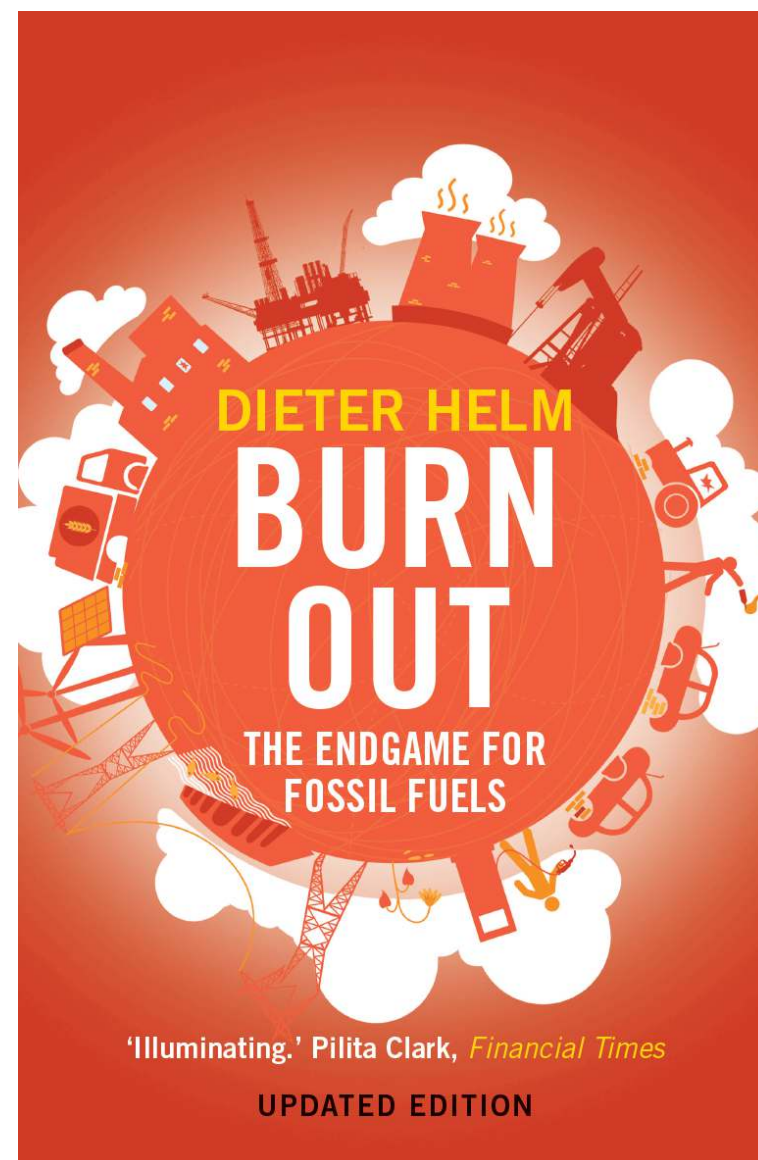
But changes are underway and foreseeable. Electricity will supplant other energy sources. Electric cars are coming. Solar is cost competitive – most of the time. Climate impacts are becoming more obvious.

And this time the climate politics might be different. Big Tech counterbalances the lobbying power of Big Oil. Finance is less supportive. And carbon revenues can help solve government budget problems.

Dieter Helm contributes most by asking what might be the consequences for geopolitics and for commercial players. As his sweeping historical survey shows, oil and gas have radically reshaped the Middle East, Russia, and then the developed world in the past. This time, he predicts, Saudi Arabia and Russia may be big losers, with their unstable social foundations, and their budgets and economies heavily dependent on high oil prices. Shale gas has reduced energy dependency in the US, which is likely to benefit most from whichever technologies win in the new energy world.

Oil and gas companies may do best from a burn-out-and-exit strategy. Existing electricity players will need to be unusually agile to survive. A plethora of new entrants are likely when much more electricity generation is zero marginal cost and located closer to the customer's home.

Helm encourages us to acknowledge the known unknowns, and to think through all of their implications.



Breaking the Mould

Angela Pippos

Sports lovers and elite athletes come in both genders, despite the focus of Australian culture and media on just one. But if you've been paying attention in 2017, you may have noticed the tide turning.

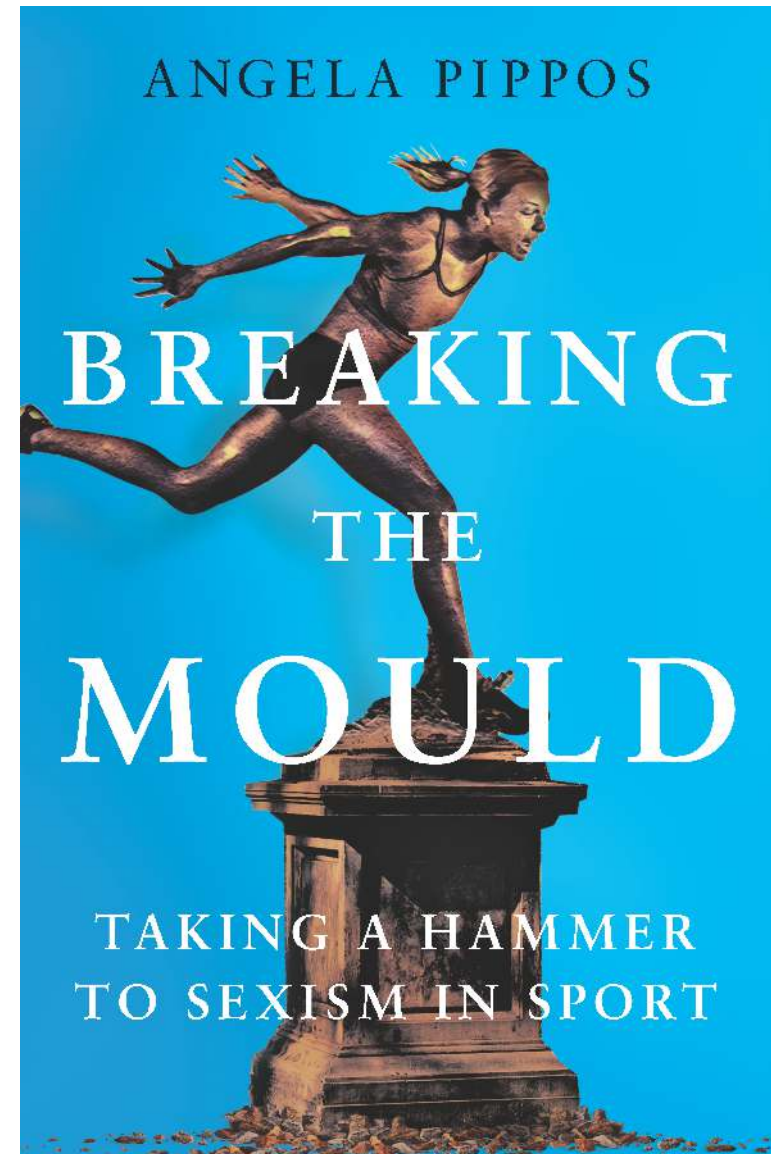
In *Breaking the Mould*, sports journalist Angela Pippos brings us the stories we've been missing out on – the battles, rebellions, and victories of women in sport.

There have been many recent breakthroughs: the launch of the Women's Big Bash and AFLW competitions, Michelle Payne's Melbourne Cup win, and new pay and TV deals for sportswomen, to name a few. But when Pippos began writing this book, in early 2015, the outlook was very different.

Sport is part of our national psyche. So is fairness. As Pippos observes, *"Sport can unify, and it can equalise . . . [But] when it comes to fairness, sport talks a hell of a good game – the trouble is it only talks for half of the population."*

Pippos recounts locker-room stories and behind-the-scenes insights that inspire outrage. She recognises the cultural roots and circular, chicken-and-egg arguments that have held women back in male realms – and pushes them aside. She shows, instead, how Australia's women athletes are *"holding up their end of the bargain"* by breaking new ground and winning on the world stage. It's time we sat up and took notice.

Breaking the Mould promotes greater appreciation and recognition of women in sport, not through analysis and argument, but through tales of triumph and tragedy. It is more than a sports book. It's an irresistible story of how committed people brought about a cultural revolution to make Australia a better sporting nation.



The Enigmatic Mr Deakin

Judith Brett

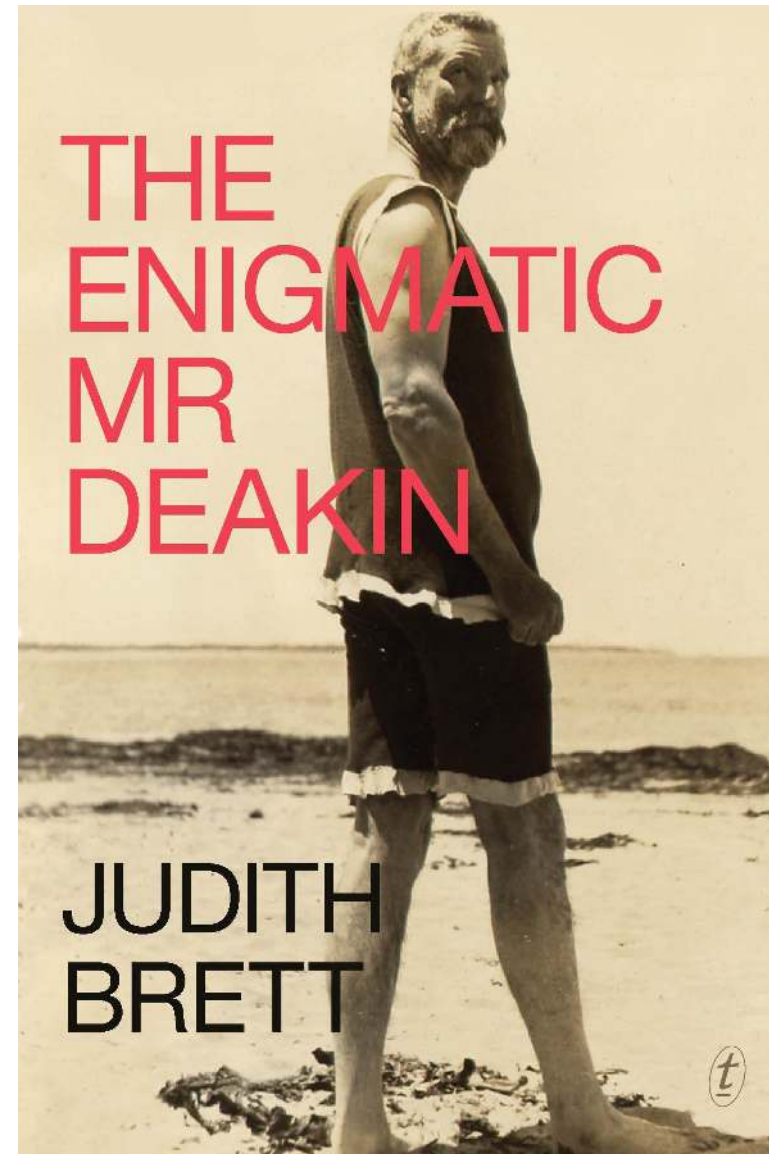
The Robert Menzies verdict is definitive: *“Alfred Deakin was Australia’s greatest prime minister”*, Menzies said in 1965 while accepting Deakin’s papers on behalf of the nation.

Since then, however, Deakin has gone out of fashion and out of mind. In this engrossing and quietly profound biography, Judith Brett brings Deakin back into Australia’s contemporary political imagination, so we can better understand how he shaped the country we live in today.

In some respects, the charming, charismatic and unfailingly courteous Deakin belonged to another world. He came to represent the foundational but now-discarded policies of tariff protection, state paternalism, centralised arbitration, imperial nationalism, and the racism of White Australia. But, Brett writes, *“it is not to the policies he supported that we should look for his achievements, but to his statecraft and the urgent energy he brought to his political work”*.

She nominates Deakin’s determination to focus on policy rather than party, and on consensus rather than conflict, as the core of his legacy. *“For Deakin, the centre was the place where politics connected with Australian lived experience and with the nation’s needs,”* she writes. Repeatedly, he *“positioned himself between conflicting forces and sought the harmonious middle ground”*.

Deakin, one of the founding fathers of Federation and prime minister for three periods during the tumultuous first decade of the new nation, could teach today’s political class much about handling unstable parliaments and minority governments. In this age of increasingly polarised politics, Brett’s book is at once a warm portrait of a great politician and a sharp provocation to today’s leaders to forge a better way.



Summer reading for ‘wonks’

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

Allan Gyngell, *Fear of Abandonment*, Latrobe University Press, 2017.

In this thoughtful and thorough history, foreign policy insider and thinker Allan Gyngell argues that the first 75 years of sovereign Australian foreign policy have been dominated by a fear of abandonment – first by Britain and then by the United States. From the slipstreams of our ‘great and powerful friends’, Australia has nonetheless been able to influence our region and indeed help shape the post-war world. But now the global order is changing, fast. Donald Trump wants to put ‘America first’, China is on the rise, terrorism is a pervasive threat, and globalisation is in retreat. If Australia is going to preserve our international interests, a change of strategy is required. Gyngell’s authoritative history is ultimately a call for a bolder Australian foreign policy for the future.

Cordelia Fine, *Testosterone Rex: Unmaking the myths of our gendered minds*, W. W. Norton & Company, 2017.

It’s a pervasive myth: evolution leads males to be aggressive, risk-taking and promiscuous, while females are nurturing and monogamous. It follows that the reason men dominate stockbroking and women are over-represented in nursing is all in ‘the science’ . . . Right? Wrong. Cordelia Fine skewers every element of this myth. Presented with delicious wit, *Testosterone Rex* offers fresh insights on old debates using new data and wide-ranging research. Though the book has provoked some controversy, it challenges us to think again about the way social expectations perpetuate and reinforce gender stereotypes.

James Meek, *Somerdale to Skarbimierz*, *The London Review of Books*, 2017. <https://www.lrb.co.uk/v39/n08/james-meek/somerdale-to-skarbimierz>

Globalisation was supposed to make everyone better off. Encouraging global investment was going to help countries find their comparative advantage, produce more, and thus expand the economic pie. The EU project to increase the mobility of capital and labour across diverse European countries put this idea into action, and through the early stages it had broad support. So why is Euroscepticism – and the populist rhetoric that usually comes with it – now taking root in European politics? James Meek provides an answer by telling the story of a Cadbury factory that moved its production from Somerdale in the UK to Skarbimierz in Poland. He shows how globalisation depersonalised the relationship between factory-workers and their employer, and he argues that this ‘race-to-the-bottom’ on labour standards left workers worse off in both countries. Meek’s essay is a challenge to the political and financial institutions not only of the European Union but of globalisation itself.

Josh Ryan-Collins, Laurie MacFarlane, and Toby Lloyd, *Rethinking the Economics of Land and Housing*, Zed Books, 2017.

Rethinking the Economics of Land and Housing dissects what is wrong with Britain’s housing market, and how it should be fixed. The book traces the history of laws and philosophies that have contributed to Britain, and particularly London, having some of the world’s most expensive housing, with most of the increase attributable to more expensive land. The authors argue that mainstream economics should consider land as a separate factor of production – as early economists did – rather than as just another form of capital. Much of the blame for the rapid increase in house prices in recent decades is attributed to the

financialisation of the housing market. This timely book provides some important lessons for Australian policy makers seeking to tackle our own housing affordability crisis.

Seth Stephens-Davidowitz, *Everybody Lies: Big Data, new data, and what the internet can tell us about who we really are*, HarperCollins Publishing, 2017.

Marketing firms and the big tech companies already know the power of 'Big Data'. The information we leave online can reveal a frightening amount about who we are, how we live, and how we think. Big Data is made up of this information: it's the traces we leave from internet clicks, what we share, and information that's become accessible through digitisation. Such data is often used in sales marketing, and in political advertising – it is said to have played a pivotal role in the success of the Trump and Brexit campaigns. But Seth Stephens-Davidowitz shows that Big Data also offers an immense opportunity for social scientists. Hard-to-measure statistics on public attitudes can be approximated using information such as the geographic distribution of search terms entered in Google, or randomised controlled trials based on internet clicks. These datasets capture unspoken truths. People might lie in surveys – and sometimes to themselves – but they don't lie to Google.

Various Authors, *Meanjin Quarterly, Winter Edition*, Jonathan Green, editor, Melbourne University Publishing, 2017.

The winter 2017 *Meanjin* is a tour de force. In an empathetic essay, *The Political Life is no Life at All*, Katharine Murphy cautions that the increasing divisiveness in Australian politics will take a toll on the politicians themselves. That's a problem not just for them but for all of us, because toxic work environments do not make for productive workers. Margaret Simons, meanwhile, casts an appreciative but not uncritical eye over public broadcasting in Australia. In *Are You Thinking What I'm Thinking?* Simons argues we should be grateful for the ABC

and the role it has played in shaping Australian cultural identity. And she suggests ways that deeper thought could go into what the ABC (and to some extent SBS) does well, doesn't do so well, and should do more of in future. A third standout essay, by Shannon Burns, is a cautionary tale for our times. Provocatively titled *In Defence of the Bad, White Working Class*, it shows how the language of progressive social politics can alienate some groups in society. Language can be a site of class conflict – and self-styled progressives need to acknowledge and confront this challenge if they are to make our society fairer.

Yochai Benkler et al., *Breitbart-led right-wing media ecosystem altered broader media agenda*, *Columbia Journalism Review*, 2017. <https://www.cjr.org/analysis/breitbart-media-trump-harvard-study.php>

Was the proliferation of "fake news" on social media the reason for Donald Trump's shock election win? In their paper for the *Columbia Journalism Review*, Benkler et al. use Facebook and Twitter shares to examine how news spread across pro-Trump and pro-Clinton networks. They show that Trump supporters developed a 'distinct and isolated' media system centred on Breitbart News. Readers within this sphere shared articles from sources that were highly polarised, and avoided news from the mainstream. By contrast, Clinton supporters were likely to engage with mainstream media outlets as well as more left-wing sites. The findings show that the fake news phenomenon is about much more than Macedonian teenagers making things up on Facebook. Rather, the internal dynamics of the far-right of American politics have created a media sphere that reinforces the worldview of readers, and shields them from dissenting perspectives.

Independent, rigorous, practical

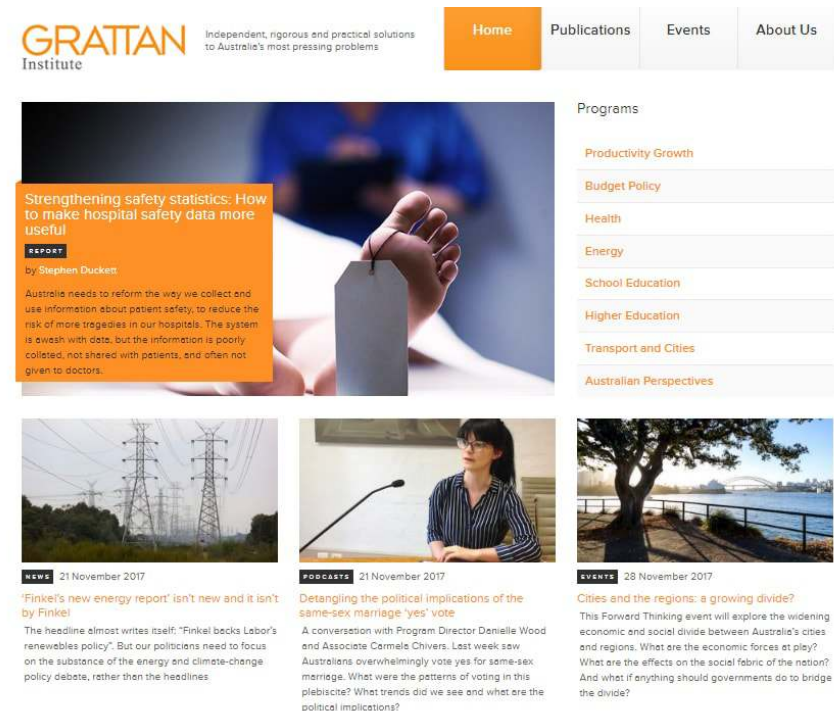
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