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PRIME MINISTER

**** UNDER EMBARGO - 6.45 pm ****

18 November 1996

**ADDRESS BY THE PRIME MINISTER
THE HON JOHN HOWARD MP**

THE 1996 SIR ROBERT MENZIES LECTURE

**THE LIBERAL TRADITION
The Beliefs and Values Which Guide the Federal Government**

E&OE - CHECK AGAINST DELIVERY.....

We honour tonight the memory of Sir Robert Menzies as a great Australian leader and as the founder of modern Australian Liberalism. We recall the achievements of the national governments that he led, as well as the values that were the driving force behind them.

But our purpose tonight is also a much broader one : one that is focussed squarely on the challenges of Australia's future, and on the central role of Liberal values and ideals in ensuring that they are met successfully.

Menzies himself always had such a focus. He forged modern Australian Liberalism not as a fixed ideology but as a political philosophy with values that need to be related to the great issues of the day, and of the future.

Australian Liberalism has always been evolving and developing. It always will be. We are constantly relating Liberalism's enduring values to the circumstances of our own time - enduring values such as the commitment to enhance freedom, choice and competition, to encourage personal achievement, and to promote fairness and a genuine sense of community in Australian society.

In reflecting on Menzies' contribution to Australian life, therefore, we do not yearn for some lost golden age. Our aim is not to re-create the circumstances and public policy priorities of his time. That is clearly neither possible nor desirable.

Australia today is very different to the Australia of the Menzies era.

Our society is more diverse - and better for that fact. Our social structures have changed significantly - and will continue to do so. Our interaction with other countries is more pervasive - making our perspectives wider and our opportunities for growth more abundant.

Political and economic realities are also fundamentally different to those of the Menzies era. Many traditional political constituencies have been 'de-tribalised', with older instinctive loyalties giving way to less predictable patterns of party support. Our national economy is confronting the challenges of what will be the decisive forces of economic change into the next century - namely, globalisation, technological change and the communications revolution.

So much of the Australia of the Menzies era has passed into history. But we should be under no illusions about the importance of putting the achievements of Menzies into their proper historical perspective.

The Menzies era has long been seen as a critically important target by the opponents of the Liberal inheritance in Australia. In their view, if the stature of Menzies could be demeaned and if the achievements of his long period in government diminished, then their own partisan political cause would be advanced.

A year or two ago, we witnessed one of the high-water marks in the attempt to re-write important parts of Australia's political history. It came in the form of a sustained, personalised and vindictive assault on the Menzies legacy orchestrated from the highest levels of the then national government.

It was an assault without substance, without honour and without success.

It failed because it was seen by the vast majority of Australians for the divisive, irrelevant and prejudiced attack that it was.

It failed because it aimed to establish a form of historical correctness as a particular offshoot of political correctness.

It failed because it aimed to set Australian against Australian, implying that those who did not share the then officially-endorsed view of the Menzies era were somehow lesser Australians and less patriotic than those who did.

Above all, it failed because the facts of history simply did not sustain it.

Our political opponents tried to convince Australians that the Menzies era created an 'industrial museum' and that it was notable only for an economic torpor and international isolation.

They failed in that attempt because they could not re-write the facts. And the facts are that the Menzies era not only provided Australia with the strongest, sustained period of economic growth in our history but also re-oriented Australian foreign policy towards a greater involvement in the Asia-Pacific region.

Whether measured in terms of interest rates, employment, prices, national savings, current account deficits, net foreign liabilities, marginal tax rates on average income, or other standards of measurement, the fact is that the record of the Menzies Governments in the late 1950s and early 1960s was far more impressive than the record of its Labor critics when they were in office in the late 1980s and early 1990s.

Yet, those of us who uphold the memory of Sir Robert Menzies for who he was, and for what he achieved for Australia, must not be simply reactive in defending his place in history. We must not sit back and be galvanised into action only when unjustified denigrations are made.

In relating the values of Liberalism to the challenges of Australia's future, we need to recognise more explicitly the importance of our history.

Our history must never become a refuge from the present. Nor should it ever become simply a pretext for smug self-congratulation, for wallowing in nostalgia or for viewing the past through rose-tinted glasses.

But the heritage of Australian Liberalism is an important part of the broader history of Australia, and in my view we have been guilty in the past of not giving sufficient weight to its relevance.

It is from the history of our political tradition that we can build on acquired wisdom. It is from our history that we learn for the future from the lessons of past practical experience. It is from our history that we can understand the scale of what our predecessors achieved. And it is from our history that the elements of both continuity and evolution in our political philosophy become apparent.

We must never allow a vacuum to develop in which the history of Australian Liberalism is left to be interpreted by those who are opposed to the values that inspired it.

The attempted re-writing of Australian political history over recent years by our political opponents should not be countered by an equally politicised re-writing to redress the balance.

What is needed is a sense of balance, objectivity and honesty in drawing lessons from our past.

Australian history is *not* some neat political fable in which the only national icons are people who share a particular political faith and in which the believers in other faiths are no more than peripheral players.

Reassessing the achievements and shortcomings of our history should not become part of some broader process of ritualistic political eye-gouging.

Australians deserve - and are now getting - the restoration of civility in public life. Where there are genuine differences of view, they need to be debated directly and robustly, but not in a personally abusive way.

Nor does our political system benefit from instinctive political 'oppositionism'. Where there is broad agreement I believe that nothing is lost by recognising that fact.

These principles need to be applied particularly when assessments are being made of Australia's political history.

The facts of that history need to be interpreted on their own merits, and not with a pre-determined outcome in mind nor in some kind of divisive and judgmental way that uses modern values and standards as the benchmarks for adequacy.

Glib and sweeping generalisations too often become easy substitutes for measured and factual historical judgments.

We should never accept, for example, the often quoted but factually incorrect depiction of Labor as the party of 'initiative' and 'non-Labor' as the agents of 'resistance' in Australian history. Nor should we accept the historical portrayal of Labor as the 'enlargers' of Australian life, and the political opponents of Labor as mere 'straighteners'.

We should contest and dispute these mythologies for the simple reason that the facts of history do not sustain them.

In doing so, of course, we should make no claim that the Liberal political tradition has had a monopoly on wisdom and good judgement over the past half century in Australia. With the benefit of hindsight there were, of course, some priorities which could have been pursued more vigorously and there were injustices in society that could have been remedied earlier.

Hindsight always has that advantage. But the temptation must always be resisted to read history backwards - that is, to impose on the past contemporary standards and priorities.

The fact is that the Menzies era provided good government of integrity, high achievement and strong leadership which Australians returned to office again and again because it was attuned to the aspirations of the great mainstream of Australian society, because it delivered on what it promised - and, it is true, because of the internal divisions within the ranks of its political opponents.

The achievements of the Menzies era laid the groundwork for the achievements of the Liberal political tradition more generally. And we need to ensure that those achievements are properly recognised as our political history is re-interpreted by a new generation of Australians.

The Liberal political tradition has made a decisive contribution to nation-building in Australia.

It has been the Liberal political tradition which has overseen the periods of greatest sustained economic growth in our history and which, through policies in support of

free enterprise, laid the foundations for Australia's modern manufacturing, agricultural and industrial development.

It is our political tradition which facilitated the establishment of a modern national economic infrastructure.

It is our tradition which has championed not only the rights of small business but opportunities in general for individuals to work hard and to achieve for themselves and their families.

It is our tradition which dramatically expanded educational opportunities for all Australians and which, through the decision over 30 years ago to provide direct government assistance to independent schools, ended many of the deep sectarian divisions and bitterness which had afflicted Australian society for more than a century.

It is our tradition which opened up regional co-operation through economic initiatives beginning with the 1957 Australia-Japan Trade Treaty, through educational initiatives beginning with the Colombo Plan and through immigration reforms such as the ending of the White Australia Policy.

It is our tradition which provided one of the world's most generous and compassionate responses to the Indo-Chinese refugee crisis of the late 1970s and 1980s.

It is our tradition which expanded Australia's own defence capabilities and underpinned them with the negotiation of the ANZUS alliance.

It is our tradition which oversaw the great surge of post-war migration to Australia and laid the foundations of our modern Australian society drawn from the four corners of the earth and united together by a common set of Australian values.

It is our tradition which has had a 'fair go' for all as one of its driving forces and which has strengthened the social security safety net through such advancements in social policy as the extension of child endowment, pensioner medical services, health services, pharmaceutical benefits, housing, invalid and other pensions, mental health care, family allowances, and many other initiatives.

It is our tradition which has led, and won, the great debate of ideas over issues such as greater choice and security for Australian families, industrial relations reform, financial deregulation and privatisation.

It is our tradition which oversaw the extension of the full rights of citizenship to Aboriginal Australians.

It is our tradition which has made an historic contribution in so many other policy areas such as regional development, technology, environmental protection, child care and the growth of new industries such as tourism.

And it is our tradition - with our emphases on incentives for achievement, deregulation and competition - which is best suited to the demands of our economic future: a future

in which economic enterprise will become more decentralised, in which small businesses will be even more important as generators of jobs and national wealth, and in which technology will change patterns of work and diversify the options for achieving growth.

So much for hollow generalisations about parties of initiative and resistance in Australian history and in Australia's future.

The personality of Sir Robert Menzies, and the achievements of his governments, lay at the centre of many of the historical achievements of the Liberal tradition to which I have referred.

Tonight, however, is not the occasion for a detailed recitation of all of them. But I would like to take the opportunity to reflect in a personal way on what I see as the enduring legacy of Menzies' contribution to public life in Australia.

Menzies, above all, was a great Australian nation-builder in the true sense of the word. He understood better than any political leader of his generation the nation-building capacities of private enterprise and a strategic but limited role for government.

That is clearly evident in the record of his achievements in government in areas as diverse as national development, economic growth, trade and foreign policy, science and education, and the arts.

It was his essential Australianness that underpinned his unequalled period of dominance in Australian political life.

One of the most perverse myths about Menzies was his alleged subservience to Britain, and subsequently America. Like most Australians of his time, Menzies *did* have a special admiration for the English inheritance of the rule of law, democratic constitutionalism and personal liberty. But that did not make him any lesser Australian - in fact, it made him a more robust one as he applied that unique inheritance to Australia's own national circumstances.

Menzies fiercely attacked British indifference to Australian interests - whether it was in strategic policy (as in the Second World War), in trade policy or in any other aspect.

For example, in the 1930s Menzies was a consistent opponent of British governments over their application of the 1932 Ottawa Agreement. He argued that the need for Australia to develop its own manufacturing base demanded greater understanding than Britain was prepared to extend.

Furthermore, immediately after the Australian declaration of war in 1939, Menzies resisted British pressure to commit Australian forces immediately to Europe. He argued that the situation in 1939 was not the same as 1914. He agreed to send Australian forces to Europe only after he had an assessment of Japan's likely intentions and after he had insisted on, and received, a reassurance from Britain on its commitment to send a fleet to Singapore if Japan did move south.

Menzies' intense Australianness was highlighted in the political relationship he had with the Australian people. He articulated the hopes and concerns of the Australians of his time more effectively, more representatively and for a longer period than any other national leader.

Menzies' political genius lay in that basic affinity with the aspirations of the Australian people. He understood the priority they placed on jobs, on rising living standards, on home ownership, on high economic growth, on a sense of national unity, and on opportunities for their children that were greater than they themselves had experienced. And he developed priorities in national policymaking and a role for national government that enabled those aspirations to be achieved.

Menzies had his finger on the pulse of the Australian nation in a way that few other leaders have matched and none have surpassed. But the quality of his political leadership did not lie in perceiving or anticipating every shift in public opinion. He responded to public opinion, but he also shaped it. He respected it, but he also guided it. He knew the difference between short-term public opinion and long-term public interest.

Another aspect which I see as central in Menzies' enduring legacy is, of course, his role as the Founding Father of modern Australian Liberalism.

Menzies' knew the importance for Australian Liberalism to draw on both the classical liberal as well as the conservative political traditions. He knew the importance for Liberalism of upholding people's rights and freedoms as individuals. He also knew the importance of values and priorities that had both a proven record of past achievement and a relevance to advancing Australia's national interests into the future.

He opposed change for the sake of change, just as he opposed blind adherence to outmoded and ineffective practices that no longer served the national interest. He was a traditionalist in that he respected the wisdom that is shaped by experience. But where he was convinced of the need for change, he became its powerful advocate.

This was clearly evident in the changing emphases of Menzies foreign policy with his awareness of the importance of the Asia-Pacific region in Australia's future and his creation of the framework for greater interaction with it.

It was also evident in a range of his social and economic policies, and none more so than the new directions he charted for secondary and tertiary education.

Menzies' practical approach to policy issues reflected the dualism in Liberalism's political philosophy. He believed in a liberal political tradition that encompassed both Edmund Burke and John Stuart Mill - a tradition which I have described in contemporary terms as the broad church of Australian Liberalism.

Part of Menzies' legacy, therefore, is that Liberalism has developed political values that are neither ideological, on the one hand, nor mere bellwethers of every changing circumstance, on the other.

Menzies valued a broad-based political philosophy because he knew that it was from such a philosophy that Liberalism derived its enduring values - values such as individual freedom, choice, diversity, opportunity, and the importance of strong families and communities as bulwarks against the intrusive power of the State.

That is why the modern Liberal Party has never been a party of privilege or sectional interests or narrow prejudice.

Menzies always championed individual freedom and spirit over collective action based on a corporate state, and he did so not to promote narrow and selfish outcomes but for the purposes of enabling every Australian to fulfil their hopes and aspirations.

Liberalism has always pursued those purposes, and it will continue to do so.

Another aspect of Menzies' legacy is that Liberalism has focussed on *national* interests rather than *sectional* interests.

Menzies knew that a broad-based political philosophy is a necessary filter for the narrow aspirations of individual lobby groups. He understood that the weaker a political party's philosophical base, the more likely it is to be hijacked by single-issue groups which have a focus that is sectional, and not national.

These aspects of Liberalism lay at the heart of Menzies' political views. They have an enduring relevance and value, and modern Liberalism remains strongly committed to them.

Any assessment of Menzies' influence on Australian public life would be incomplete without reference to the great strengthening influence he exerted in support of democratic constitutionalism in Australia.

Throughout his long career in State and Federal politics, Menzies demonstrated consummate and, in my view, unrivalled skill as a political practitioner. But even more than that, he demonstrated his great commitment to Parliamentary democracy.

He never forgot that the responsibilities of democratic government are not some pre-ordained right bestowed on a privileged few, but are a gift from the people.

He understood that the strength of our national political institutions directly affect the value of the democratic rights exercised by individual Australians.

That is why Menzies placed the authority, standards and traditions of Parliament squarely at the centre of the national governments that he led.

It is why he always insisted on adherence to the proper processes of Cabinet decision-making.

It is why he championed the doctrine of the separation of powers.

It is why he refused to compromise on the need for honest and competent administration and the accountability of government.

It is why he turned his back on the attractions of a legal career in private practice in favour of fulfilling his deeply-felt sense of public duty.

I have spoken tonight of the need to guard against the re-writing of Australian political history and, in particular, to ensure that the contribution of Robert Menzies and the Liberal tradition are accorded their proper place in it.

There is, of course, a related and broader challenge involved. And that is to ensure that our history as a nation is not written definitively by those who take the view that Australians should apologise for most of it.

This 'black arm band' view of our past reflects a belief that most Australian history since 1788 has been little more than a disgraceful story of imperialism, exploitation, racism, sexism and other forms of discrimination.

I take a very different view. I believe that the balance sheet of our history is one of heroic achievement and that we have achieved much more as a nation of which we can be proud than of which we should be ashamed.

In saying that, I do not exclude or ignore specific aspects of our past where we are rightly held to account. Injustices were done in Australia, and no-one should obscure or minimise them.

We need to acknowledge as a nation the realities of what European settlement has meant for the first Australians, the Aboriginals and Torres Strait Islanders, and in particular the assault on their traditions and the physical abuse they endured.

We need to remember that there were wasteful animosities that were generated by sectarian intolerance for so much of our history.

We need to confront the scale of the damage we have done to our own natural environment.

But in understanding these realities our priority should not be to apportion blame and guilt for historic wrongs but to commit to a practical program of action that will remove the enduring legacies of disadvantage.

That is why our priority should be a process of reconciliation with Aboriginal and Torres Strait Islander Australians built on a practical program to alleviate their disadvantage in terms of health, literacy, housing, employment and respect for their culture and traditions, as well as to facilitate the goal of greater economic independence.

It is why we need to implement the plans we have put forward for the most comprehensive revitalisation in our history of Australia's unique but fragile national environment.

It is why we need to ensure that all Australians - irrespective of their race, colour, beliefs or country of origin - are accorded respect and dignity as individuals and are given an equal entitlement to achieve their aspirations, free from intimidation and discrimination.

The debate over Australian history, however, risks being distorted if its focus is confined only to the shortcomings of previous generations. It risks being further distorted if highly selective views of Australian history are used as the basis for endless and agonised navel-gazing about who we are or, as seems to have happened over recent years, as part of a 'perpetual seminar' for elite opinion about our national identity.

The current debate over Australian history would benefit from a more balanced approach, from a wider perspective and from less pre-ordained pessimism.

In the broad balance sheet of our history, there is a story of great Australian achievement to be told.

In that context, we are right to be proud of the economic achievements of our past - building in a vast and unforgiving continent one of the world's great suppliers of food, minerals and agricultural commodities.

We are right to be proud of having built one of the most prosperous, most egalitarian and fairest societies in the world.

We are right to be proud of our tradition of mateship in both peace and war.

We are right to be proud of living in one of the world's oldest continuous democracies, having pioneered advances in women's franchise, individual freedom, the accountability of governments and the rule of law.

We are right to be proud of having established one of the most ethnically diverse societies in the world in which tolerance, respect for differences and opportunities for all have been the distinguishing features.

We are right to be proud of our sense of Australian community characterised by our strong traditions of voluntary associations and our safeguarding of an effective social security safety net.

We are right to be proud of our well-merited national reputation for innovation, practicality and down-to-earth common sense.

These are all achievements that many generations of Australians have worked hard to secure. In highlighting them, we do not seek to obscure the failings of the past but to restore a sense of balance and perspective.

Australian history should never be a source of smug delusions or comfortable superiority. But nor should it be a basis for obsessive and consuming national guilt and shame.

We need to work hard to remove the disadvantages which some Australians continue to endure as a legacy of our history. But we need to recognise that our history is also the story of a great Australian achievement in which we can, and should, take great pride.

Finally tonight, I wish to turn to the future of Liberalism in meeting the challenges which Australia faces.

Menzies' political success lay in building an enduring and broadly-based constituency that supported Liberalism's values and priorities. At the heart of that constituency were 'the forgotten people' of that era - the men and women of the great Australian mainstream who felt excluded from the special interest elitism of the Liberal Party's immediate predecessors and from the trade union dominance of the Labor Party. They included small business people, farmers, employees in enterprises both large and small, women, families concerned for their security, older Australians, young people in search of jobs and opportunity, and many others.

Australia faces fundamentally different challenges to those of the Australia of the Menzies era. But Liberalism faces the ongoing challenge of building an enduring and broadly-based constituency across the great mainstream of our rapidly changing society.

Over recent times, a new constituency has galvanised around new issues and in support of Liberal priorities.

It includes many of the 'battlers' and families struggling hard to get ahead. It includes Australians, young and old, who want Australia to break free of the legacy of debt and deficits. It includes small business people who want to expand, invest and employ more Australians. It includes all those who want the talents of Australians to be liberated so that Australia can achieve its full potential. It includes all those who do not want their national government to respond to the loudest clamour of the noisiest minority.

This new constituency does not represent a permanent realignment in Australian politics. Its continued support for Liberal priorities cannot be taken for granted - it must be earned through keeping faith, through staying in touch, and through continuing to be humbled by the privilege of governing a great country like Australia in the interests of all Australians.

Liberalism now has an opportunity, unparalleled for almost fifty years, to consolidate a new coalition of support among the broad cross-section of the Australian people.

It will only prove enduring if Liberalism continues to relate its fundamental values and principles to the concerns and aspirations of the Australian mainstream, rather than the narrower agendas of elites and special interests.

That means building a genuinely shared sense of national purpose rather than an amalgamation of special interests.

It means being not stepping back from implementing the reforms that will make our economy competitive with others into the future, that will generate jobs and investment for Australia, and that will raise Australian living standards.

It means communicating clearly the rationale for change where change is necessary, and ensuring that consequent reforms and burdens impact fairly on different sections of the community.

It means not being a Government of economic dogma, but a Government of economic common sense.

It means being concerned not only with economic efficiency, but also with equity and fairness as well.

It means seeking a more productive economy, a more responsible fiscal policy and more effective markets not as ends in themselves or as articles of some rigid ideological faith but as the practical means for achieving rising living standards, expanding employment opportunities and an effective social safety net.

It means achieving a practical balance between the limits of government and the limits of markets, between laissez-faire economics on the one side and a suffocating centralism by government and bureaucracy on the other.

It means understanding accurately in which direction the forces of change are taking the Australian economy - towards smaller workplaces, towards more decentralised work patterns, towards more independent sources of employment in a dynamic and rapidly changing regional economy.

It means enhancing job-creating investment in the Australian economy - as we are doing through our Budget strategy of fiscal consolidation and enhanced competitiveness which is providing the climate for lower interest rates, as well as through our initiatives to make it easier to do business in Australia.

It means putting the interests of Australian families at the centre of national policymaking - as we are through our family tax initiative, through our private health insurance rebates, through our maintenance of the social security safety net, through addressing the causes of family breakdowns, and through many other measures.

It means giving Australians more choice in the way they live and work - more choice in industrial relations, more choice to join or not to join a trade union, more choice in education, more choice in child care, more choice in telecommunications.

It means liberating and re-energising small businesses all around Australia - as we are through our industrial relations, taxation, paperwork and other initiatives that will give them more incentives to expand, invest and create more jobs.

It means strengthening the decentralised networks of families, workplaces and communities as far more effective guarantors of choice, freedom and opportunity than centralised political and bureaucratic controls.

It means significantly expanding measures to protect Australia's unique environment - as we will through our historic one billion dollar Natural Heritage Trust of Australia just as soon as the Senate passes the legislation on the one third privatisation of Telstra which will provide the necessary funding.

It means achieving the full potential of our rapidly developing partnerships with the countries of the Asia-Pacific region at the same time as we continue to build on our important and longstanding relationships with our traditional friends.

In meeting these challenges, Liberalism draws on a rich store of ideas and values. But our clearest guiding principle will be to stay true to what we have always been - a political movement owned by no special interests, defending no special privileges and accountable only to the Australian people in meeting the responsibility to build a better and fairer future for all of them.