Rupert Murdoch

_Aussie Rules: Bring Back the Pioneer (First Boyer Lecture)_

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Thank you, very much. Good afternoon, ladies and gentlemen, my name is Rupert Murdoch, and I’m honored to have been asked to deliver the 49th annual Boyer Lectures.

On the wall of my office at the Wall Street Journal, with its view across southern Manhattan to the Statue of Liberty in the haze-draped distance, I have an Australian painting that has traveled with me around the world. It is a work by Russell Drysdale. For me, it has a sentimental value beyond the artistic merit. But it also has flourishes of the theme I would like to discuss with you: Australia’s place in this century of opportunity.

For those of you tragically unaware of the artistry of Drysdale, I suggest that you Google him. Drysdale was among the early modernists. In his day, he became Australia’s most famous artist. More than that, he was one of the first Australian artists to gain a truly international reputation. He did this with canvases that are at once utterly modern and distinctly Australian -- with images that reflect the glory and the desolation of the Outback.

Though he was slightly before my time, Drysdale and I attended the same boarding school outside Melbourne. We later became friends in Sydney. Born a decade after the Federation of Australia, Drysdale would live through two world wars, the postwar waves of European immigrants, the abolition of the White Australia Policy, and the growing emergence of a distinctly Australian nationalism. His paintings of soldiers, settlers, cane cutters, and indigenous people reflect this history.

The painting in my office is called The Stockman and His Family. It depicts a family using Drysdale’s trademark red hues, and it captures the empathy of shared solitude.
That solitude is a characteristic of our vast continent. In its midst, we are inevitably conscious of our individual smallness. I have vivid memories of long and dusty drives into the Never Never -- whose sparseness inevitably prompts even the most thoughtless among us to contemplate.

When Drysdale's canvas catches my eye, it of course reminds me of home and of Australia's past and of my own past. It must be said that the protagonist is Aboriginal and his ancestors -- our ancestors -- experienced the vicissitudes and violence of nature long before the coming of European settlement. The continent was the same; the summers as unrelenting, the Gums as ghostly. These are more than just shared circumstances but a common heritage -- one that is denied in the dialectical deconstruction of the Aboriginal experience, for political points are too often scored at the expense of understanding.

But the stockman scene also points to the future. His family have clearly endured much hardship. They've been confronted with the heat and ochre dust in a way that few of us city slickers really experience. And yet there's a steeliness and closeness that suggest this family is ready for the future.

Our national character should never lose that steeliness.

We are all less innocent than we were 100 years ago. One of the most touching scenes in any small Australian town is the local war memorial, whether in the Mallee, out west, or up north. I suggest that every young Australian take a few moments to look at the names of those who left these towns and fought in distant wars. Can you possibly imagine what it was like for a lad to have left the wheat farm and found himself months later confronting a cliff and a machinegun in the Dardanelles? Today there is nothing sadder than visiting the graves of thousands of 19 and 20-year-old Australians at Gallipoli.

My father, then a young war correspondent, was outraged by the mismatch between Australian enthusiasm and British logistical incompetence at Gallipoli. He was outraged too by the censorship that allowed that incompetence to continue to go unpunished. We were all certainly less innocent after the Great War.

But we must do more than just celebrate past heroism if we are to confront the future with confidence. The First World War was the beginning of the end of our splendid isolation, and we have never been less isolated than we are now, 90 years later. Australia's identity is again undergoing dramatic change. We are fashioning it, and it's being fashioned by external influences. Our leading trade partners are the great nations of Asia, not mother England. European languages are generally less functional for our children than Chinese, Japanese, and Indonesian -- though I'd put in a special word for Spanish for its utility in Latin America and even the United States.

My theme for these lectures is the great transformation we've seen in the past few decades: the unleashing of human talent and ability across our world, and the golden age for humankind that I see just around the corner. Over the course of six lectures, I will go into more detail about this golden age.
I will talk about how the opening of new markets is leading to the rise of new nations, and adding hundreds of millions of people to a new global middle class. I will address technology, education, and the importance of cultivating human capital. I also hope to discuss what the information revolution means for the future of my own industry, especially newspapers. Most of all, I will speak to the challenges that all these developments pose for the land of my birth.

I appreciate that many Australians will debate whether I still have the right to call myself one of you. I was born in Melbourne, educated in Britain, and now make my home in Manhattan. My answer is that people can call me whatever they like; and believe me when I tell you, they do. But this country means a great deal to me. And the main reason I agreed to come to Australia to deliver these lectures is that the country I see before me simply is not prepared for the challenges ahead.

As I speak, the Australian economy is coming up against one of these challenges: a financial crisis whose origins are overseas. In recent weeks, the Australian dollar has fluctuated as wildly as a whirling Dervish, and the impact is beginning to be felt in the real economy. There is no use bemoaning the problem. In this new century, Australia is wedded to the world -- mostly for richer, very occasionally for poorer, certainly for better, and only rarely for worse. And I fear that many Australians will learn the hard way what it means to be unprepared for the challenges that a global economy can bring.

By most measures -- the rule of law, economic performance, and the quality of life -- that Australians today live in one of the most ideal societies on earth. Indeed, when The Economist listed the world's 10 most liveable cities, Australia had four of them: Melbourne, Perth, Adelaide and Sydney. That is a tremendous achievement, and an advantage in a world competing ferociously for talent and capital.

But here's my worry. While Australia generally does well in international rankings, those rankings can blind us to a larger truth: Australia will not succeed in the future if it aims to be just a bit better than average. Specifically, I believe that we need to revive the sense of Australia as a frontier country, and to cultivate Australia as a great center of excellence. Unlike our parents and grandparents, this new frontier has little to do with the bush or the outback. Today the frontier that needs sorting is the wider world, and complacency is our chief enemy.

If you travel around Australia you will see that much of the country is in good shape. For example, while many farmers have had tough years of brown paddocks and harsh drought, the demand for our farm products will grow exponentially because of demand from around the globe. Internationalization means both opportunity and competition. It also means being clearer about the nature of Australia's identity, its qualities, and its collective character. I'm not talking about reembracing or recreating the good old days of the past. I'm talking about what I hope will be the better days of the future.

A few months back I spent some time in both India and China. Between them, these two countries account for more than a third of the world's population. For most of my lifetime, the people of these great countries were incarcerated by communism or caste.
In India's case, this was partly the result of long years of a kind of paternalistic socialism. Coupled with India's feudal system, its infamous bureaucracy, and its isolation from the global economy, there was a predictable outcome: Indian society had almost no upward mobility. If you were born poor, you were probably going to die poor.

China was even worse. After long misrule by centuries of autocrats, the arrival of communism supposedly promised liberation. Instead, the communists purged the entrepreneurs, industrialists, and writers, and Mao's policies brought the nation to starvation, spiritual as well as physical. Then in late 1978, Deng Xiaoping famously opened China's door to the world. Though China has a long way to go before it is truly a open society, the Chinese people have been using their new economic freedoms to accomplish extraordinary things.

In sheer numbers, the emergence of India and China as economic powers and the wealth that they are creating is accompanied by a rise of a new middle class. Over the next 30 years or so, two or three billion people will join this new global middle class. The world has never seen this kind of advance before. These are people who have known deprivation. These are people who are intent on developing their skills, improving their lives, and showing the world what they can do. And they live right in Australia's neighborhood.

The alarmists will tell you that Australia cannot compete with these nations. Well, that is rubbish. In this new world, Australia has many advantages. These advantages include being an open, democratic, and multi-racial society built on the rule of law. We have great resources as a civil society with a tradition of generosity and support. To compete well and use our human capital to the best, we will have to draw on these advantages and make our country stronger. That means being less dependent on government, less complacent about our national institutions, more willing to accept radical reform, and more trusting in our creativity and our competence.

I want to start today by talking about some of these areas at home. By this I mean a need to reduce dependency on government to reform our education system, to reconcile with Australia's Aboriginal population, and to maintain a liberal immigration system.

Let me start with dependency on government. At a time when the world's most competitive nations are moving their people off government subsidy, Australians seem to be headed in the wrong direction. In a recent paper, Des Moore pointed out that while real incomes increased since the end of the 1980s, about 20 per cent of the working aged population today receives income support, compared with only 15 per cent two decades ago. While a safety net is warranted for those in genuine need, we must avoid institutionalism and idleness. The bludger should not be our national icon.

Traditionally, the Liberals have been more free market in their outlook than their opponents. But the Labor Party has also recognized that central planning does not work. The larger the government, the less room for Australians to exercise their talents and initiative. That is why earlier this year we heard a Labor prime minister, Kevin Rudd, declaring that his government is unashamedly pro-market, pro-business, and pro-globalization. That's a good start.
But being pro-market, pro-business, and pro-globalization means working for a society where citizens are not dependent on the government. That means ending subsides for people who do well.

It also means sensible targeting and persistence, so that when subsidies are given they help those passing through a rough patch or born into abject poverty build themselves up to a point where they can provide for themselves. And it means smaller government and an end to the paternalism that nourishes political correctness, promotes government interference, and undermines freedom and personal responsibility. Remember, it's not the Australian government that competes in the global market; it's Australian businesses and workers. With a relatively small domestic market, Australian workers and Australian businesses must be able to beat the best of them.

Second, we need to reform our education system. In a forthcoming talk I will go into more detail, but the bottom line is this: It is an absolute scandal that we are spending more and more and getting less and less in return. For those still in school or just entering the workforce, the opportunities a global economy offers are greater than at any time in our history -- provided you have the right skills.

Australians have always been a people who stress equality, who believe that what you make of yourself is more important than where you came from. That's still a good philosophy for a frontier society. But let's be honest: Tens of thousands of people are going to be deprived of these opportunities if we continue to tolerate a public education system that effectively writes off whole segments of Australian society. In short, we have a 21st century economy with a 19th century education system, and it is leaving too many children behind. That is an injustice to these citizens, and it puts a future burden on Australian society.

School reform leads me to the next domestic priority: full reconciliation among all Australians. We are now beyond the day when Australian governments would take Aboriginal babies from their mothers’ arms and hand them over to be raised by white Australians. Even that action was inspired as much by ignorance as arrogance. Many of the missionaries of the past were full of good intent, but simply did not understand or respect Aboriginal culture.

Members of both major parties have each made eloquent and clear-headed statements expressing regret for the historic injustices visited on our Aboriginal Australians. That there were victims, and many of them, is beyond dispute. But apologies alone will not achieve true reconciliation, and neither will allowing victimhood to remain dominant in our national psyche. Far from liberating our Aboriginal brothers and sisters from colonial yoke, we have cultivated a well intentioned but stultifying dependency.

The best way to redress the past and advance true equality for all Australians is to ensure that the next generation of Aboriginal children have access to top-quality schools and teachers, which they do not now have. Australia's system of public education can never be called a success until Aboriginal Australians benefit from it as much as other citizens.
At the same time, we cannot avert our eyes to the abuse of women and children within Aboriginal communities. These are not simple problems. And they will remain serious problems until our response is informed more by true compassion and less by remorse.

Finally, Australia will be strong only if it is open to immigration. Thank goodness we are beyond where we were a few decades ago. After World War Two, we opened our doors to southern Europe and other non-Anglo populations. But after the Vietnam War we began welcoming our neighbors in the region. In a relatively short period of time, we have buried White Australia, and in its place have raised a modern, diverse society. This does not mean we are neutral or valueless. We must expect immigrants to learn our language and embrace the principles that make Australia a decent and tolerant nation. At the same time, Australia needs to recognize that immigrants bring energy, skills, and enthusiasm. They often better recognize the virtues of Australian society, virtues that we are too shy or embarrassed to laud.

In my view, Australians should not worry because other people want to come to our country. The day to worry is when immigrants are no longer attracted to our shores. We should be a beacon to all. To our region in particular, we should be a living, happy, civil, contesting democracy that is a model for the emerging democracies around us.

Those are priorities for Australia on the home front. But Australia also has a role to play on the world stage. Part of this role is ensuring that Australian interests are represented and advanced internationally. In the 21st century, we must lead rather than react. In trade, for example, Australia is one of the few resource-rich societies that have embraced the open market. In many ways, our experience is the exception rather than the rule. Generally, when nations have natural resources they sit back and savor these resources rather than do the hard work of building a competitive economy around them.

Today, Australia is probably the leading country for freedom in the area of trade that is most restricted around the world: agriculture. Restrictions on agriculture hurt many of the world's poorest nations, and we have both a moral and strategic interest in seeing them lifted. So we must continue to leverage our connections and continue to push when others have left the conference table. The global trade dialogue should echo with our Australian accents.

Climate change is another area where Australia needs to lead rather than follow. I'm not sold on the more apocalyptic visions of climate change. But I do believe that the planet deserves the benefit of the doubt. I believe there will be great rewards for those Australians who discover new ways of reducing emissions or cleaning the environment. Here at News [Limited] in Australia, we are encouraging that process through an initiative called [1]-Degree. It's about every one of our people making small changes that together make a big difference. This program is part of a larger corporate initiative that is designed with a clear goal: to have all of our businesses around the world carbon neutral by 2010. And we are counting on the talents and creativity of all our employees to meet that goal.
Our emphasis should be on practical solutions. We cannot address climate change merely with emotion. The ultimate solution is not to punish the Australian economy by imposing standards that the rest of the world will never meet. It’s to take the lead in developing real alternatives to solve the problem by offering clean, cheap energy to meet growing demand. The world desperately needs these cleaner and more abundant sources of energy. That will require huge investments in new technology. But the upside is huge, and if we can develop cleaner and cheaper sources of energy, we will grow our economy while leaving a greener, cleaner world.

Our world remains a dangerous place. In this promising new century we are still seeing naked, heartless aggression -- whether it comes from a terrorist bombing in Islamabad or a Russian invasion of Georgia. At the same time, our traditional allies in Europe sometimes seem to have lost the will to confront aggression even on their own doorstep. We can lament these developments, but we cannot hide from them. The fact is that throughout our past Australian lives have always been affected by events in distant and unfamiliar places. That will remain true for the future as well. We need to be prepared to respond to these threats, as we have done in Iraq and are doing in Afghanistan.

But we need to be more than a reliable partner that the United States can call on. Australia needs to be part of a reform of the institutions most responsible for maintaining peace and stability. I’m thinking especially of NATO. Though NATO was designed to prevent a land war in Europe, it is now fighting well beyond those borders; and we see in Afghanistan, not everyone is doing their share, and that is a problem too many people want to ignore. The only path to reform NATO is to expand it to include nations like Australia. That way NATO will become a community based less on geography and more on common values. That is the only way NATO will become effective; and Australian leadership is critical to these efforts.

Finally, there’s an even more fundamental constitutional question about our identity. Should Australia be a republic? There’s been more maturity to this debate over the past couple of years, and there is now no need to rush to the exit. But the moment is not far away when the country will decide its fate. And if I were in a position to vote, it would be for a republic. The establishment of a republic of Australia will not slight the Queen, nor will it deny the British traditions, values, and structures that have served us so well. But we are no longer a dependency; and we should be independent. In this young century we should assert our personality. We alone must define our future. An independent Australia will have no excuses for failure because the mistakes will be all our own. But I have few doubts that we will prosper because I have much confidence in this country and its people.

Let me leave you today with words I have borrowed from Dorothea McKellar. They are hidden away in her best known poem, but they mean much to me. She describes the land of my birth as: "An opal-hearted country, a willful, lavish land. All you who have not loved her, you will not understand."

Thank you very much.