



CONSILIUM

THE CENTRE FOR INDEPENDENT STUDIES

23-25 AUGUST 2012

IDEAS, INSPIRATION AND INDEPENDENT THINKING



CONTENTS

Consilium 2012.....	2
Participants.....	4
Location.....	4
Program Timetable 2012.....	5
Sessions: Friday, 24 August 2012.....	7
Sessions: Saturday, 25 August 2012.....	9
The Centre for Independent Studies	12
CIS Board of Directors	12
Consilium in the News	12
Registration Information	13



CONSILIUM 2012

Consilium, from the Latin *deliberatus* or deliberation, is an initiative of The Centre for Independent Studies, Australasia's leading independent public policy think tank. CIS is devoted to fostering the classical liberal ideals of freedom of speech, limited government, and free trade.

Consilium is an invitation-only annual conference where critical issues facing the world are deliberated in the truest sense of the word. Opinions, ideas and questions are shared in an open and congenial atmosphere, encouraged by an egalitarian seating arrangement at a single table. All speakers and delegates have their own microphone to invite equal contribution. Conversation is robust but civil, with leading thinkers from business, politics, policy, academia and the community coming together to inform, challenge and debate.

This unique conference program features key concerns facing the international community and takes an agenda-setting approach to policy matters at home and abroad.

A range of experts present brief papers, and as the emphasis of Consilium is on discussion, ample time is given to debate the issues raised by the speakers. Sessions are not open to the media, and a modified Chatham House rule applies. Spouses and partners are warmly invited to attend the sessions and contribute to the discussion from a second tier around the Consilium table.

A key feature of the meeting is the opportunity for informal contact among participants, and the program includes time for relaxing and enjoying the Sunshine Coast.



PARTICIPANTS

public officials

Senior government legislators from Australia and New Zealand play an active role in Consilium deliberations, providing insights into current policy developments. Past participants have included the Governor General of Australia; Prime Ministers of Australia; the President of the Czech Republic; Governors of the central banks of Australia, New Zealand, and Papua New Guinea; federal Cabinet and Shadow Cabinet Ministers; Vice-Chancellors of Australian public universities; senior defence force officers; and members of state and federal Australian, New Zealand, and UK parliaments.

business leaders

Business leaders attending Consilium bring an important commercial perspective to discussions. A range of sectors are represented by participants and speakers, including information technology and communications, banking and finance, mining and resources, retail, manufacturing, construction, and biotechnology.

community and cultural leaders

Some of the country's most influential community and public opinion leaders attend Consilium, including ground-breaking scientists, Indigenous activists, church officials, senior media commentators, internationally renowned thinkers, and leading arts figures.

policy experts

Scholars from both private and public research organisations attend Consilium. In addition to research staff from The Centre for Independent Studies, policy experts and scholars from other institutions in Australia, the United Kingdom, Canada and the United States will feature on the 2012 program.

LOCATION

Situated on the beautiful Sunshine Coast in the lee of Mount Coolum, the Coolum Golf & Spa resort (formerly known as the Hyatt Regency Coolum) is 90 minutes north of Brisbane and 20 minutes south of Noosa. The Sunshine Coast Airport at Maroochydore is just 10 minutes away. The resort features an 18-hole championship golf course that covers one-third of the 160-hectare property, and also boasts a tennis centre, numerous swimming pools, and a luxurious day spa with a range of beauty and therapeutic treatments. Coolum Golf & Spa fronts a private-access beach on the Pacific Ocean, and guests can explore numerous bushwalks and enjoy the stunning views from the top of nearby Mount Coolum. In August, temperatures rise to the mid-20s during the day, but evenings can be cool.

For more details, please visit

www.coolumgolfandspa.com.au



PROGRAM TIMETABLE 23-25 AUGUST 2012*

THURSDAY	11:30AM – 6:30PM			
	REGISTRATION			
FRIDAY	7:00AM – 8:20AM	8:45AM – 10:30AM	10:30AM – 11:00AM	11:00AM – 1:00PM
	Breakfast Session A <i>War of Words: The Politics of Literacy</i> Jennifer Buckingham Miranda Devine Breakfast Session B <i>Geo-engineering: Sky-High Thinking</i> Dr Caspar Hewett	Session One <i>Broken People, Broken Families, Broken Society</i> The Hon Dr Gary Johns Dr Jeremy Sammut Professor Peter Saunders Professor Judith Sloan	Morning Tea	Session Two <i>After America: Imagining a World with the US in Retreat</i> John Birmingham The Hon Alexander Downer Dr Kim Holmes Dr David Kilcullen Tom Switzer Senator the Hon Bob Carr
	• See page 7 for detailed session information.			
SATURDAY	7:00AM – 8:20AM	8:45AM – 10:30AM	10:30AM – 11:00AM	11:00AM – 12:45PM
	Breakfast Session A <i>Moral Wisdom and the Recovery of Virtue</i> Rev Peter Kurti Breakfast Session B <i>Reimagining the University</i> Professor Steven Schwartz	Session Four <i>Celebrating Progress: Grand Designs in Engineering?</i> David Baughen Dr Andrew Botros Dr Caspar Hewett Professor Matt Trau	Morning Tea	Session Five <i>Social Creatures: How Social Media is Changing the Landscape</i> Iarla Flynn Nick Holder Stilgherrian Cassandra Wilkinson
	• See page 9 for detailed session information.			

* This program was correct at time of printing but CIS reserves the right to alter this program if and when necessary.
Most sessions will take place in the Pavilion at Coolool Golf & Spa. Exact resort locations for each activity will be provided closer to the date.

	6:30PM – 7:30PM	7:30PM – 10:30PM	10:30PM – 11:30PM
	Cocktail Reception	Opening Address and Banquet Dr David Kilcullen	REGISTRATION
1:00PM – 2:00PM	2:00PM – 3:45PM	3:45PM – 6:00PM	6:00PM – 6:30PM
Lunch	Session Three <i>Enabling Indigenous Prosperity</i> Wesley Aird Dr Anthony Dillon CT 'Manny' Jules Sara Hudson	Afternoon Tea and Leisure	Cocktail Reception
			6:30PM – 10:30PM
			Group dinners at Sunshine Coast restaurants
			4:00PM – 5:00PM
			Preview of the Secret Business Initiative Wesley Aird, specialist advisor, Indigenous affairs This special afternoon session will delve into the problems of the 'Aboriginal industry' and offer some controversial ideas about change. 'Looking beyond the street marches and petitions; beyond the gestures and tokenism; looking into the truth about our Aboriginal issues and revealing real solutions to the problems that have vexed our society for decades.'
12:45PM – 2:00PM	2:00PM – 3:45PM	3:45PM – 6:30PM	6:30PM – 7:30PM
Lunch	Session Six <i>Fault Lines: The World Economy in 2012</i> Dr Andrew Lilico Professor Tony Makin Professor Warwick McKibbin Dr Vito Tanzi	Afternoon Tea and Leisure	Cocktail Reception
			7:30PM – 10:30PM
			Closing Address and Banquet <i>Limits to Growth</i> Dr Bjorn Lomborg Director of Copenhagen Consensus Center; Adjunct Professor, Copenhagen Business School.
		5:30PM – 7:30PM	
		Screening of the Bledisloe Cup: Wallabies versus the All Blacks (live from Auckland)	

BREAKFAST SESSION A

WAR OF WORDS: THE POLITICS OF LITERACY

Jennifer Buckingham Research Fellow, Social Foundations Program, The Centre for Independent Studies

Miranda Devine Columnist, *The Daily Telegraph* and *The Herald Sun*

Scientific evidence shows that effective strategies for teaching reading include explicit and systematic instruction in phonics – how to translate the squiggles on the page into sounds and how to read them as words. Unfortunately, phonics was displaced in Australian schools in the 1970s by the ‘whole language’ method, less an educational theory than a philosophy. Efforts to reinstate phonics have resulted in ‘reading wars’, in which phonics has been likened to the flat earth theory and fascism, and its advocates accused of being conspirators in a right-wing plot. In this breakfast session, CIS Research Fellow Jennifer Buckingham and Miranda Devine, journalist and committee member on the National Inquiry into the Teaching of Reading, will talk about the ideological and political baggage attached to reading and what this means for educational standards in Australia.

BREAKFAST SESSION B

GEO-ENGINEERING: SKY-HIGH THINKING

Dr Caspar Hewett Director and Chair, The Great Debate; Visiting Researcher, Newcastle Institute for Research on Sustainability, Newcastle University (UK)

Is it possible to control the earth’s climate via intentional and directed manipulation? What are the benefits or ramifications of tampering with nature on such a grand scale? And how might geo-engineering help us with climate adaptability? Established knowledge and technologies are already in place, yet the field continues to meet with entrenched resistance. As an environmental consultant and applied mathematician with a PhD in civil engineering, Dr Caspar Hewett is uniquely placed to comment on the possibilities of the burgeoning field of geo-engineering.

SESSION ONE

BROKEN PEOPLE, BROKEN FAMILIES, BROKEN SOCIETY

The Hon Dr Gary Johns Associate Professor of Public Policy, Public Policy Institute, Australian Catholic University

Dr Jeremy Sammut Research Fellow, Social Foundations Program, The Centre for Independent Studies

Professor Peter Saunders Professorial Research Fellow, Civitas; Senior Fellow, Social Foundations Program, The Centre for Independent Studies

Professor Judith Sloan Honorary Professorial Fellow at the Melbourne Institute of Applied Economic and Social Research at the University of Melbourne; Contributing Economics Editor, *The Australian*

The emergence of the welfare state across the Western world during the twentieth century did not abolish British social reformer Lord William Beveridge’s ‘five giant evils’ of squalor, ignorance, want, idleness and disease. It has ameliorated their impact for millions of people, but this has been achieved at enormous economic and social cost.

Economically, social security payments soak up one-third or more of government spending, with health and education taking total social expenditure in most countries to around *two-thirds* of the total. In the wake of the 2008 financial crash, this spending represents a major obstacle preventing many countries from driving down their debt burden. Socially too, we have paid a high cost by providing unconditional benefits as a right for all who need them – the more the government provides, the more it seems to chip away at people’s willingness or ability to make provision for themselves. Far from abolishing evils like want, idleness and ignorance, it sometimes seems that the welfare state has recreated them by enabling the emergence of a ‘culture of dependency’ and the growth of an increasingly hopeless and disenchanted ‘underclass.’

In this session, we shall ask how social policy might be refashioned to encourage norms of personal responsibility to reappear, rather than keeping people locked into a hopeless and fatalistic cycle of claiming. In the past, people relied on their families when they needed help, so can family-based aid be rekindled, or has family life frayed too much to be restored? Public assistance was previously limited to the ‘deserving poor,’ so would it be possible to limit today’s welfare to those who ‘deserve’ help, and if we did, what would happen to those are refused? Can the welfare juggernaut be tamed, or are we fated to keep spending more and more as the queue of claimants lengthens?

SESSION TWO

AFTER AMERICA: IMAGINING A WORLD WITH THE US IN RETREAT

John Birmingham Best-selling author of *Leviathan: The Unauthorised Biography of Sydney, the Axis of Time* trilogy, and the *Without Warning* trilogy

The Hon Alexander Downer Secretary General of the UN's Special Envoy on Cyprus; Principal, Bespoke Approach Consulting, former Minister for Foreign Affairs

Dr Kim Holmes Vice President, Foreign and Defense Studies, The Heritage Foundation (USA)

Dr David Kilcullen President and CEO of Caerus Associates, counter-terrorism expert

Tom Switzer Editor, *Spectator Australia*; Research Associate, United States Studies Centre, Sydney University

Senator the Hon Bob Carr Minister for Foreign Affairs

American power is said to be like oxygen: We all take it for granted and will only miss it when it is no longer there. Although US power will not simply disappear, there are signs that it could be forced into retreat. This may happen because of the rise of other global powers – China and India being key threats to America's economic potency – in combination with a fiscal deficit that is clearly unsustainable.

The United States has played the role of regional and global policeman for more than six decades. Critical to its power and success was the idea of America as a land of liberty, opportunity and democracy – an idea that emerged at the beginning of the modern age and was codified in the US Constitution.

Its support, funding and/or participation in global institutions such as the IMF, World Bank, and WTO – and its system of security alliances with countries around the world – have built a prosperous and relatively peaceful international liberal order characterised by rule of law and backed by US military supremacy and a demonstrated willingness to deploy it.

Because of these factors other countries, especially in Asia, have been able to build vibrant and successful economies to underpin the greatest exponential increase of global wealth in history.

Can the existing regional and global liberal order survive if America is forced to retreat from fulfilling its traditional responsibilities? What would a genuine post-American world look like, especially in Asia? Will strategic and security competition replace economic competition and jeopardise continued prosperity in our region? And is America still 'the last best hope of earth'?

SESSION THREE

ENABLING INDIGENOUS PROSPERITY

Wesley Aird Specialist advisor, Indigenous affairs

Dr Anthony Dillon Lecturer, Indigenous Health, Sydney University; Researcher, University of Western Sydney

CT 'Manny' Jules Chief Commissioner, First Nations Tax Commission; former Chief of the Kamloops Indian Band (Canada)

Sara Hudson Research Fellow, Indigenous Affairs Research Program, The Centre for Independent Studies

Familiar with newspaper articles that paint a picture of remote, dysfunctional and welfare-dependent communities, the general public is unaware that more Aboriginal people live in urban and regional areas than in remote communities in the Far North.

The majority of Aboriginal people are doing OK – more than 60% of them work and either privately rent or own their own homes. Their success illustrates that the poverty and dysfunction of remote communities is not the result of ethnic or cultural characteristics.

This session will explore the reasons behind remote Indigenous Australian disadvantage and the steps needed for reform.

Discriminatory federal, state and territory policies deny Aboriginal and Torres Strait Islanders living in remote communities the rights enjoyed by all other Australians – namely the right to own a home and the right to democratic processes of governance. The absence of civil society laws and regulations has been compounded by the denial of mainstream education to remote communities. It is the combination of these discriminatory government policies, and not cultural characteristics, that has resulted in welfare-dependent communities where families are crowded into sub-standard public housing and lack the skills to work in even entry-level occupations or to manage their welfare income.

BREAKFAST SESSION A

MORAL WISDOM AND THE RECOVERY OF VIRTUE

Reverend Peter Kurti Visiting Fellow, Religion and the Free Society Program, The Centre for Independent Studies

What does it mean, in this age of pop psychology and re-Tweeted 'motivational' quotes and platitudes, to be morally wise? How do we foster moral wisdom? And what is the place of virtue in the public square?

The Reverend Peter Kurti, former Rector of St James' Church, King Street, Sydney, and currently Visiting Fellow in the Religion and the Free Society program at The Centre for Independent Studies, will examine these questions using religion and secularism as frames of reference.

BREAKFAST SESSION B

REIMAGINING THE UNIVERSITY

Professor Steven Schwartz
Vice-Chancellor of Macquarie University

Professor Steven Schwartz, the dynamic and sometimes controversial Vice-Chancellor of Macquarie University, will ponder the future of university environments and offer interesting alternatives to current models. Historically, academics have been above low-brow practicalities such as accountability and performance-based reviews, with tenure often being granted to under-performing 'absent-minded professors.' Dr Schwartz is a vocal supporter of results-based, market-oriented, and research-focused universities that operate as effective businesses. He will discuss these issues and a new challenge: 'Online learning is no longer on the margins of education. It is becoming mainstream.'

SESSION FOUR

CELEBRATING PROGRESS: GRAND DESIGNS IN ENGINEERING

Dr Andrew Botros Director, Expressive Engineering

David Baughen Location Director and Operations Director WorleyParsons Limited

Dr Caspar Hewett Director and Chair, The Great Debate; Visiting Researcher, Newcastle Institute for Research on Sustainability, Newcastle University (UK)

Professor Matt Trau Senior Researcher, Australian Institute for Biotechnology and Nano-engineering, University of Queensland

The modern world has been built on the back of visionary engineering projects. From the London sewer network designed by Sir Joseph Bazalgette in the mid-1800s, which brought cholera epidemics under control, to the remarkable system of dikes in the Netherlands allowing dense populations to flourish in an area that would otherwise be under water, feats of remarkable engineering have allowed mankind to progress.

The Hoover Dam and the Panama Canal, the Chunnel, our very own Sydney Harbour Bridge, spacecraft and agricultural machinery, long-distance gas pipelines, computers and the revolution that is the Internet are all testament to mankind's ingenuity, resourcefulness and creativity. The best among such grand projects are not only functional but also beautiful, and have the power to inspire as well as transform lives, providing sanitation, transport, energy, communication, food and water to millions and millions of people all over the globe.

But man's ability to adapt, harness and utilise his environment is now under threat. Where great achievement and grand ideas were once celebrated as a mark of progress, they are now reviled by a growing number of doomsayers who believe not only has man created a number of environmental problems by virtue of living, but that, more frighteningly, man is the problem himself. Yet to only focus on our culpability belies our capability.

'The opportunities of man are limited only by his imagination,' said Charles F Kettering, inventor of the electrical starter motor. In Australia, what opportunities should we be looking towards? Major resource projects such as the North West Shelf oil and gas venture are natural choices for a country so blessed with natural resources, and improving transport and infrastructure must be a given. To give ourselves an additional competitive advantage in the global economy, and allow us to be at the vanguard of developments in nanotechnology and biotechnology, it is vital to support scientific and technological engineering research.

We have an unprecedented opportunity to stand on the shoulders of engineering giants from the past and embrace new and emerging technologies to see us into the future. The big question is, will we?

SESSION FIVE

SOCIAL CREATURES: HOW SOCIAL MEDIA IS CHANGING THE LANDSCAPE

Iarla Flynn Head of Public Policy and Government Affairs, Google Australia

Nick Holder Partner, LEK Consulting Sydney

Stilgherrian Freelance writer and broadcaster covering the intersection of technology, politics and the media

Cassandra Wilkinson Co-founder and president of FBi Radio, author of *Don't Panic! Nearly Everything is Better than You Think*

We are all familiar with the revolution that is the Internet – and perhaps even complacent about it. Google graduated from a search engine to a verb more than a decade ago. Most of us have accepted, if not embraced, social media to not only enhance our personal communications but also our business practices, reach and contacts. The incredible rise in the number of Facebook users since its launch in 2004 – 800 million and counting – has shattered societal norms about privacy, relationships and personal exposure, obliterating the line between public and private. And most of us accept with only token annoyance corporations having unprecedented access to our comings and goings, habits and purchases.

Ordinary life is changing at a pace unimaginable even two decades ago. For example, one hour of video footage is uploaded *every second* on YouTube. But as we embrace the many positives of this burgeoning technology, we must also be mindful of its ramifications. Erosion of privacy is just one of the issues. 'The news cycle is much faster these days, thanks to 24-hour cable, the Web, a metastasized pundit caste constantly searching for new angles, etc ... Politics is able to move much faster, too, as our democracy learns to process more information in a shorter period and to process it comfortably at this faster pace,' wrote American journalist Mickey Kaus in 2009 in *Slate* magazine. Things have moved rapidly since then and politicians must now respond to polls and situations without pausing for counsel and reflection, resulting in a sharp rise of ill-considered policies. Can we manage or curtail this trend?

Cyber-crime is also becoming an increasing problem, and businesses are as vulnerable as individuals to hacking, identity fraud, scams and theft. Brand and reputation management need to be considered – an ill-advised Tweet of 140 characters can destroy a lifetime's reputation. A company's reputation is in the hands of employees or customers who can post at will, and the blogosphere can be a free-for-all of inane, malicious and barbed commentary from 'Twitter-mobs' and the like. How do we regulate against unlawful, unscrupulous behaviour across borders without sacrificing the freedom and the 'invisible hand' at the heart of the Internet revolution?

SESSION SIX

FAULT LINES: THE WORLD ECONOMY IN 2012

Dr Andrew Lilico Director and Principal, Europe Economics

Professor Tony Makin Professor of Economics, Griffith Business School

Professor Warwick McKibbin Director, Research School of Economics ANU College of Business and Economics

Dr Vito Tanzi Economist; former Director, Fiscal Affairs, International Monetary Fund; former Undersecretary for Economy and Finance in the Italian government

Almost four years after the onset of the global financial crisis, confidence remains fragile and lenders and investors are reluctant to make long-term commitments. Most countries have enjoyed a measure of recovery, but it remains tepid by past standards, and at least some European countries have slid back into recession. Economic history foretold that the severity and nature of the global crisis guaranteed a long and difficult recovery. Is the state of the world economy in 2012 consistent with that prognosis, or are policies making the situation worse? And, critically, are we on the brink of another crisis?

There are some promising signs. The US economy – still the world's largest – has gathered pace, its financial system has been largely restored to health, and even its housing industry – at the core of the global crisis – shows signs of recovery. Other developed economies, including our own, are sustaining their recoveries, as are emerging economies on the whole.

But there are still serious risks. Oil prices are worryingly high and are very sensitive to any disturbance to supplies. The large developed economies are being propped up by unorthodox monetary policies, and it is not clear what will happen when those props are withdrawn. The foundations of China's strong growth are open to question. Household indebtedness remains very high in many countries. There is no solution in sight to excessive US fiscal deficits and public debt. The clearest economic fault lines run through European public finances, the single currency project, and the European banking system.

This session will focus on the fiscal policy issues, and in Europe's case, the related risk to the euro. Is the current emphasis on fiscal 'austerity' correct? If not, what is the alternative? What is the right balance between tax hikes and expenditure cuts? Are European institutions doing enough to contain the crisis through monetary initiatives, the stabilisation fund, and the fiscal compact? Is stronger economic integration essential to the viability of the euro?



THE CENTRE FOR INDEPENDENT STUDIES

The Centre for Independent Studies is a non-profit private sector public policy research institute. Its major concern is with the principles and conditions underlying a free and open society. The Centre undertakes research in the areas of economic, foreign and social policy.

In encouraging competition in ideas, The Centre for Independent Studies publishes a range of research papers and policy monographs, hosts lectures and seminars on topics of public concern, and issues a quarterly magazine, *Policy*, that reports and comments on public affairs.

For more information please visit www.cis.org.au.

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CONSILIUM IN THE NEWS

The Australian, 31 March 2009

'Hayek Hatred a Handy Dog Whistle' by Janet Albrechsten.

“Rudd certainly knows the CIS well enough. Over the years, he and many Labour MPs such as Craig Emerson, Lindsay Tanner, Wayne Swan and Julia Gillard have attended CIS functions, including Consilium, it's premier annual gathering in Queensland.

For them, it was an initiation into the serious world of ideas: a gathering for grown-ups, in stark contrast to the childlike followers of Australia's largely irrelevant but numerous progressive think tanks.”

The Australian Financial Review Magazine, 31 July 2009

NFP article by Andrew Cornell, Damon Kitney, and Catherine Fox

“The Centre for Independent Studies [is] the acceptable face of conservative thinking. Its annual Consilium has become a must-attend event.”

The Australian, 5 February 2011

'Emerson Promises to Get Cracking' by Christian Kerr

“On the eve of Rudd's ascension to the Labor leadership in 2006, the pair (Kevin Rudd and Craig Emerson) attended the Centre for Independent Studies invitation-only Consilium conference, described as 'the ideas conference to attend in Australia.' When one spoke, the other could not let his point rest. At times, the air crackled.”

The Sydney Morning Herald 27 February 2012

'How a Fine Romance Ended in a Messy Divorce' by Daniel Flitton

“One such event is known as 'The Consilium.' This annual talkfest run by the free market think tank, the Centre for Independent Studies, attracts the best and brightest from politics, business and research arenas. The debates are private: a free flow of ideas without the inhibition of media glare.”



WWW.CIS.ORG.AU

The Centre for Independent Studies
Level 4, 38 Oxley St
St Leonards, NSW 2065
AUSTRALIA

Ph: +61 2 9438 4377

Fax: +61 2 9439 7310

Email: consilium@cis.org.au