Ten Reasons Why Young Idealistic People Should Forget About Organised Politics

Public Lecture by Mark Latham at the University of Melbourne, 27 September 2005

Let me start with a few thank yous. I want to thank the Vice Chancellor and his university for hosting this public lecture, demonstrating that *The Latham Diaries* have a lot to say about political science and social studies in this country.

I also want to thank Louise Adler and her team at Melbourne University Publishing for producing the book and weathering the storm that surrounds it. As Senator Faulkner always told me, political history is written in books, not newspaper articles. And MUP has published a good-looking and accessible book for the benefit of future historians and students.

But most of all, I want to thank the political and media establishment for the way in which they have received *The Latham Diaries*. When John Howard, the Australian Labor Party, the Canberra Press Gallery, and the Packer and Murdoch empires combine, as they have over the past fortnight, to tell people not to read this book, it sends a powerful message: the Canberra Club has a lot to worry about and a lot to hide.

Thankfully, the reading public are not silly. They are not easily swayed by media hysteria and sensationalism. They know what's going on here: *The Latham Diaries* blow the whistle on the Canberra Club, providing a contemporary, behind-the-scenes account of the many flaws in the system.

This is why the book sold out last week and MUP has had to triple the print run. Universally, as they read the diaries, people are discovering that it is a very different book from the one they have been hearing about in the media. It is full of good humour, reflection and serious analysis about the true state of Australian politics.

Many years ago, I reached the conclusion that there are no ethics or standards in the commercial media. But even I have been surprised by the

long list of commentators who reviewed the book without having read it. And those who have offered critical reviews without admitting that they are, in fact, criticised in the book.

This confirms my belief, as set out in the diaries, that if politics is show business for ugly people, then political commentary in Australia is payback from ugly old men. My long-running arrangement with them still applies: I write fifty words about them and then they write 50 000 words about me.

So, I again thank them for their contribution. They have convinced a significant number of people (well-educated and discerning) to read the book. These days, the public distrust media opinion even more than they distrust the major political parties. Increasingly, they want to cut out the middleman, the unnecessary filter of third party opinion, and make their own judgement, straight from the source material—in this case, *The Latham Diaries*.

My other thank you is to the audience here this evening. I appreciate your interest in the book and the lessons that can be drawn from my political career. That's my theme for this lecture: passing on my experience and advice after eleven years in Federal Labor politics.

In a gathering such as this, I'm sure there are some young idealistic people interested in running for parliament. *I have to say to you, as frankly and sincerely as I can, don't do it.*

It doesn't give me any pleasure to say this, but I need to be honest with you. The system is fundamentally sick and broken, and there are other more productive and satisfying ways in which you can contribute to society. Whatever you do, don't get involved in organised politics. Let me give you ten good reasons why you should do something else with your time.

Number One: The Problem of Public Apathy

There was a time when politics was treated as an honoured profession in our society, but that time has now passed. After decades of ridicule in the media and shameful opportunism and cynicism on both sides of politics, most people now treat politicians with contempt. Only the political class maintains the façade that what they do is important and well respected.

Public apathy has hollowed out our democracy and handed power to a small clique of party machine men. The original ideals of representative democracy—based on mass participation, community involvement and accountability—have been replaced by the work of an elected aristocracy.

How has this happened? I think Marshall McLuhan was correct: the medium is the message. When television became the dominant political medium in the 1970s, it emptied out the intellectual content and idealism of the system, narrowing the politicians into seven-second grabs and media imagery. Just look at the artificiality of modern election campaigning, with everything staged and choreographed for TV. Politics has become a temporary and shallow exercise in spin, something akin to the world of commercial advertising.

Naturally, over time, the public began to see through the phoniness of this system. And how did the major parties respond to the public's cynicism? They became even narrower—in the 1980s, adopting new forms of technology and professionalism to get the message through. Not face-to-face argument and persuasion, but direct mail, advertising and telephone polling. That is, replaying back to the electorate the things people have already told the pollster.

And so the vicious cycle continued: people became even more cynical and stopped participating in politics. By the 1990s, the limited number of Australians that used to belong to political parties and go to meetings had dried up. In the Labor Party, for example, active party membership (as opposed to ethnic branch stacking) collapsed. It became a virtual party, ripe for takeover by the factional chiefs and machine men.

In my old constituency of Werriwa, for instance, there would be no more than fifty active members (devoting more than two hours per week to Party matters). This is a traditional Labor seat, represented by two party leaders and a Federal Treasurer, where only one in every 2500 citizens takes an active interest in Labor politics. My successor in Werriwa had not been to a local branch meeting in twenty years—he was hand-picked by the Sussex Street machine because of his compliance to the ruling Right-wing faction.

This is the state of modern Labor, the oldest political party in the country. I estimate that it has no more than 7500 real members nationwide, enough to fill a small suburban soccer ground. And the Liberal and National Parties are even worse off.

The politicians hate to admit it, but apathy rules in Australian politics. In my diaries I conclude that the electorate is broken into four groups:

- Fifteen per cent of people who are well informed and progressive in their values, caring about community services and social justice—a passionate but limited audience

- Another fifteen per cent who are well informed conservatives: essentially business types, social elites and religious fanatics committed to the status quo in society

- A further twenty per cent who are down and out in society: the chronically unemployed, disabled, mentally ill and isolated—people who are often hostile and bitter about the political system, with good reason

- And finally, the great apathetic middle class that determines election outcomes in Australia—heavily committed to materialism and the consumption of voyeuristic media, but largely disinterested in politics and public debate.

In all the media commentary about my diaries, no one has tried to contradict this analysis, preferring to simply ignore it. If the political class owned up to this basic truth about the sad nature of our democracy, it would be puncturing its own air of self-importance. And that is the last thing they will ever do.

So, ladies and gentlemen, if you decide to join a political party and hope to run for parliament, you need to know what you are getting yourself in for—a sensible precaution. You will find that politics is now widely regarded as a dishonourable profession, ripe for media ridicule, public cynicism and distrust. Inevitably, you will join a party hollowed out by these problems and dominated by an unhealthy subculture of machine politics.

This may be a bleak and pessimistic conclusion to reach but at least it has the virtues of honesty and realism: whatever you do, don't do it.

Number Two: The Loss of Personal Privacy

One of the worrying trends in our society is the rise of escapism. As the relations between people have broken down—evident in the loss of community and social capital—they have sought to escape these

difficulties through the pursuit of materialism and voyeurism. In particular, this is the new religion of middle-class Australia: people reaching for four-wheel drives, double-storey homes, reality television and gossip magazines to find meaning and satisfaction in their lives.

I despair at the cult of celebrity that now dominates much of our public culture. As people struggle with their social relationships, they invariably peer into other people's lives, seeking solace in someone else's reality. The public's thirst for celebrity seems insatiable: witness the power and popularity of reality TV. Anyone can have his or her fifteen minutes of fame while everyone else watches.

This has had a devastating impact on Australia's political culture. Politics is now regarded as just another form of entertainment, ripe for ridicule and prying into politicians' private lives. We have gone down the American path in ending the distinction between public and private, looking at politics through the prism of fame and celebrity.

The media feeds this habit because it sustains their profits. They try to legitimise it through 'the public's right to know' but in practice, they could not survive financially without fostering society's voyeurism. This is what gives the media their mass: everyone knowing what other people are doing, even if it has nothing to do with them.

One of the reasons for publishing my diaries is to let people know how bad the media's voyeurism has become. During my fourteen months as Leader of the Opposition, I had journalists and photographers hiding in the dark outside my home. I had them charging along the beach trying to take pictures of my children playing in the sand. I had them working themselves up into feverish speculation about a buck's night video that did not exist. I had them prying into trivial and untrue things that supposedly happened to my family twenty years ago. I even had the *Sydney Morning Herald* take the unprecedented step of allocating two so-called investigative journalists for two months to research and write up a long profile about my sex life. They didn't find much, of course, but the experience in being researched this way was sickening.

The commercial media do not like my book because it exposes them for what they are: voyeuristic and unethical. For some journalists, the problem runs even deeper. One of the telling aspects of the John Brogden tragedy in New South Wales was the involvement of the same group of media men who took such an unhealthy interest in my private life, namely Glenn Milne, Luke McIlveen and David Penberthy from News

Limited and Damien Murphy from Fairfax. Quite frankly, Freud would have a field day with some of these characters.

Another example of bad behaviour recorded in my diaries was Mark Riley, now a presenter for Channel Seven News, going through Minister Helen Coonan's household garbage bin to obtain documents for a story. It is a terribly degrading and depraved thing for a grown man to do. With the publication of this incident, I expected that the Press Gallery might show some contrition.

Far from it, the Vice-President of the Gallery, Paul Bongiorno, from Channel Ten, defended the practice, saying, 'There's no disgrace getting your hands dirty for a good story. What about rummaging around for the truth?' When I was Labor Leader, Bongiorno would ring my press office every other day, passing on tips and information picked up from the Liberals. I now feel ashamed of this association. Indeed, it makes my stomach turn to realise how badly media ethics in this country have deteriorated. Along with other vermin, they now regard people's garbage bins as fair game.

So if anyone here is thinking of a career in politics, apply this simple test tonight. Go home, walk past your garbage bin and see how comfortable you feel at the prospect of a Mark Riley or a Paul Bongiorno rummaging through your personal items and debris for material they can broadcast to the public. Any normal, decent person would reach the same conclusion I reached: this is a sick culture that should be avoided.

Number Three: The Crippling Impact on Family

During my round of media interviews last week, I heard the story of someone who thought about going into politics and then decided against it. He told one of his friends he couldn't do it because 'he didn't hate his children enough'. This is a wise assessment of the impact of politics on family life and the reason why people with young children should stay out of the system. It's a hopeless lifestyle.

As a politician, I spent a lot of time talking about policies to help people get the balance right between work and family. In practice, I needed some myself. This was an unbearable part of the job. Even during the honeymoon period, my first months as Opposition Leader, I was worried about the way in which politics was overwhelming my family life, colonising my private time. Throughout 2004, the diaries recorded these personal concerns.

The diaries also dealt with the shocking level of media intrusion into our lives. Undoubtedly, this is the worst aspect of public life: the assumption by the media and the general public that they own part of you, that everything you do is public property. For a young family, in particular, this was untenable.

Some political leaders seem to revel in the non-stop attention and busy schedule that these positions provide. I disliked this part of the job, what seemed like an endless series of short and superficial encounters with people—the antithesis of family life. As the former Howard Government minister, Warwick Smith, said to me: every day you spend away from your children is a day you never get back. And in politics, you spend far too many days away from your children.

Leaving parliament behind has been liberating for my health and my family. I have no doubt it was the right decision. I love being a home-dad, although it is pathetic to see the media denigrate this style of life. Last week the presenter on ABC morning radio in Adelaide complained that when my children go to school, I will be sitting around the house doing nothing. I'm yet to find out what planet he comes from.

One of my goals now is to regain my privacy. I will never be anonymous again in this country but at least I can return to a normal life. There is something horribly unnatural about losing your privacy. It's like losing part of yourself and the security and peace of mind that comes from knowing that these things belong to you, your loved ones and nobody else. I spent too many years talking about the importance of the public sector without properly valuing the things in life that are private and personal. I'm now making up for lost time.

Number Four: The Rise of Machine Politics

A recurring theme in my diaries is the corrosive impact of machine politics on the ALP. This is a key point for young people to understand: in becoming politically active today, you would not be joining a political party (in the conventional sense) but a political machine—an oligarchy dominated by opportunism, careerism and acts of bastardry. This is the unhappy story of Labor's culture over the past twenty years.

As Labor's real membership declined, it was relatively easy for a handful of factional powerbrokers to grab hold of the Party in the 1980s. They had the resources of head office and the trade unions to back them and

met little resistance from the so-called rank-and-file membership (which had been gutted by ethnic branch stacking). This was a takeover hostile to democratic principles: they stripped the remaining assets of the Party, turning ALP conferences and policy committees into hand-picked, stage-managed jokes.

A few dozen Party officials and faction bosses now effectively control the organisation: who goes into Parliament, how MPs vote in Caucus and how decisions are made in national and State Party forums. Very few people progress without their say so: through Young Labor, into trade union and State ministerial offices, recruited for future factional and parliamentary service. It's a dense network of influence—full of favours, patronage and, if anyone falls out with them, payback.

You need to be brave and carefree to stand up to them, breaking the code of silence by which machine politics operates. That's what my diaries have done. Politicians who write books after they leave parliament usually offer sanitised versions to the public. They are still on the gravy train, hoping to benefit from the system's largesse.

In my case, I have no desire to be the Ambassador to Spain or Head of the Water Board, so I can speak freely and give an honest account of events. The system doesn't like it, of course, as it threatens the status and power of a generation of machine politicians, hangers-on and media pretenders. But I say that's a good thing. I walked outside the system and believe the public has got the right to know what goes on inside it.

Many senior Labor people privately agree with my analysis of the Party, but are too scared to speak openly for fear of retribution. Let me give some examples:

- In January, Jennie George, the Member for Throsby and former ACTU President, wrote to me, saying that, 'Politics is a brutal business. I thought the union movement was tough, but this was no comparison to the internal dysfunctional culture of the ALP'. Brutal and dysfunctional—apt descriptions of the way in which the Labor movement operates.

- In February, Barry Jones, the ALP National President, wrote to me as follows: 'The major problems in the Party are systemic, essentially caused by the stranglehold on recruitment by the factions, which remain as cancerous as they were when Hawke and

Wran used that term in their 2002 review'. Two more apt descriptions—'systemic' and 'cancerous'.

- Two weeks ago, a Federal MP from Victoria wrote that, 'I hope the sensible things you have to say about the state of the Party are not subsumed in an orgy of banal trivia whipped up by the media, as it is indeed in a parlous state, particularly in Victoria'. A sharp analysis and prophecy.

- Last week, a Federal MP from one of the smaller States emailed me as follows: 'I actually feel positive about what I have read so far (in your book) and in the longer term, you may have given the Labor Party a last gasp at reforming itself before we go the way of the British Liberals in the 1920s'.

- And just yesterday, another email, from a Labor frontbencher: 'Congratulations on the book. If anything it is mild, compared to what goes on inside the Party … In particular, we need to do something about the number of union hacks winning pre-selection for the Senate. This just adds to the stultifying impact of the factions'.

While it is sad to see Australian Labor degenerate so badly, this issue also needs to be understood in its broader context. Political scientists have identified machine politics as a persistent problem for social democratic parties.

Fifty years ago, in his book *Political Parties*, Robert Michels argued that prominent Left-wing movements inevitably fall under the influence of paid officials and apparatchiks, men more committed to the bureaucratic control and administration of the party than the radical transformation of society.
The party machine offers its own rewards, in the form of careerism and enhanced social status. Over time, these benefits become an end in their own right. Idealism and ideology are superseded by the internal contest and maintenance of power—an intractable problem.

My experience inside the ALP replicates the Michels model. As the diaries show, I thought about these issues for nearly a decade but was never able to find a feasible solution. Others might have more success in the future, but my conclusions then, as now, are overwhelmingly pessimistic. I cannot see a way of overcoming the machine men and their influence.

Number Five: The Politics of Personal Destruction (Labor-style)

As the factions have taken control of the ALP, they have perverted its political methods. Dissidents and independent thinkers have been systematically attacked and marginalised by the party bosses. What the powerbrokers cannot control, they will destroy. And they are not too fussy about how this might be achieved. It has produced a culture that Graham Richardson brazenly popularised as 'whatever it takes'.

Nothing is off limits. Personal matters are seen as fair game and are frequently used to hound the vulnerable into submission. This is now the ruling culture inside the Labor Caucus, with the many factional and sub-factional chiefs spending all day on the phone, gossiping, plotting and spreading rumours about their so-called colleagues. It is the politics of personal destruction.

My diaries detail the tragic impact of this culture on Greg Wilton. Five years after Greg's death, it was time for the truth to be told. The immediate response of the Canberra Club was instructive: they went into denial, with the media insisting that if Kim Beazley had cried about Greg's death in the parliamentary condolence motion then surely, as Leader of the ALP, he would have contacted and comforted Greg behind the scenes. Greg's sister, Leeanda Wilton, has confirmed the truth of this matter and highlighted the burning paradox about Beazley: an impression of public decency, offset by the private reality of indecency.

I have no doubt that, over time, people will also come forward and confirm the nature of his personal smear against me. Notwithstanding the threats and intimidation of the ALP machine men, too many people know about this matter for it to be kept inside the Party.

For instance, after his conversation with Beazley's campaign manager, Robert Ray, in late 2003, John Murphy was so disturbed by what he had heard that he sought reassurance about my character from two senior Caucus members. I have spoken to both of them and there is no way in the world Murphy was worried about my record on Liverpool Council, as he is now claiming. The matter concerned a sexual harassment smear against me.

Again, it has been instructive to watch the media reporting of this issue. It reveals the self-centred, know-all nature of so many journalists, believing

that if they did not see or hear something in Canberra, it could not have happened. I cite three examples:

- In the *Sydney Morning Herald* on 3 September, David Marr wrote that, 'The allegations swirling round Mark Latham at the last election—sexual harassment (etc)—were not being leaked to the press by his very many enemies in Labor ranks. They were pushing other complaints but not these'.

- In *The Australian* last Saturday, a Sussex Street press secretary, Brad Norington, wrote that, 'No complaint was pursued, no dirt file kept and the (sexual harassment) issue lapsed (in 1998)'.

- Two Saturdays ago in the same newspaper, Matt Price wrote that, 'Perhaps I move in the wrong circles but not once did I hear any scuttlebutt about Latham's personal life from colleagues, opponents or anyone else'.

Have no doubt, one of the circles Matt Price has moved in for many years is Annabel Crabb's—in fact, few journalists in Canberra are closer friends. Marr, Norington and Price look silly, however, when one reads Crabb's assessment of the sexual harassment smear, emailed to me in March:

> This was, for years, quite a persistent rumour among Labor people. I should say I heard the rumour a few times over the years but only ever from Labor people, and usually as part of a colourful diatribe against the Latham character from known detractors.

It will be interesting to see how Crabb deals with this matter in her forthcoming book on Labor in Opposition. Better still, when she launches the book later this week, Crabb should identify the 'Labor people' involved.

In practice, the politics of personal destruction, in all its sickness and perversion, is now a regular part of the Canberra culture. The only rational, effective way of dealing with it is to avoid it like the plague.

Number Six: The Politics of Personal Destruction (Liberal-style)

The John Brogden tragedy has shown that the culture on the other side of politics is just as bad. Even after he had resigned the Liberal Party leadership, Brogden's enemies inside the Party were still trying to destroy

him. Then they moved on to spreading rumours about a leadership contender, Barry O'Farrell, with claims about a magazine supposedly found in his office twelve years ago. More sick puppies in the sick world of Australian politics.

No one should be surprised about this part of the Liberal Party. Any organisation that has Bill Heffernan in a senior position—the right-hand-man to the Prime Minister, no less—is obviously comfortable with the politics of personal destruction. As John Hewson has written, 'Howard has used Heffernan to distribute dirt and to run his agenda against individuals for almost as long as I have known him'. Given that Hewson has known Howard for more than twenty-five years, this behaviour is well entrenched.

After his disgusting campaign against Justice Michael Kirby, Heffernan's papers should have been stamped 'never to tour again'. To see him reinvented in the media these days as some kind of romantic, rough-riding Australian original is appalling. For me, Heffernan's perverted obsessions with sex are the antithesis of what Australian male culture should be about.

Increasingly, normal people, especially those with young families, will steer clear of a political system dominated by the likes of Howard and Heffernan. The political class in this country is narrowing into two types of characters: the flint-hearted machine men who are happy to do whatever it takes, and the freaks and weirdos of the Religious Right, with their sexual hang-ups and policy obsessions. This is happening on both sides of politics in varying degrees.

Number Seven: The Entrenched Conservatism of Australian Politics

These trends are making the work environment of Australian politics incredibly conservative. This is one of the important themes in my book—the way in which the system tries to push people into a culture of conformity: the acceptable way of thinking and expressing oneself. The key power-blocs of modern politics—the party machines, commercial media and business establishment—try to foster this one-dimensional approach. They like their politicians to be cautious, predictable and easily brought under control.

Multi-dimensional characters, vibrant and progressive in their beliefs, are seen as a threat to the status quo. They may do something radical, disturbing the existing order of things and its vested interests. Have no

doubt: the elites who have accumulated power and privilege in our society will always fight hard to maintain it.

By and large, they have been highly successful. Over time, our national political culture has become more timid and uniform. Just look along the benches of the Australian Parliament: it has lost its larrikins, its true Australian characters. In their place sit the bland white-bread politicians, the true Tories of parliamentary life.

Please understand the extent of this problem, the forces lined up against you. All the influences, all the messages in modern politics are conservative:

- The media are just another form of commerce, so they support the status quo in society. They see stability as good for the business environment, good for commerce and their advertising revenue—institutionalised conservatism. Their journalists are simple souls, not too keen on extensive research and original analysis. They like the one-dimensional characters in politics because they are nice and easy to report. In their world-view, anyone who swears, has a dig and stays up past 9 p.m. looks like a dangerous radical.

- The system is also conservative about ideas. In the academic world, the process of responding to new evidence, revising old findings and reaching fresh conclusions is known as learning. It is celebrated as intellectual growth. In politics, it is demonised as wild and erratic. A century ago, Australia was seen internationally as a social laboratory. Today, we live in a conservative backwater.

- The political machine men only preserve their hierarchy of command and control if the people below them always comply. The values and methods of party politics have become very insular. Anyone genuinely interested in innovation and risk-taking is stigmatised as mad and dangerous. The system now has zero tolerance of radical policies and those who advocate them.

Number Eight: The Arrogance and Incompetence of the Media

More things need to be said about the media, serious problems that can make public life unbearable. My diaries deal with these issues in detail:

- The arrogance of the media—the significant number of proprietors, broadcasters and journalists who regard themselves as political

participants, much more than observers. Most politicians, of course, are afraid to take on this problem, deciding not to tell the truth about the media because they might need them in the future.

- Indeed, the worst relationship in the media is the dependency relationship formed between the party machine men and selected journalists. The machine men provide access to strategic leaks, polling and other forms of 'inside' information and, in return, the journalists run their line for them. This is one of the reasons why 'off-the-record' reporting has become so prevalent in Canberra—a weird form of secret society in which journalists now use more anonymous quotes than on-the-record information.

- Another corrosive media practice is the relentless trivialisation of public life. Big, serious policy issues are seen and presented through the prism of conflict and personality politics. Increasingly, the media use politics to entertain the public, rather than inform them in the traditional sense.

- Finally, on this point, anyone going into politics has to deal with an extraordinary level of media incompetence—basic errors of fact and misreporting. In part, this is a by-product of the voyeuristic culture: whatever the media do not know about you, they will simply make up. This is the one industry I know of where the more mistakes people make, the more likely they are to be promoted.

Number Nine: Social Problems Require Social Solutions

In this lecture I've been critical of Australia's political culture, but this issue also needs to be seen in its broader context. I regard party politics and the media as public manifestations of a bigger, more serious problem—the loss of social capital. If families and communities are falling apart, if people feel alienated and empty in their relationship with others, if the bonds of social trust and support are weak, it is hardly surprising that our political parties are dominated by self-serving oligarchies.

Without a strong base of social capital, it is relatively easy for a small group of people to control and manipulate the political system. They simply fill the gap left by the paucity of public participation and community activism. History tells us this is how hierarchies of power are established and sustained. The weakness of our democracy is a function of the sickness of our society.

Traditionally, left-of-centre parties have tried to achieve their goals for social justice by tackling various forms of economic disadvantage. Today, however, the biggest problems in society, the things that cause hardship and distress for people, tend to be relationship-based. They are social issues, not economic. The paradox is stunning: we live in a nation with record levels of financial growth and prosperity, yet also record levels of discontent and public angst. The evidence is all around us:

- The extraordinary loss of peace of mind in society, evident in record rates of stress, depression and mental illness

- The breakdown in basic relationships of family and community, generating new problems of loneliness and isolation in Australia. The traditional voluntary and mutual associations of community life have all but disappeared, replaced by home fortresses and gated housing estates

- The appalling incidence of crimes against family and loved ones: sexual assault, domestic violence and the sickness of child abuse

- And the spillover of these problems onto the next generation of young Australians, in the form of street crime, drug and alcohol abuse and youth suicide.

A striking aspect of this phenomenon has been the way in which it has affected all parts of society, regardless of their economic standing. Poor communities, after several generations of long-term unemployment and financial disadvantage in Australia, now face the further challenge of social disintegration, a loss of self-esteem and solidarity. Thirty years ago, these communities were financially poor but socially rich. Today, they face poverty on both fronts.

While the middle class in Australia has experienced the assets and wealth of an unprecedented economic boom, its social balance sheet has moved in the opposite direction. The treadmill of work and the endless accumulation of material goods have not necessarily made people happier. In many cases, it has denied them the time and pleasures of family life, replacing strong and loving social relationships with feelings of stress and alienation.

This is the savage trade-off of middle-class life: generating financial wealth but at a significant cost to social capital. Thus, social exclusion

needs to be understood as more than financial poverty. It also involves the poverty of society, the exclusion of many affluent Australians from strong and trusting personal relationships.

These changes represent a huge shift in the structure of our society. The role of the market economy has expanded, while community life has been downsized. Today, when Australians see a social problem, they are more likely to pursue a market-based answer than a community solution. This has led to the commercialisation of public services and the grotesque expansion of market forces into social relationships. It has weakened the uniquely Australian institutions of mateship and egalitarianism.

Unlike other forms of capital, social capital is a learned habit. It exists in the experiences and relationships between people. If people are not able to exercise their trust in each other, they are likely to lose it. This appears to be the unhappy state of modern Australian society. The relationship between international markets and local communities has become imbalanced. For too many citizens, global capital has become a substitute for social capital.

In my experience and study of the new middle class, people have a particular way of dealing with this problem. Sure, they would like to find a solution to a range of problems in their community, but their faith in our system of governance is so weak, they have no expectation that this is possible. It is inconceivable to them that various forms of political and civic action might make a difference. They become resigned, therefore, to a weak set of social relationships.

In these circumstances, people tend to withdraw further from civil society and pursue other forms of personal recognition and self-esteem. The politics of ‘me’, the individual, replaces the politics of ‘we’, the community. People try to escape from these relationship-based problems by turning inwards, pursuing temporary and artificial forms of personal gratification—hence the rise of materialism and voyeurism.

The crisis in social capital is also a crisis for social democracy. If people do not practise mutual trust and cooperation in their lives, they are not likely to support the redistributive functions of government. If they have no interest or experience in helping their neighbours, why would they want the public sector to help people they have never met? Indeed, the dominant electoral mood is to take resources away from other people and communities, as evidenced by the rise of downwards envy in Australia.

In my diaries, I often agonised about these issues, trying to find ways of making the social democratic project sustainable. After a decade of research and analysis, my conclusions were bleak. The task of social reformers is extraordinarily difficult, if not impossible. Not only must they rebuild the trust and cohesiveness of civil society, they also need to motivate people about the value and possibilities of organised politics. If and when these formidable tasks are completed, they then need to win majority public support for a sweeping program of social justice.

The pillars of conservatism in our society have a much easier task: supporting the status quo and scaring people about the uncertainties of political change. They have no interest in generating public enthusiasm in politics and the reform process. This is what binds the ruling class together: the shared interests of the conservative parties, the commercial media and other parts of the business establishment in preserving the existing social order and its concentration of power in their hands.

Is today's Labor Party, built around its own hierarchy of conservatism and machine politics, going to challenge and overcome this system? Not that I can see. Even if it were hungry to take on the ruling elite, I doubt that the Party would embrace the appropriate reform program: grassroots policies to rebuild social cooperation and mutuality. Labor politicians come into parliament to take control, to pull the levers of public administration. They support a top-down process of governance, based on an expectation that politicians and political machines can direct and control social outcomes. They are not familiar or comfortable with the methodology of social capital.

Community building sits outside the conventional methods of party politics. Whereas public policy relies on a sense of order and predictability, the work of civil society is spontaneous and disorderly. Whereas governments try to have a direct and tangible impact on their citizens, the creation of mutual trust relies on processes that are diffuse and intangible. There is no point in passing a Social Capital Bill and expecting it to make people community-minded.

Trust occurs as a by-product of the relationship between people. It is not like a well-ordered machine, whereby policy makers can pull the levers and mandate a particular result. The best they can hope for is to influence the social environment in which trust is created. They need to see themselves as facilitators of social capital, rather than controllers of social outcomes.

This is best achieved by transferring influence and resources to communities, devolving as many decisions and public services as possible. Real power comes from giving power away. But this is not how the parliamentary system works, especially a machine political party. Powerbrokers try to capture and control the authority of government, not give it away. They believe in the centralisation of power, not its dispersal. The square peg of Labor politics does not fit into the round hole of social capital, an insoluble problem.

So the most effective contribution people can make to our society is at a community level: in rebuilding social capital, improving our neighbourhoods, joining social movements and helping local charities, sporting and community organisations. Social problems require social solutions. The answers are not to be found in organised politics.

Number Ten: The Sane, Rational Choice

Finally, if you don't believe me, take the advice of the biographer, Michael Duffy, who knows my experience well. Last weekend, he wrote that:

> It remains the most extraordinary thing about Latham that he voluntarily walked away from the leadership of the ALP. Indeed, it is one of the most unusual actions ever by any Australian politician. It made him a class traitor, that class being the only one that matters any more in politics: the political class. The diaries have merely compounded the original offence, which was to reject what that class regards as most important: politics itself.
>
> Some members of the political class, incapable of understanding this have suggested that Latham is insane. However, from the outside it looks the opposite: it looks like an act of supreme sanity. People involved in politics spend a lot of time these days talking about how bad it has become.
>
> Latham is not unique in this regard (although the scale and insight in *The Latham Diaries* are new and important). But most of the critics don't seem to take what they're saying seriously, because they stay in there. But Latham did take that decay seriously.

Ladies and gentlemen, you too should take it seriously. If you are a young, idealistic person, don't get involved in organised politics. Contribute to your community, your neighbourhood, your immediate circle of trust and support. This is the best way forward for a better society.