lobbies, as Kayoko Tsumori, Peter Saunders and Helen Hughes pointed out recently in the CIS Issue Analysis paper, Poor Arguments. A Response to the Smith Family Report on Poverty in Australia.

Early in his book, Norberg sets the theme: '... the most important thing of all is liberty itself, the independence and dignity which autonomy confers on people who have been living under oppression' (p. 23). He now praises capitalism—secure property rights, free contracts and a government that does not play favourites all the time. 'Bill Gates and Madonna earn millions ... by offering software and music which a lot of people think are worth paying for' (p. 59).

He attacks border controls most passionately, and he has his former anarchist and Green anti-globalisation mates in his sights, when he argues that 'free trade is by nature fair trade because it is based on voluntary cooperation and exchange' (p. 108). 'Free trade and mobility ... make the poor richer and the rich also richer, but the rich do not grow richer as fast as the poor do' (p. 128). Dick Smith and the Buy-Australia lobby should read pages 108-120, where Norberg highlights masterfully the absurdity of self-sufficiency. Trade ministers should likewise read these pages: 'Politicians say that they will consent to reduce a tariff only on condition that others do the same. This is fundamentally irrational, because we ourselves benefit by reducing our tariffs and being able to import cheaply ...' (p. 116).

On the environment, Norberg draws on that other Scandinavian rebel against blind left beliefs, Bjorn Lomborg, whose book was reviewed by Richard Stone in the Summer 2001-02 issue of Policy. 'Pollution does not increase at all with growth, instead it presents an inverted U-curve ... when prosperity has risen enough, the environmental indicators show an improvement instead' (p. 215). '... certain of the raw materials we use today ... would not suffice for the whole of the world if everyone consumed the same things. But that information is just about as interesting as if a prosperous Stone Age man were to say that, if everyone attained his level of consumption, there would be not enough stone, salt and furs to go round' (pp. 218-219).

Of the Tobin tax on foreign-exchange transactions, that fad of the anti-globalists, he writes that it 'will lead to a general reduction of the return on capital, and it will cause capital-starved countries to have less access to capital' (p. 239). 'The small tax which is sufficient to disrupt the everyday, healthy functioning of the financial market would not be sufficient to prevent [major exchange-rate speculation]' (p. 241). Like so many ideas that anti-globalisation groups such as the anti-trade Attac movement, are promoting on the internet, the Tobin tax would hurt the poor in third world countries. Paradoxically, they would damage the environment out of continuing poverty and an inability to invest in conservation. The Tobin tax only makes sense when you become aware that UN bodies would harvest as much as US$ 100bn in revenue (p. 242).

Not surprisingly, this lapsed and sceptical anarchist has come to the conclusion: 'Liberalise, Don't Standardise!' (p. 261).

Reviewed by Wolfgang Kasper

Postscript


**Elections: Full Free and Fair**

Edited by Marian Sawer


FULL, Free and Fair? As the reader progresses, it is clear that the omission of the question mark from the book’s title is deliberate. The collection of 14 papers seeks to demonstrate that elections in Australia can generally be considered full (the universal franchise), free (few impediments to voting or running for office) and fair (the result represents the voters’ intent)—at least by international standards.

The book is not a light read; the text is dense and the illustrations spasmotic. Its appeal will be to the reader with at least a basic background in electoral politics, as well as to students keen to flesh out the detail of particular themes in Australian electoral history. Those with a more general interest in political history may find much of the content at a depth beyond their needs, or may choose to limit themselves to particular chapters of interest.

Four broad themes are covered—the development of the electoral process in Australia, current issues with the process, the evolving role of the Australian Electoral Commission, and how Australia’s democratic institutions rate in an international context. The whole combines to leave the reader impressed with Australia’s role as a pioneer in the development of democracy and electoral machinery, more aware of some key issues, but concerned at the potential for interference in the system for partisan purposes.

The early chapters show how colonial Australia was an incubator for electoral reform ideas, some of which were subsequently taken up in Great Britain and elsewhere across North America and Europe. These chapters contain a number of
engaging stories (for example, about the Chartist movement), anecdotes, and characters. Among the latter are Charles Jardine Don, an MP who worked as a stonemason during the day and as a member of the Victorian Legislative Assembly at night, and a certain Henry Richard (HR) Nicholls, who was, part of an intellectual coterie that dabbled in socialism, internationalism, republicanism and secularism. His 'radical creed underpinned by atheism', Nicholls played a leading role in a 'movement that culminated in the rebellion at Eureka'. One can only marvel at the extraordinary road to Damascus that Nicholls must have travelled in subsequent years, judging by the views of his modern day followers!

Current issues dealt with include enfranchisement (for both voters and candidates), the payment of politicians, the funding of elections, voting systems, and types of voting systems. Two key issues, compulsory voting and the use of proportional representation (PR), are given due consideration, given their place as longstanding issues of contention.

In her chapter, Lisa Hill addresses the importance of preference flows, cutting across a broad range of industry, comparing the earth-shattering conclusions. The reader can learn about the increasing importance of preference flows (the 2001 Federal election, after the book’s publication, would provide a counter-example to this thesis). Also covered is the Australian Electoral Commission’s extensive contribution to democracy in the region, the history of the maintenance of electoral rolls, the accessibility of voting facilities and the integrity of the count. Chapters on female and indigenous Australian participation in the process are provided. Almost inevitably, the ubiquitous constitutional historian Helen Irving pops up to praise the foresightedness of the framers of the Constitution in ensuring democratic electoral provisions.

Two chapters towards the end of the book place the Australian experience in an international context, and in doing so add considerably to the academic nature of the tome. Arend Lijphart provides a quantitative analysis of Australian democracy, focusing on its federal and ‘majoritarian’ (broadly, the power of an Executive to govern) characteristics. Australia’s similarity to Canada and the US will surprise few educated readers. Pippa Norris surveys public confidence and pride in Australian political institutions, and contrary to what we might perceive from the media, finds that Australians rank their institutions relatively highly. Another interesting finding is that compared to other federations, Australians were less dissatisfied about the power of the central government, and that dissatisfaction actually fell slightly between the mid-1980s and mid-1990s. While Australians rank highly the ability of their politicians to keep promises (a ranking boosted by the number of post-communist Eastern European states surveyed), they are relatively less highly trusting of public servants—a sobering thought for my fellow Canberrans.

In the book’s final chapter, Jupp and Sawer survey how the development of the party system influenced the development of the electoral machinery, cutting across a broad range of themes covered earlier in the book, such as enfranchisement and voter compulsion, along with other issues such as campaign financing and...
electoral fraud. They conclude that the merits of the Australian democratic structure had been tempered by the overt influence of major parties, in that the characteristics of the main players in the system (professional males from the majority culture) have barely changed over time. The key to improving the democratic structure lies in encouraging internal diversity within the parties (for which Jupp and Sawer give credit to the minor parties) and to more stringent control over party access to finance.

A book of limited length will inevitably leave out some events and issues. In the last quarter century, a number of events of relevance to the study of electoral systems have occurred. These include a change in the system of the Senate, and the length of parliamentary terms, have arisen. Of particular interest to some is the ability of parties to form government without even receiving more than 50% of the two-party preferred vote (1998 Federal election).

Some discussion of these in the relevant chapters would have added to the book’s pertinence. Already in 2002 the issues of the powers and voting system of the Senate, and the length of parliamentary terms, have arisen. Others, such as compulsory voting, do so from time to time. For those seeking to put such issues into context, this volume would provide a more than useful primer.

Reviewed by Peter Taft

The Precautionary Principle: A Critical Appraisal of Environmental Risk Assessment
By Indur M. Goklany
ISBN 1 930 86516 3

The precautionary principle has become an established component of international environmental forums and the spirit of the principle is increasingly evident in national environmental policymaking and judicial decisions. It has enjoyed great success among environmentalists and bureaucrats, who revel in its wide-ranging interpretations which can be selectively applied to suit almost any situation.

The basis of the precautionary principle is the fundamental idea of inter-generational equity—that the need to conserve biodiversity should be the basic constraint on all activity as to ensure that the current generation can leave a no-less impoverished environment to future generations.

A widely-used and popular definition of the precautionary principle can be found in the Wingspread Declaration:

When an activity raises threats of harm to human health or the environment, precautionary measures should be taken even if some cause and effect relationships are not established scientifically. In this context, the proponent of the activity, rather than the public, should bear the burden of proof.

The argument appears compelling. The basic principle of inter-generational equity is a sound moral principle that few would seek to question. Many people—environmentalists and others—favour the ‘absolutist’ requirements of the precautionary principle where no consideration for the social or economic costs of an activity is made. Others note that there never can be absolute certainty or safety and that it is irrational to apply the precautionary principle, which also limits technological progress. Such limitations are counterproductive in achieving the ultimate goal of wisely using and protecting our natural resources.

Indur Goklany, however, does not seek to enter the debate regarding the rationality of the precautionary principle but assumes it as a viable means of policymaking. He concerns himself with the application of the principle in solving various public health and environmental dilemmas. As one of America’s leading authorities on risk assessment, Goklany applies risk assessment to the specific environmental issues of DDT, genetically modified (GM) crops and global warming. The book’s aim is to evaluate and develop policies for the three case studies to ensure that they do not ultimately cause more harm than good.

Goklany identifies six hierarchical criteria to construct a precautionary framework for formulating policies where an action could lead to uncertain benefits and uncertain harms (or costs) to public health and the environment. These criteria are:

1. Threats to human health, especially the threat of death, should take precedence over threats to the environment.
2. More immediate threats should be given priority over threats that could occur later.
3. Threats of harm that have a higher certainty should take precedence over those that are less certain.
4. For threats that are equally certain, more weight should be given to those that have a higher expected cost—which might be measured in expected deaths or lost biodiversity, for instance.
5. If the technology is available to...
Poverty is increasingly recognized as a global phenomenon. Annex I Goal 1 and Goal 10 poverty-related targets and indicators in the 2030 Agenda for Sustainable Development. While the Compendium presents important concepts and definitions, it also pointed out that the state of the art and the very unequal availability of statistical instruments across countries were not conducive to the preparation of a universally applicable handbook at that time. The Canberra Group handbook on household income statistics (UNECE, 2011) presents the concepts and components of household income, describes country practices and provides guidance on quality assurance and dissemination. It also includes a brief section on the analysis of income poverty.