



Regenerating Integrity and Trust in Australian Institutions

Academy of the Social Sciences in Australia
ANNUAL SYMPOSIUM

13 November 2018 – Canberra



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The material in this report is a slightly edited version of the comments made by speakers on 13 November 2018. Most did not provide written papers, and the comments that follow are transcribed from the audio-tapes made at the Symposium.

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Symposium Program

Tuesday, 13 November 2018 The Shine Dome, Canberra

8.15 am ARRIVAL & CHECK-IN

8.45 am **PRESIDENT'S WELCOME**

Professor Glenn Withers AO FASSA, Academy President

8.55 am **CONVENOR'S INTRODUCTION**

Professor Adam Graycar AM FASSA

9.00 am **SESSION ONE: Mapping the problem**

Master of Ceremonies: **Dr Adam Masters**

Facilitator: **Ms Michelle Grattan AO FASSA**

Panellists:

Ms Michelle Grattan AO FASSA

Mr Scott Ludlam

Professor Stephen Parker AO

Dr Cassandra Goldie

Mr Grant King

Perspective:

MEDIA

POLITICS

HIGHER EDUCATION

COMMUNITY

BUSINESS & INDUSTRY

Discussion + Audience Q&A

10.30 am MORNING TEA

10.50 am **SESSION TWO: Leadership & trust – it begins at the top**

Professor Leon Mann AO FASSA

Dr Nicole Gillespie

11.20 am **SESSION THREE: How do the social sciences deal with studying integrity, corruption and trust? Perspectives from different disciplines**

Facilitator: **Professor Glenn Withers AO FASSA**

Panellists:

Professor Garrett Cullity FASSA

Dr Kath Hall

Emeritus Professor Leslie Holmes FASSA

Professor Naomi Soderstrom FASSA

Professor Frank Bongiorno FASSA

Professor Valerie Braithwaite FASSA

Professor Fiona Haines FASSA

Mr Ross Gittins AM FASSA

Discipline:

PHILOSOPHY

LAW

POLITICAL SCIENCE

MANAGEMENT

HISTORY

PSYCHOLOGY

SOCIOLOGY

ECONOMICS

Discussion + Audience Q&A

12.30 pm LUNCH

1.15 pm **SESSION FOUR: A presentation by Stan Grant**

Mr Stan Grant

1.50 pm **SESSION FIVE: Assessing Australia's National Integrity System**

Facilitator: **Professor Adam Graycar AM FASSA & Dr Adam Masters**

Panellists:

Professor AJ Brown FAAL

Professor Janet Ransley

Emeritus Professor John McMillan AO

Discussion & Audience Q&A

2.40 pm AFTERNOON TEA

3.00 pm **SESSION SIX: Where to from here? Regenerating trust and posing solutions**

Facilitator: **Professor Jane Hall FASSA FAAHMS Academy President-Elect**

Panellists:

Ms Melinda Cilento

Mr Scott Ludlam

Professor Stephen Parker AO

Professor Val Braithwaite FASSA

Mr Stan Grant

Professor Adam Graycar AM FASSA

Dr Cassandra Goldie

Mr Ross Gittins AM FASSA

Discussion & Audience Q&A

4.15 pm **PRESIDENT-ELECT'S SYMPOSIUM CONCLUSION**

Professor Jane Hall FASSA FAAHMS, Academy President-Elect

Introduction to the Symposium

Each year, the Academy of Social Sciences in Australia's Symposium addresses issues of national importance. In 2018, the failing trust in Australian institutions,¹ and the need to re-address integrity formed the core theme. Coupled with recent Royal Commissions into the institutional abuse of children and the finance sector, the challenge to regenerate both integrity and trust in Australian institutions has a greater imperative than ever before.

The Fellows of the Academy of the Social Sciences in Australia recognise and respond through their disciplines to matters of national concern. In its November 2018 Annual Symposium, the Academy brought together the social sciences to bear insights on the loss of trust in public and private Australian institutions that poses unacceptable risks to our civil society.

Media sources have been quick and persistent in identifying everything from incompetence to malfeasance in the institutions that we have come to trust. Our banking system, our government, our educational institutions, religious organisations, charities, businesses, professional sports... all have been found wanting in ways that lessen our trust in them, make us cynical and threaten our hope for the future. Can trust be restored, by what means, and how long might be required to regenerate the trust upon which a civil society depends?

The symposium posed three main questions, and a series of related questions to disciplinary representatives of social sciences, government, business and civil society.

What is the problem? Is trust eroding? Why has trust in Australian institutions been in decline recently? Do we trust our institutions less because they are not what they used to be? But then, can our institutions be what they used to be in a changing world? Do we want our institutions to be relevant to the 20th century or the 21st century? Is the lack of trust the new normal? Is it a case of regulatory capture – capture of bureaucratic processes by organisations? Given the downsizing agencies and outsourcing of public services have we traded an ability to deliver integrity for economic efficiency? Who wins and who loses? Does anybody win?

The exploration of these questions highlighted some of the key trust and integrity issues facing Australia. Those present heard how the Executive government had done itself great harm in the eyes of indigenous Australians by rejecting the *Uluru Statement from the Heart* – despite having called upon indigenous peoples to voice their needs.² The empirical evidence demonstrated the broader community similarly mistrusted political parties and the Federal government.³

For whom is it a problem? What harms are generated from eroded trust and integrity? Which institutions are most vulnerable to the erosion of trust and integrity? Which institutions point toward measures for improving trust and integrity?

How to respond? How can the social sciences contribute to an improved integrity framework? What can be done to build existing integrity frameworks? Do we do more to understand and act on unexplained wealth? How do we improve the quality of leadership?

The social sciences have and continue to be active in improving Australia's integrity framework. Research has shown the critical nature of the relationship between leaders and those they mentor as future leaders – 'trust is the glue that holds the relationship between the mentor and the mentee together.'⁴ Moving from the micro to the macro, the lack of a federal ICAC, or any semblance of bi-partisan support for one has not prevented social scientists from developing a series of policy options and models to fill the perceived gap in the national integrity framework.⁵

Shifting from government to governance, the role of corporate culture moves away from the hierarchical role of leadership – generally found in Boards of Directors, to the less formal role of culture, which influences the day-to-day activities of business.

In his opening remarks, **Professor Adam Graycar** made the following comments about mapping the problems that the Symposium addresses:

We are meeting today to talk about trust, integrity and corruption. If trust and integrity are diminishing, what can we do about it, and if corruption is increasing, what can we do about it? Without trust and integrity within our society, our institutions will not function well. If we have corruption in our institutions, all our policy, all our social science researchers do in public policy, will be totally undermined because what we are doing will be going the wrong way. If ethnic and cultural divisions are fostered, our society will be diminished. Globally, we see political leaders with unexplained wealth; we see political leaders fostering ethnic and cultural divisions. When we have unexplained wealth, when we have cultural and ethnic tensions in our societies, trust is diminished. We see for example, in the most powerful nation on earth a President who tells lies to his people, who has conflicts of interest which simply wouldn't be tolerated in modern societies, who pays considerably less than his fair share of taxes, and who has undermined the integrity of some of his agencies like the Environmental Protection Agency or the Department of Justice. The question is, are we headed down the same path? Is there a hint of this?

However, if there is any hint of it, what do we do to stop the slide?

When I travel to international conferences, people say "you are so lucky to live in Australia where there is no corruption...", because I work in the corruption field. Well I say, it is not quite like that. People in Australia can go ahead with their daily lives without the fear of being shaken down by a corrupt public official. However, we have strong momentum for the establishment of a national anti-corruption or integrity agency. There is unease that there is a diminution of trust.

In the last couple of years, we have seen the banks stealing from customers. We have seen bankers displaying the ethics of ruthless predators; we have seen our religious institutions abusing the trust of people who look to them for support; we have seen indigenous people betrayed; we have seen Prime Ministers undermined and dispatched; we have seen Ministers for Education not trusting the academy in terms of the judgements that it makes; and we hear calls for a return to the good old days.

However, were the good old days that good? Are we hankering for 20th-century institutions in a 21st-century world? It is important to look forward and to re-tool and redesign, and not just look back and lament. Is trust really eroding? Or is the diminution of trust the new normal? Secondly, has bad leadership always been with us and are we doing well because we are exposing it publicly and calling it out? Thirdly, how can the social sciences contribute to an improved integrity framework?

SESSION 1: Mapping the problem

A media perspective: Michelle Grattan

Trust we can confidently say is one of the central issues for our society today. Lack of political trust is having a corrosive effect on our democracy, and it needs to be addressed. However, the will and the means to address this problem appears to be missing. To the extent that people lack trust in the media, this contributes to the weakening of the political system – because the media is one of the glues that bind that system together, or – to look at it another way – one of the lubricants to make that system work.

We have not suddenly moved from some golden age of trust to one of cynicism and distrust. Everything was not wonderful way back when. But there has been a well-documented disturbing decline in political trust over decades. The coming of the internet age has deepened problems of trust in the media. Research conducted this year⁶ produced some damning figures on politicians and the media. It found that the least trusted institutions are:

- political parties – 16%
- print media – 29%
- trade unions – 30%
- federal government – 31%
- television media 32%

Our least trusted professions:

- members of parliament – 21%
- ministers of government – 23%
- unionists – 26%
- journalists – 28%

The 2012 ANUPoll⁷ found the armed forces and the police were trusted by more than eight in ten; in contrast, the media was trusted by fewer than one in four. Some 44% had the perception that the media were corrupt – a surprising result despite issues such as cash for comment and the like. However, some of the empirical data is encouraging. Another study⁸ found some recent improvements in trust. That survey found a rise in trust in news; however, trust in news on social media, which is the main source of news for young people, remained very low. The University of Canberra study showed that 38% trusted radio; 32% trusted television; 29% trusted print – while only 20% trusted the web.

Turning to some of the factors that undermine trust in the media. One is the matter of subjectivity. Newspapers long ago gave up any claim to be journals of record. Judgements about whether newspapers or television choose to highlight the right stories will differ depending on the consumers' perspective. That is even often the case when the media outlet is trying to pursue the never quite obtainable goal of objectivity. But much more fundamental to this question of trust is the disruption that has been produced by the arrival of the new media. With the rise of the internet and social media, there has been a dramatic proliferation and fragmentation of the media. This segments audiences as well as raising questions of reliability. This affects our democratic debate. When people were once drinking from a common reservoir, as it were, now there is a tendency by many people to plug into just the stream that suits their views.

With the proliferation of sources, it is easier than before to live within your private media world where your opinions are reinforced, not challenged. In the traditional outlets, we see media in Australia

sharply divided by commercial and ideological interests. This is obvious in the NewsCorp attacks on the Australian Broadcasting Commission (ABC). Not only does NewsCorp regard the ABC as left, from where it sits, but the ABC is a big commercial rival. Talking down rivals can be especially important when commercial media is being squeezed for revenue. The ABC has always been highly regarded by the Australian community and is likely to remain so. It will be interesting to see whether the trust in it is eroded by attacks from a big commercial rival, and from the government.

Another factor with the media when it comes to politics is that they are not just observers, but players too. This has always been the case, but it is more obvious in our media-saturated market, and many people, therefore, have a lack of trust in the media for that reason. There is also much more opinion journalism today. Related to this are the many figures who are their own brand. People who are high profile commentators are likely to take very 'out there' stands, to put it mildly. That is what gets attention – the names Ray Hadley, Paul Murray and Andrew Bolt come to mind. If you reject their strongly stated views you are unlikely to trust them. If you share those views, you may set your political lights by them. We have seen in recent years the controversial *Sky After Dark*, which has come to resemble Fox Media.

One factor in people becoming jaded with the media is that there is too much media – in the sense that we are constantly bombarded – too much noise, too much hype. More is not always better, especially when a lot of it might be termed junk media. The 24 hours news cycle means you need to fill the space, often with speculation based on four-fifths of bugger-all.

Distrust of the media is both a symptom of and an outcome of the general cynicism of our times. Does this distrust matter? It does, if people cannot trust the media, this may reinforce their distrust of the whole political process. Inevitably the media's coverage of politics is skewed toward the negative – but that is often where the stories are, and it further darkens people's views of politics. The media watchdog role, when done properly, inevitably can bring it into face-offs with politicians and governments. We have seen this dramatically in the United States. A politician like Donald Trump will go after the media and demonise sections of it to whip up his supporters against it as he seeks to protect himself against media scrutiny. In Australia, we see a very mild version of this when Scott Morrison dismisses questions by saying "that is the Canberra bubble" – well, of course, he is in the middle of the Canberra bubble.

It is crucial that when the media is legitimately holding politicians to account that they have the confidence of the public. Otherwise, the public may just be persuaded by these embattled politicians to distrust the journalists, just at the very moment when they should see the media as acting in the public interest. Remember, the public will never have one view of the situation. Some people will be supporters of the media, others will think it is part of the so-called swamp, another cohort will appreciate the media's role, but be critical of its shortcomings.

When it comes to the task of restoring trust in the media, I wish I could bring you a set of obvious prescriptions. Unfortunately, they do not seem to exist. Media should be accountable for what they do. However, using the power of government to get some of that accountability runs into issues of free speech immediately. There are already regulations that oversee electronic media – yet this seems to have had little effect on parts of the media. On self-regulation, the Press Council of Australia is a toothless tiger and is itself subjected to attacks, especially from NewsCorp. The internet is largely ungoverned and ungovernable, but there is mounting pressure on companies like Facebook to be more socially responsible – we will see what happens.

There is a paradox. The new media world has given citizens power to be just that, active citizens with access to more information than ever before, and greater opportunities to put forward their views. However, this opportunity for people to interact has also allowed or even encouraged outpourings of bitterness and hate. The internet gives participants a forum of unprecedented scale where gatekeepers do not exist or can be bypassed. So far, we have not found a way to get the benefits of the internet while dealing with its social costs.

A politics perspective: Scott Ludlam

Last July, I wrapped up nine years in the Senate, and I have been in politics for around 20 years at a state and federal level. The question of trust and integrity in political institutions are old questions that probably go back as far as the foundation of settled agriculture and cities. They are being faced with increasing urgency by people around the world. At the outset for us, it is worth acknowledging how high the stakes are.

On the other side of the world, a crisis in trust in the political machinery and the institutions of democracy in Brazil have seen the election of Jair Bolsonaro, which coincided with a wave of warrantless police raids on universities across the country, interrogation of professors and academics, and the seizure of anti-fascist literature, as it was seen as prejudicial of Mr Bolsonaro's chances of winning the election. Brazil is a proximate example of how distrust in the machinery of democracy and the machinery of state can be exploited by the far-right to consolidate political gains that can be very hard to reverse.

In the US, there is another very sharp, contemporary example of how mistrust can be exploited by the very people who have been sowing that mistrust to capture and then hollow out the machinery and the institutions of the state.

I have spent the last seven months travelling around the world researching a book that engages in these questions in part. Speaking to academics, activists, politicians and journalists from all over the place to try and get a sense of how much we have in common, but also to reset my bearings on how these things are unfolding in a uniquely Australian way. So, we do not have armed police crashing our conference today. But I think we should be grateful and protective of that fact and we should never take it for granted.

When I think about trust, particularly trust in institutions, what comes to mind is "how wide is the gap between what a thing says it does and what it actually does?" If an institution or a politician is saying one thing, and clearly or covertly doing something completely different, then you do not trust it. This runs much deeper than our shallow and degraded politics. The current government was willing to risk an escalation of violence in Israel and Palestine, and potentially put Australian diplomats in harm's way, to swing a few votes in a by-election. That is a sign of deeply untrustworthy individuals – it was done quite brazenly, and it has all quietly gone away now. It was a stunt, but such a high-stakes stunt and it is a deeply untrustworthy gesture.

The Great Barrier Reef Foundation caper is another example. In one way, we can be fortunate because they are so bad at it is that it makes it a little bit easier to analyse and pull it apart – but that gap between what something says it will do and what you expect it to do, and it is actually doing, is where the seeds of distrust are sown. So, the government, in a constitutional democracy, the people whom we place in positions of executive power, are meant to govern for all. Representatives are meant to hold the public interest in trust. What we know and became very evident to all of us and became quite sharply evident to me in the course of my work over the last couple of years is that much of Australia's foreign policy, and our placement and standing in the world is not set in that building. It is established in Washington DC. Much domestic policy is conceived of, and articulated, and orchestrated from corporate board rooms – not from Parliament. So, you automatically have a gap between what a democratic institution say that they have carriage of and what is actually going on.

The causes of this distrust run very deep. I will put one proposition – that our government and our institutions over the last 30 or 40 years have been turned from their originally constituted purpose of serving the interests of the public to serving the interests of private capital. Where these interests coincide for a while, you can get away with it. But these interests are divergent in irreconcilable ways. Universities, for example, were established hundreds of years ago in some parts of the world thousands of years ago for the purpose at varying times of public education, fearless inquiry of research, critical thinking, informing policy-makers and driving innovation. You convert an institution like that into a

for-profit organisation and its priorities re-align – not all at once, but slowly over time. Capital eventually imposes a form of parasitic loss on public institutions and institutions that it slowly captures. We can see this operating in different ways to greater or lesser degrees of extremity in different parts of the world – in health care, in transport, in urban planning, in things like childcare, even in defence. We have US Defence contractors sponsoring exhibitions in our own War Memorial. Which I remember – as a child coming here for the first time – as a place of immense solemnity. Now it has advertisements for Boeing and McDonnell Douglas on some of the conference rooms and areas there.

Michelle Grattan has already addressed media issues, and I do not think it is a coincidence or an oversimplification to point out that the trust in the ABC rates vastly higher than the trust in the commercial platforms – particularly the NewsCorp stable, which is quite brazen in the fact that it uses its media platforms as a weapon to advance its commercial interests. Why should you trust that? Distrust in this context is entirely rational in my view, it is adaptive. It is entirely understandable – I wish that there was less trust in some of our institutions. That there would be more political reward than for standing up to mass surveillance, and for attacking cryptography standards that protect private communications in Australia and around the world. So I do not necessarily think we should see distrust of deeply compromised institutions as a bad thing. It would be, in my view, scarier if we still trusted some of these institutions.

I found a quite handy little guidebook by Tim Snyder *On Tyranny*⁹, his second point was to defend institutions, his first point is ‘don’t obey in advance’ it can be very costly, but it is essential to resist the things that are eroding and undermining trust in institutions. The ANU fossil fuel divestment¹⁰ a couple of years back, I know that was very hard on people here, but it also lit people up, and it is tremendously inspiring when people who are in a position of influence that are high up in institutions do make a public stand. Keep pressing the case for the boring, but essential nuts and bolts of public accountability. A national ICAC or integrity commission or whatever it is we end up with; pressing ahead on donations reform; on transparency around the activities of lobbyists on Capital Hill; and defend social movements where we often find the people are out front of institutional actors. This will be messy and controversial.

We can see from studying social movements throughout history that it is not going to start in Parliament House. In fact, they will be amongst the very last people to get it. The campaign for marriage equality is one recent and important case study of how the politicians by-and-large were the last ones to the party. This was led by social movements. Trust comes when it is deserved. If we look at the basic principles of deliberative democracy – at the risk of oversimplifying – we can see the seeds of some more highly evolved forms of democratic practice than the Westminster machinery that we have inherited. There are a couple of things on the short-list to make those processes of much more active and direct democracy to work.

One is full participation – where you start to flatten out the differences in diversity between the old white men sitting up on Capital Hill and the incredibly diverse nation of which we are privileged to be part. Particularly the imbalance in gender, but the representation of Aboriginal people and people of colour; and differently-abled people. It has taken a very long time for the people on Capital Hill to start to reflect the diversity of this country. So full and meaningful participation is the first.

Second is access to information – the information well is being deliberately and strategically poisoned. This whole fake news phenomenon is designed to obscure and conflict with the collective intelligence. One provocative example is radical transparency initiatives. The organisation of Wikileaks took the core DNA of empire, of war, of capital and dumped it into the public domain for journalists and campaigners to pick over and decide for themselves. That is an entity that has come under dramatic attack.

The third thing is executive power – If people do not feel that their participation is meaningful and engages with the machinery of governance they will disengage. They will wait for a demagogue to show up to tell you that he will fix everything up. The interests of private capital do not make that deliberative democratic short-list – it is not that it is unimportant, but it is not on that short-list. Trust comes when it is deserved.

Thanks for the opportunity to be part of this discussion. Today I will speak from a business perspective.

I would like to begin by pointing out perhaps what might be obvious, and that is the difference between companies and business as an institution. The basis for some of my comments is something called the Edelman report which is one of the most oft-quoted and cited reports on trust.

But I will quote some information out of that report. The interesting thing is that when it comes to companies they are well trusted:

- 74% of employees trust their companies, which is up 20% on the prior surveys, on the survey results.
- 77 % of respondents agree companies can grow profits and improve social and economic conditions in the economy¹¹.

We know from our surveys in the BCA that while trust in institutions like business has fallen, people still believe that companies create jobs and it is the jobs that people want

We see when it comes to companies, there is quite a different outcome than for business at large. Many of you when you have travelled, stayed in the hotel, flown an aeroplane, taken a holiday, you will now be besieged with surveys asking you to report your experience, driving things called Net Promoter scores. Companies are relentlessly interested in customer feedback, so they can improve the quality of products that they offer.

So, at a company level, much has been done to maintain the trust of employees and customers and many of the survey results show that to be the case. Of course, when you survey business, which is what, for example, the Edelman report and other reports do, trust in businesses declined, as it has in all institutions.

What I want to try and do is address my comments more at this institutional notion of business than the individual notion of companies. Now it is reasonable to say – in fact is very important to say – that every year citizens ought to expect a better outcome, in a modern Western economy like Australia, a modern Western economic democracy like Australia, we ought to expect better outcomes every year. Better jobs, more jobs, decent incomes and a genuine social safety net.

The question is not whether that is a reasonable expectation that is what a modern and well-functioning economy should deliver. The question is how do you do it? I think there was a significant shift both globally, around the time of the GFC, and more so in Australia four or five years ago. I say four or five years ago because when the GFC came along in 2008, Australia did not suffer all that much from the GFC, because there was a boom in commodity prices that supported the Australian economy for another three or four years after that phase.

But a significant turning point was the change in growth rates and both globally but particularly – and I'll confine most of my comments to the Australian economy – a change in growth rates. Now if you read the Economist of a week or so ago, you'll find that the feature article, the headline story, in the Economist was the miracle of the Australian economy¹². I think the opening sentence said the last time Australia was in recession the Soviet Union existed and the Internet did not, and that was the opening sentence. So, the Australian economy has had this incredible run of 27 years of continuous growth, and that is an outstanding record in any comparative global term.

Nevertheless, at one level, certainly, the last four or five years, that growth has become more challenging because while we have seen growth in Australia, a lot of that growth has been driven by immigration. So, our economic growth rate is not much greater than our immigration rate. We like to look at Europe and talk about low growth rates, but with flat population growth, there is not much difference. We know that there has been little or no growth in real wages and these are all issues that the community feels strongly.

There has been a fall in growth rates. In probably the 20 years prior to the last five, six or seven years, growth in Australia averaged well over 3%. It has fallen into the two percents, and that has made quite a big difference in terms of our economy's ability to fund those extra things we ought rightly to expect every year. But I think, more importantly regarding this topic, the conversation has changed from 'how do we share the dividend or benefit of growth?'. Certainly for 20 years through the 90s and into the 2000s, we benefited from a strongly growing economy, arguably off the back of substantial economic reforms undertaken by both sides of government in the 80s and 90s.

A separate matter for discussion is the capacity of governments or the capacity of our governments to undertake genuine economic reform which in the last five, six, seven, eight years has fallen away dramatically. Off the back of those reforms, we saw quite strong growth increase in real wages. It is no surprise that when productivity increased growth was strong and real wages grew. Those conditions fell away.

So, the conversation has changed from 'how do we share the benefits of growth?' to 'how do we transfer what we have?' And that change in the conversation, I think, goes fundamentally to the undermining of trust because the conversation has changed from substance to legitimacy – 'I need something, the only place I can get it from is from someone else, and so I need to put my case relative to someone else's cases'. And we have taken the easy route in that conversation, and that is the route that is driven by a language much more around fear than it is around hurt.

As a result, I think the community is right to be confused because it hears this debate amongst the various institutions but also organisations in society continuing to try and advance their case and their legitimacy by running down others.

I was taught a long time ago as a youth and in business 'do not try and make oneself look good by making others look bad', but that is the trick, the trap, into which we are falling. We run others down rather than seeking the substance and the positive, and I think that is a very unfortunate feature of the national discourse. It is not a discourse based on substance; it is a discourse based on legitimacy. There also used to be an expression that 'you are entitled to your own opinion, but not your own facts', and many of those probably would have quoted that in earlier times. That is, in a sense no longer the case because something oft-repeated and repeated loudly no longer needs a factual basis. It simply becomes a fact by way of repetition, and much of the national discourse is about loudness and repetition rather than substantive analysis of what facts might be best brought to bear to any discussion.

In turning to this language of fear, we see that people's concerns have grown dramatically. If we dive into that Edelman survey, consider the proportion of the community that are concerned about issues around business:

- In global trade, 70% of people are concerned about whether global trade is good for them
- 35% of people fear the global trade is bad for them. A different analysis would say that unquestionably through human history, the growth of trade has lifted people out of poverty and improved economic outcomes and social outcomes for people.
- 60% of people are concerned about immigration and 30% fear that immigration is changing the nature of our society.
- 50% of people fear innovation. Innovation drives productivity, productivity drives rise in real incomes, addresses one of the key issues, which is lack of wages growth.
- 25% of people fear innovation and the impact that it will have on jobs.

So, what is happening is that when one turns to a conversation that targets organisations' legitimacy to have a point of view and feeds people's fears because that is the easier argument to make, again it is no surprise that people do not know whom to turn to and there is a loss of trust.

Sixty-percent of people believe what they find in a search engine rather than a human. That is concerning because when you look at how search engines like Google work, you could rightly be concerned. From a business point of view, Google provides you with tools to get your message to

the top. Google provides you with tools to allow you to be the first thing that someone reads: 'buy my product or service'. But it also allows you to put your message to the top as well. So, it is quite a troubling statistic that 60% of people believe what they read in search engines or what search engines tell them rather than being able to find a more balanced presentation of the facts.

So, there are many factors out there which are, in my view, eroding the confidence people can have in your institutions but I think when we examine this subject, as representatives of various of those institutions – in my case business – we must accept the responsibility we have for the way we have caused that debate to proceed. In my view, we should always, and we are always, better served by trying to turn to substance and facts that we can work with rather than legitimacy and fear.

The question then might turn to 'well what are what we do about it?' and not surprisingly, given my earlier comments, what I would say is that it is a much easier conversation to have if your economy is growing more strongly. The evidence of the last year shows economic growth move into the 3% rather than the 2% range. We saw in the mid-year budget that the dividend of that increased growth was better Commonwealth revenues. We are clearly, I think now for the first time in a decade, able to see some return to a surplus and therefore there is more to share. At the last budget – and I'm not going to pass judgment on any particular aspect of the last budget – but the last budget saw a greater capacity to share through personal income tax, for example, to citizens and there is a reasonable prospect that when the MYEFO that comes out this year, I think will also build even greater confidence that we are returning to surplus.

But we are doing so off the back of economic growth. Economic growth is reducing unemployment, and the evidence would suggest (and we are beginning to see this evidence in the US as unemployment falls below 4%) that as the labour market tightens, I think the RBA has spoken to this very recently, in fact in the last couple of days, that we are beginning to see the signs of wages growth again emerging in the economy.

So, not surprisingly, we would say that if we were having a discussion around substance, we would say one of the most important things we can do is choose those policies and argue for those positions, but put the economy in a sound position. Create a growing economy sufficient to provide the meaningful jobs that our people want, a growing income which of course we would all like and need, and most importantly provide a genuine social safety net for the community.

A community sector perspective: Cassandra Goldie

I was up at parliament house doing media about the slashing of funding for Foodbank. As I was about to go on Sky, the Prime Minister tweeted that there was a reversal of that decision following a major backlash from the community. So there is plenty to say about the trust deficit for the political sphere, there is also plenty to say about the trust deficit and behaviour in business, and why we are at the point we are at.

I am here today to comment on the community sector and the charitable sector. We are a feminised sector. So I am going to start the things that we are not doing so well on, and I will highlight the things we are not doing so well on, and to highlight some of the things that I think important for the charities and the community sector, and then we can go into some broader debates across the whole picture.

Grant King talked about the Edelman Trust Barometer, and certainly if you line up the comparison from politicians, businessmen, media and charities, the charitable sector typically comes out as having a higher level of trust afforded to it in comparison and contrast to politicians – who as Scott Ludlum highlighted, typically rank very low. Also, if we look at this essential poll or also the poll by the Analysis by the Australian Charities and not-for-profit Commission,¹³ again in comparative terms, while the charitable sector ranks lower than doctors and the High Court, we are still relatively well recognised for having trust in the community. It is important for us to recognise that we cannot a) rest on our laurels about that, and b) that the trend is a decline in trust among charities and the community sector. That should worry us.

Some of what I would like to discuss is speculative, but I would like us to consider what might be the factors that are leading to this decline in trust and confidence the community has toward charities and community organisations. One of the obvious areas sees significant examples of very bad behaviour – both historical and contemporary. There are a number of key areas where there has been shocking exposure of very bad behaviour – the Royal Commissions into Institutional Responses to Child Sexual Abuse,¹⁴ and the fact that many charities and FBOs were directly responsible. Similarly, the alarm about bad behaviour in aged care, and that has triggered [the Royal Commission¹⁵ into Aged Care Quality and Safety and] what is going on in that sector. These are obvious examples of where you say one thing, you say you are values-driven, we are mission-driven, come to us, and we will look after you, when in fact your behaviour is extraordinarily the contrary of what you are promising to do.

There is a second trend that is leading to this decline in trust and confidence. Both by design and through government policy, a significant gutting of the capacity of small community-based organisations to be at the forefront of the delivery of great community services, and a privileging of large, corporatised big machines delivering community services and increasingly through a for-profit business model. There has been government policy to do that. Competition policy is not a new thing in human services; it is alive and well and has been for more than twenty years.

A key example is the *jobactive* employment services system. ACOSS recently did a survey¹⁶ about people's experiences of *jobactive*. It was shocking to hear the voices of people. The language was not even 'we don't trust you anymore', but these were organisations that were seen to be abusive, to not care, to be all about self-interest, to be making a profit off the back of people who were really, desperately just trying to get a job. Of course, the corollary of the so-called business model is that unless you are very careful as a larger organisation, you increasingly are not delivering community services with stable, ongoing human relationships. Trust is a very human instinct – who am I going to see today?, will you be the same person next week?, do I have a relationship that can grow, that you are somebody I know who will faithfully turn up and be there when I need you? The business model increasingly is at a low unit cost, that can digitise the application of labour, so you never know who is going to turn up for example in a particular design around home care – for people who are trying to stay at home as they get older – they do not know who it is going to be today.

Transparency

I am very proud that the community sector and the charitable sector has not ducked and weaved away from greater regulation, but has advocated for the establishment of the Charity regulator. ACOSS and others wanted to be transparent about using tax deductions, about ensuring that if you did not know whether a charity was legitimate, you would be easily able to find who they were and to track them down to have confidence in them being a legitimate organisation. Again, I think there are key developments that have begun to undermine the sense of transparency.

One example, because the Gender Equality Council is out talking about the gender pay gap – which is not only chronically persisting, but in some sectors is widening – I am aware that increasingly the charitable sector does not disclose pay rates when it advertises jobs. Increasingly the sector has taken the position 'that's our business', increasingly using private sector recruiters – where is the money going? what is going on? – a sense of the question marks over whether the money coming into the community sector is going to the mission and purpose of that organisation – this is a question we have to pose for ourselves.

Related to that is a sense of some significant politicisation of the charitable sector and the community sector. We really must watch this. Some of this is being driven by the context in which the community sector is endeavouring to operate. One of the tests about trust is that your behaviour should be consistent with what you say. There has been a significant decline – we think – in which charities and community organisations are prepared to speak up, and stand up for, and be part of the public debate, and to have the back of the people who are more vulnerable in the community. This is not – from many

conversations I have had with people in my sector – where charities want to be. However, it is the so-called chilling effect, that we have seen from a raft of behaviours by the Federal Government in our context that has led to a chilling effect on charitable organisations. The notion that if you speak up and you are critical of the federal government for its treatment of the people with whom you are working with daily, that you will lose your own funding, which you use to provide the high-quality services that many charitable organisations do provide.

So, at ACOSS, we are certainly consistent in saying that community organisations speak up on behalf of the people with whom we work. In many cases, the issues that people are working with on the ground are directly related to systemic problems, and the Foodbank example is a classic one. One thing I note is that Food Bank recently published an excellent report which provided the big picture of food insecurity in Australia.¹⁷ The fact that four million people in any given year are experiencing food insecurity. Foodbank highlighted one of the key reasons for that is because the Federal government will not increase the level of NewStart. In other words, Foodbank did its job of being a high-quality community organisation with all its experience on the ground, stood up to have the back of all the people with whom they were having daily contact or the services with whom they worked.

The fifth fact which I will flag is the extent to which we are taking the human out of human services. The digitisation of human services is inevitably going to lead to less ability for people to know people with whom they are dealing. Are you the government? Are you collecting data on me? What are you going to do with it?

Finally, I think this context about poverty and inequality, and power relationships in society, which affect community organisations like all the other public institutions. The more we have, and we do have significant growth of the accumulation of wealth for people who are already wealthier in the Australian community, and the fact we have one of the highest rates of poverty of any wealthy OECD country leads to people in the community feeling more at risk. This then has a corrosive effect in terms of people's sense of the balance, of the power dynamics in the dealings between the various parts of public policy, that do affect the daily lives and experiences of people in the Australian community.

A higher education perspective: Stephen Parker

The former Chief Justice of Australia Sir John Latham, when still a politician, met Mussolini in the 1930s. Latham was telling Mussolini about the Australian Constitution, and the power of the High Court to declare legislation and executive actions invalid. Mussolini is said to have listened and at the end asked 'yes Mr Latham, but how does the court get its order, with such far-reaching effect, obeyed? Does the court have an army or an enforcing agency?' Latham responded 'no, Mr Mussolini, it doesn't work that way. The court simply pronounces its decision, and it will be obeyed. That's how the system works.' Mussolini replied, 'truly, Mr Latham, your answer is remarkable. You have anarchy in your system.'

Well, this exchange has stayed with me since I read about it maybe 20 years ago, and I used it in a study for the Commonwealth called 'Courts and the Public', which was fundamentally about how the public confidence in the independence and integrity of the court system is central to the maintenance of justice in a liberal democracy. This is one of the few views about institutions I still hold strongly.

I think the purpose of this opening mapping session is for speakers to put some confronting ideas out there so from this point on I think I will depart from orthodoxy. Speakers were asked in their briefing notes, and I am sure rightly, that there is declining trust amongst Australians in government. I am sure that is right, but we were also told the challenge is to regenerate the integrity and trust in Australian institutions, and that it is a greater imperative than ever before.

Before turning to my topic – higher education – I would just like to question this, partly on the grounds that some institutions have proved to be so unworthy through their behaviour that I doubt I would

believe a word they say anymore, and partly on the grounds that the basis for institutions in earlier societies might now be decaying. Well, I will not dwell on the behaviour issues, although they have been alluded to – they are well ventilated in film and royal commissions, which suggests that some are little more than benign fronts for crime rings.

But the basis for having institutions at all today needs some discussion and leads into my points about higher education. It is common for those institutions which are also organisations to be explained and justified in terms of their structure, function, and culture. Well, I have had a reasonably long acquaintance with structures and restructures of organisations to be wary of any claims that a particular structure is natural or inevitable.

Often it turns out to be about featherbedding, preserving privileges, or reaffirming a view of the world. A function can also be viewed, cynically, as masking a different underlying purpose. Clark Kerr, the architect of the University of California system, defines universities as faculty entrepreneurs brought together by a common grievance over car parking¹⁸. That he said was their true function. But that is an internal perspective. From the outside I can quite see the past functional arguments for institutions, rather like Ronald Coase's theory of the firm¹⁹, institutions may in the past have reduced transaction costs, relieving people of the need to undertake their own risk mitigation, because they could trust in their integrity and so on. Moreover, still, on function, institutions can also reproduce themselves over time, adjusting to circumstances, rather than needing to be created afresh as conditions change, which is in a way efficient.

I wrote a book on the history of marriage and cohabitation since the Industrial Revolution²⁰, while here at the ANU, which was very much along these lines. However, new technologies are enabling direct relations between creators of value and new end-users. They are disintermediating exchangers. They are stripping out layers of cost and they are possibly eliminating rent-seeking behaviours. If blockchain really does stack up, and if the world's electricity supply can power all these packets of data being distributed, it seems that the trust function of some institutions could be obsolescent.

We see disintermediation with the collapse of large corporations once thought to be institutions. We have seen it with the Encyclopaedia Britannica. We see it with much public administration. We are seeing it even in civil justice where ADR – alternative dispute resolution – is being replaced by ODR – online dispute resolution. The third lens on institutions, culture, is no less problematic. How often does culture turn out to be other than it appears? At the risk of really attacking religion, the recent Ethics Centre report on Cricket Australia's culture²¹ is an interesting read, particularly to someone from my ethnic origins.

I do not see higher education as an institution, although that is an interesting question. However, I do see universities as institutions. In fact, they might be very interesting examples: still held in high regard by most; still the aspiration of many, whether prospective students, teachers or researchers. Huge economic players, the combined revenue of Australia's public universities has now reached 30 billion dollars. They are drivers of Australia's third-largest export industry, international education, and so on.

But back to the lenses of structure, function, and culture. Do we need 40 of them and do we need them where they are now? Do we need them when they are incapable of amalgamating with each other although the arguments seem compelling? Do we need their internal structures? If one were starting afresh and designing a university, would one design them as they are now? My answer is probably no on all accounts, or at least it is now.

The function of universities might seem obvious, but there are huge advances in learning technologies – not just staring at screens but via headset experiences of group discussions that transcend the globe and so on. Will we really need so many expensive capital-intensive entities in the middle between syllabus and student? The University of Oxford academics who pioneered the Woolf University²², which claims to be the world's first blockchain University, clearly think not.

I actually buy a University's research function more than their teaching function. The market will always fail in pure research, but the teaching function is more in doubt. I understand the arguments about the cohort effect, the socialisation function for young people gathering together talking about Nietzsche dead into the night...maybe... but it is only 30 years ago since a mere 10% of the population went to universities. What did the rest do? Did they walk around saying if I could only meet another human being?

Which takes me into culture or at least social class. Participation by low SES students has edged up in recent years but is still low, and it is very low among those institutions which above all see themselves as 'institutions'. Arguably their function is better described as the reproduction of advantage, grooming further privilege onto the already privileged. This invitation to stir the pot a bit has finally made me sort out in my mind the difference between mistrust and distrust. Mistrust is a tendency not to have confidence. Distrust is a complete lack of confidence often based on experience.

I think we should aim for a society with the fewest possible institutions so that those which do persist are clearly justified. I think we should approach all so-called institutions from a position of mistrust and encourage them to earn our confidence.



SESSION 2: How do the social sciences deal with studying integrity, corruption and trust? Perspectives from different disciplines

A philosopher's perspective – A philosophical treatment of integrity and trust: Garrett Cullity, University of Adelaide

My own work in moral philosophy does not specifically focus on integrity and trust. However, what I can offer is an overview of philosophy's treatment of these topics.

Philosophy can help us to clarify what integrity and trust are, the relationship between them, why they are important, and the issues and challenges this raises for attempts to improve them – rather than pronouncing on which methods for achieving this do actually work.

I apologise if any of the following seems obvious, but I think it is helpful to have this in view as background information.

Integrity

Philosophers survey and distinguish the range of different ways in which we use 'integrity' as the name of something important.

A common view is that personal integrity is primarily a matter of consistency or coherence – of possessing, advocating and acting on a consistent set of values.

However, in professional and institutional contexts, what we are looking for clearly involves more than that. (Openly advocating and consistently acting on your personal self-interest is not what we are looking for in a person with professional integrity.)

The challenge in giving an adequate account of professional integrity is to find a way between two views that are not quite right: it is more than just having a set of values and sticking to them, but less than having the correct values. (You can respect someone for their integrity while thinking that some of their values are mistaken.)

The core of an adequate account emphasises three things. Professional integrity is primarily a matter of:

a **commitment** to conducting oneself in the ways that can be **justified** to others as **reasonable**.

It is not simply a matter of caring about being able to come up with a justification for your conduct if you are challenged to provide one. It involves having and acting on a commitment to doing what is reasonable, whether or not one is actually called on to justify one's actions to others.

This then gives us a simple rule of thumb for determining whether someone is acting with integrity: a daylight test. Are you conducting yourself in a way which could be defended to others as reasonable, when fully exposed to public view?

Whether you have integrity is a matter of whether you are concerned to conduct yourself in a way that you could reasonably defend when subject to that test and do conduct yourself in that way – without needing to be subject to it.

This leaves room for disagreement about the sorts of motivation that are consistent with the possession of integrity.

I am on the side of those that say that it is consistent with the possession of integrity that you are motivated by the prospect of shame in the event of exposure. I think that is relevant to what could count as institutional methods of improving standards of professional integrity.

Trust

Again, philosophers' accounts of this vary: they debate whether it should be seen primarily as an attitude or an action, and so on.

But again, there is a common core.

Trust involves those forms of willingness to depend on others that meet two distinguishing conditions:

- (i) we are vulnerable to those we trust in the event of non-performance
- (ii) we lack a method for monitoring their performance.

This does not mean that it is not possible to institute a method for monitoring performance, but trust pertains to circumstances in which we have not actually instituted one.

Typically, the second condition arises in professional contexts through relying on those who possess the expertise to exercise it in one's interests, where one's own lack of expertise makes one unable to verify whether they are doing so.

The main values of trust emphasised by philosophers are:

- (i) It enables cooperation (with all the advantages that brings).
- (ii) It reduces transaction costs by doing away with the need for costly monitoring.
- (iii) They especially emphasise a third point, because its importance is often overlooked: relationships of trust are themselves valuable, independently of the further instrumental benefits they bring.

This is most obviously true in personal relationships, but it is true of professional ones as well – and of trust in trustworthy institutions. It is an important form of social capital.

The Relationship between Integrity and Trust

This is obviously close.

In trusting someone, what we impute to them is integrity.

Integrity is a commitment to acting in the ways a reasonable monitor would require of you, without the need for the monitoring to motivate you. It is the disposition not to exploit opportunities for the abuse of trust.

Integrity is necessary for trust to make sense. It is one of the two fundamental components of trustworthiness. (The other being competence.)

Given this relationship between integrity and trust, we get to an important conceptual point:

A regime of close invigilation and monitoring cannot itself amount to the securing of either trust or integrity – it is a substitute for them when they are absent and is incompatible with their presence.

Of course, it may be required to deal with the untrustworthy. However, it is a second-best arrangement to be resorted to when trust and integrity are unattainable.

In securing us wary cooperation, it can get us only some of the instrumental goods that make trust and integrity important. We get the high transaction costs and miss the intrinsic goods.

Beyond this, there is also an important point about value that we need to bear in mind:

In many contexts, it is an insult not to be trusted. To do this withholds the judgement that you are a person of integrity.

In consequence of this, breaches of trust in professional life produce broader harms.

Obviously, the main victims of professional misbehaviour are those whose trust has been directly exploited. However, in reducing trust in their profession, the exploiters also harm those of their peers who do have integrity: the latter are exposed to the harm of not being trusted.

It is also significant that a natural response to having trust withheld is to react negatively, behaving worse than one otherwise would.

The Challenge

This leaves us with the following challenge:

On the one hand, we need to protect ourselves against the harm that failures of integrity expose us to.

The likelihood of exposure of breaches of integrity must be high enough, and penalties severe enough, to counterbalance the temptations towards the exploitation of trust.

However, on the other hand, over-invigilation carries important dangers.

- (i) There is the danger that increased monitoring will produce a feedback effect: lack of trust produces worse behaviour, which requires more costly monitoring.
- (ii) There is the loss of social capital in depriving us of the relationships of trust that monitoring destroys.
- (iii) Moreover, there is the harm done to innocent professionals in not being trusted: that is not negligible.

I do not want to suggest that this is an intractable problem. In general, it points us towards a division of labour. We need to rely on professional associations to monitor their own professional culture (protecting their members from collateral harm through the misbehaviour of some), and investigative institutions whose job is to be untrusting, creating the conditions in which the rest of us can rationally trust.

In the Australian context, the recent revelations show that our current system of oversight is too weak.

However, as we strengthen it, we need to bear in mind the dangers I have mentioned: (i)–(iii) above.

A lawyer's perspective: Kath Hall, Australian National University

My area is law, and interestingly not a lot has been said about law this morning. More in passing than in substance, and that is because when we think about it, law is about setting standards of behaviour, minimum standards of behaviour, and then about creating processes that attempt to ensure that those standards of behaviour are met. When we take words like integrity and trust they do not have a lot of resonance within law specifically, but within the broader frameworks of law.

I am going to take each word and make a comment on how law responds to these words in both a formal sense and then perhaps in some challenges. Integrity for law is very often about integrity of systems. Law often responds to whether systems are transparent, whether their processes are effective, whether the processes conform with the standards of behaviour that we are looking for, and so on. For example, we have integrity in the legal system. Integrity in the legal system and the courts is very much about access to justice, which is one of the key issues in Australia that is crying out for reform. We also have integrity within the judiciary, within the legislature as a law-making institution, integrity within

companies, integrity within the legal profession. Again, as I said, law in many of these instances creates a proxy for integrity through a focus on process, and we continue to see process as being increased accountability, and compliance is increased across these areas.

Interestingly I will just point out one area in which I think integrity has been linked with diversity, which is within the judiciary. So, we have seen for example an increase in male and female judges across Australia as an attempt to deal with integrity within the judiciary through processes and membership.

Nevertheless, integrity is ultimately not an issue that the law regulates per se. So, let us move on to trust. Trust is something the law focuses on primarily. If one thinks about it, other than focusing on systems, the law is about individuals. It is about individual behaviour. By and large the law does not regulate organisations or institutions per se, and so because the law is mostly about individuals, it is less commonly about relationships. Trust is about relationships.

However, there are key areas in which the law does regulate relationships, and I think we again, perhaps, do not pay enough attention to how the laws' regulation of relationships could be used in institutional contexts. For example, there are relationships of trust within churches, within businesses, within banks, that exist within law, and I think the law can be a useful tool in regulating those relationships through principles of trust.

The final word is corruption. Now, unlike the first word which is essentially in law interpreted to systems, the second word of trust to relationships, corruption is very much about behaviour in law. Law does identify certain behaviours as corrupt. This again is both a positive and a negative. It is useful in the sense that, unlike trust, corruption has been defined in particular ways. It has been defined as bribery, conflict of interest, false accounting, fraud, and so on. However, there are also limitations in how corruption is defined, which means behaviours fall outside the realm of law.

My final comment is to throw open some challenges to the current discussion today. Law is in transition, and we heard a reference to that this morning in the context of private regulation. Increasingly the power of the state has been reduced, and the role of private regulators – whether we talk about multinational companies, international organisations, NGOs, standard-setting bodies, and so on – has grown, which creates a challenge but also an opportunity for regulating behaviour.

Secondly, I think it fits with the challenge to the state that there are also challenges to the power of traditional institutions. Again, the church, international organisations, banks, universities, and so on. So, to just finish with a reference to my area, which is transnational regulation of corruption, I think there are few areas of law these days – and certainly in terms of political pressures around the issues that we are seeing, raising issues of trust in Australia – there are a few areas of law in Australia today that are not influenced by global pressures, transnational corruption being one of them. So, what we have seen is that this issue of trust, which is about the trust of our national corporations operating overseas, has become increasingly an issue within Australia because of pressure from global organisations and developing states. Again, I think this opens up a possibility for re-envisioning the power of law to influence areas and behaviours that we think are fundamental to trust, but also how we regulate one of the most powerful organisations that we have talked about today, which is the multinational corporation.

A political scientist's perspective: Leslie Holmes University of Melbourne

I teach a 24-hour class on corruption, so to condense that into five minutes is quite a challenge, but we will see what we can do. The law says obviously corruption is a significant problem today, and AJ Brown, who is speaking later, is looking at the way Australia is slipping somewhat in the Corruption Perceptions Index, the world's most famous annual survey of Corruption Perceptions. It affects all sorts of areas, I cannot go into those details, but just to remind you, things like the environment, the cutting down of trees and so on, smuggling of rare animals and plants that involve corrupt officials.

We have got centres in Australia – two of the best-known are the Transnational Research Institute on Corruption at the ANU²³, and the Public Integrity and Anti-corruption program²⁴ under AJ Brown up at Griffith University. Political science has all sorts of divisions, all of which relate to, and investigate, different dimensions of corruption. For instance, international relations, defence studies, comparative politics, development studies, public policy, and even political theory. We will be touching on political theory and political philosophy in the first presentation.

What can political science contribute? For a start, we are trying to refine our understanding of what it means. Some of you know that what is usually seen the gold standard of anti-corruption conventions, that of the UN which was originally adopted in 2005, does not have a definition of corruption, because the people who framed it could not agree on one. What else can we do? There are all sorts of measurement techniques that we have devised, and we continue to refine those. Most recently, we have been going in for experiments, both field and laboratory-based experiments. For instance, looking at gender: are women likely to be less corrupt than men? Do they have different attitudes towards corruption than men? Other things we do include policy advice to NGOs, to governments, on definitions on measuring and on raising awareness. I am amazed at how many politicians do not seem to understand what a conflict of interest means. I was also asked to talk about great research in the area. There are so many, therefore I will be highly selective. There are people like Mauro on the negative income impacts on economies²⁵, Donald Treisman,²⁶ whom I think is still the best analyst of the causes of corruption, and because we are looking at trust, today I must mention someone I have worked with, Eric Uslaner at the University of Maryland²⁷. Within Australia we have got AJ on whistleblowing²⁸, Adam Graycar and Tim Prenzler on countering²⁹, Grant Walton who is looking at corruption in PNG, and one person I must mention, who recently took up a chair of International Relations at Cambridge, Jason Sharman.

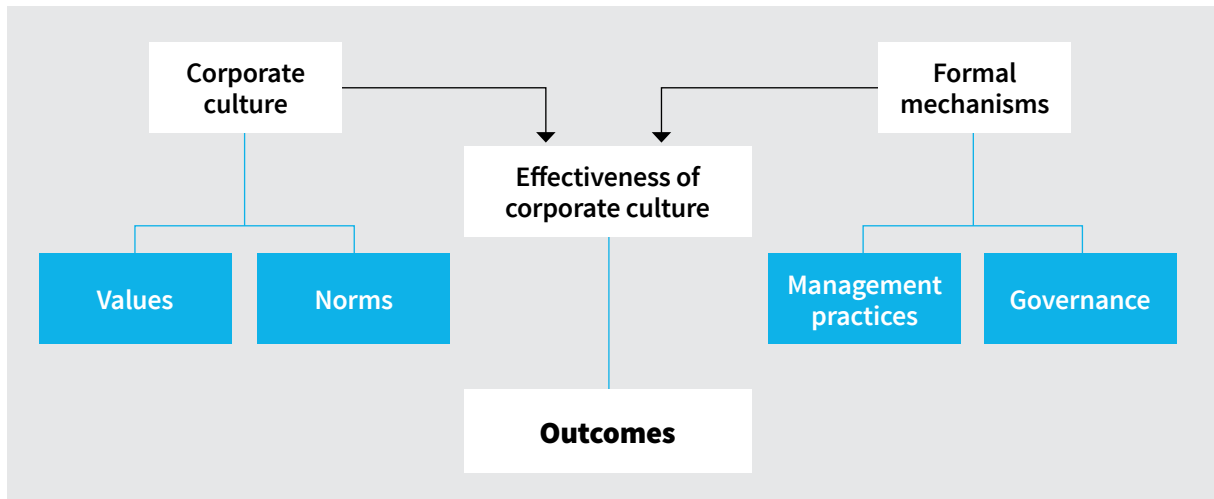
In the last minute or so, I want to discuss what Political Science can do and what we need to refine. I will start by saying that there is obviously no silver bullet. However, we can contribute to debates. At the moment we are contributing to the debate on the federal ICAC. We can contribute to the debate on electoral systems, on how to make us fair, and thereby improve both leadership and public trust. We can look at the role of mass and social media. We can conduct research into the causes – neoliberalism is one that I have looked at for instance. We can look at collusion. That is something else which I do not think has been mentioned yet today. Nor has organised crime. We have just heard about transnationalism. A transnational organised crime group could not get away with nearly as much as it does in drug trafficking, in human trafficking, and so on, were it not for collusion with police officers, border guards, and so on. We can look into what works overseas. I've done some work on Singapore, on the country of Georgia (not the US state of Georgia), both of which had severe problems, and we can learn from them.

We can advise and be consultants. We can train up a new generation. That is one of the things to which I would like to think I am contributing. New leaders make a difference. We have heard about leadership and trust. If you look at Donald Trump on the one hand, and then Xi Jinping on the other hand, we have got two very interesting contrasts, in some ways, in terms of their attitudes towards integrity and corruption.

To finish, political will and capacity is the single most important factor in reducing corruption and in improving integrity. I always say it is political will *and* capacity. Political will on its own is not enough.

A management perspective: Naomi Soderstrom, University of Melbourne

My two areas of interest are sustainability accounting and management accounting. In both areas, we tend to think about outcomes as including more than just financial outcomes, but also outcomes for other entities such as society and the environment. In accounting, in general, we are beginning to realise the importance of corporate culture in achieving outcomes broadly speaking rather than just financial. The reason for this is that corporate culture promotes behaviours that are necessary to achieve the strategy the corporation wants to achieve. The diagram is adapted from a working paper from Duke University headed by Graham.³⁰ They argue that corporate culture is an invisible hand that guides employee behaviours.



Adapted from Graham et al. 2018⁹

We are not ‘big brother’ inside organisations. At some point, individuals must make decisions. They are going to be guided by the culture of their organisation. Culture is made up of both formal and informal mechanisms. Historically the focus of accounting has been on the formal mechanisms of management practices and governance. By management practices, I am thinking about things like human resources policies – getting the right people into the organisation. The kind of incentive schemes we have, the compensation schemes that we have, and the performance measures we have.

We have also been focusing more recently on governance mechanisms in the accounting literature, looking at the board of directors and their role in monitoring what is going on in the organisation. The arguments there are related to the power the chief executive officer has over the board, and whether the board can be an effective monitor of the chief executive officer and making sure that decisions are being made in the broader interest, as opposed to the chief executive officer’s self-interest. What we have found is that more diversity in the board, having more women on the board, having independent members of the boards of directors are important for improving the effectiveness of the corporate culture and improving the effectiveness of the organisation. We see this being echoed in a lot of the regulations all over the world. We see this in Australia with regulations to increase the diversity of boards and to increase the number of independent directors that are on the board.

A problem with relying on the board of directors to control culture is that the boards do not meet every day – they are not in the organisation every day, so they are distant from what is going on in the organisation. This is why we need to rely on some of these more informal mechanisms through corporate culture to help guide through the day-to-day activities of individuals inside the organisation. What we have started to do in the accounting literature is to explore the role of corporate culture in guiding how the corporations achieve their outcomes. One way to think about culture is the values of the culture and the norms inside the organisation. The values are essentially the ideals that the employees strive to fulfil. By norms, we mean the day-to-day practices that reflect the values that are hopefully expressed through the values statements of the corporation.

It is important that this culture, that these values are not mere lip-service. They need to be real values held intensively within the organisation and communicated effectively throughout the organisation. Wells Fargo – which precedes the issues we have had in Australia with the banks – say in their sustainability report they care about their values and they care about their customers. But if you look at their behaviour and their day-to-day decisions, the norms that were in place were norms to defraud both employees and customers. Clearly here you have corporate cultures where the norms do not match the values.

The other thing we need to think about is that all these things interact with each other. So the systems that are put in place can work counter to or with the organisational culture and values. One can think about the banking sector’s very strong incentives to sell accounts, or if one thinks back to Enron, and the

strong incentives for their traders to bring in additional contracts whether or not they were going to be fulfilled. Arguably these very strong incentives are what drove a lot of the issues in Enron.

Culture has to come from somewhere. Leadership is important. We find that in the accounting field culture is really determined by leadership. It is more a top-down implementation of culture – if the right leader is not at the top, your organisation is in trouble. This is where having the right hiring processes is important. Other stakeholders outside the organisation can impact on the choice of CEO – who are the leaders who should come in, and what are the values they should be espousing. External entities can also impact the amount of investment in corporate culture, which is also very important.

On the other hand, leaders are not enough. You have to have integrity as you work down through the organisation because on a day-to-day basis you have individuals inside the organisation making decisions. If there is not integrity among the employees, there is going to be a problem with integrity in the organisation. A Volkswagen manager recently said “We don’t need more compliance experts. We need 100% compliant managers.”³¹ It really does come down to individuals in these organisations.

Business education

When we get the students in our business classes they are between 18 and 22. We cannot teach them values, and we cannot teach them integrity. This has been a long debate in many countries. What we can do is show them settings where they will face ethical decisions. As social scientists we need to pull together throughout someone’s lifetime. Start education early and instil morals. As individuals get older and face ethical decisions they have the tools to face them appropriately.

An historian’s perspective: Australian corruption then and now – What the historians see: Frank Bongiorno, Australian National University

‘[I]t is corruption on a scale probably unexceeded since the days of the Rum Corps’, Geoffrey Watson, SC, told the New South Wales Independent Commission Against Corruption in 2012, referring to a coal scam committed by a number of well-connected Labor politicians and their cronies.³² This was probably unfair: to the New South Wales Corps. Historians understand as well as other social scientists that corruption is context-dependent. It is doubtful whether the New South Wales Corps was notably ‘corrupt’, according to the standards of the day. They were merely military officers pursuing business opportunities, in a manner both lawful and officially accepted as legitimate. The same cannot be said for Eddie Obeid and friends more recently.

No doubt influenced by such revelations, there is no shortage of convincing-looking evidence that Australians’ trust in their politicians is declining. But the very act of polling and surveying about these matters, in a climate where people are repeatedly told by media that they should be disgusted, likely increases the proportion of respondents who find their politicians untrustworthy. This insight forms the basis of Jackie Dickenson’s historical work in this field. She suggests that if there was ever an era in which Australians held their politicians in high esteem – a golden age of political trust if you like – it has so far eluded historians. People ‘say they don’t trust politicians, bureaucracies, institutions and governments’, she argued, but their actions belie their words because they take for granted that bridges and buildings will not fall down, that the health system will look after them, that the schools will educate their children, and that their benefits will be paid.³³ They do not need to pay a bribe to get a driver’s license, although there have been occasions when they have needed to do so to get a coal license. But most people, of course, do not seek coal licenses

So, how can we approach this issue in a way that recognises the validity of survey data while adding the historical depth needed to understand how a political culture works? What does historical literature tell us? Tension is probably inherent in representative democracy, a system in which the very act of election provides a wedge between representative and people, government and governed. However, in the Australian context, the early arrival of democracy and then payment of parliamentarians – beginning

in Victoria in 1870³⁴ – led to widespread complaints about professional politicians making a living from what should be a service. The pledge adopted by the Labor Party was devised as a remedy for the weakness of men.³⁵ It was intended to keep MPs on the straight and narrow after they had been elected by binding them to agreed rules, policies and decisions, on pain of expulsion. Its strict discipline was emulated by the non-Labor parties, if not quite to the same extremes.³⁶

There is also, in Australia, a tradition of anti-political political thought, which probably peaked in the citizenship movements and paramilitary mobilisation of the 1930s Depression era, but it has deeper roots in older, mainly rural-based populisms.³⁷ Anti-political politics has remained a strain in the country's political culture to this day. It was ruthlessly exploited by Joh Bjelke-Petersen, for his political benefit, and in a manner that helped obscure his corruption and that of others. It is the impulse to which Scott Morrison, as prime minister, is desperately appealing today. Voters are supposed to accept that this political professional is really above the triviality of everyday politics, the world he calls 'the Canberra bubble'.

Shifting party loyalties can also be tracked by historians to measure trust. For much of the period from the Second World War until the 1980s, nine in ten – and sometimes more – gave their vote to one or the other of those sides in House of Representatives elections. This has ceased to be the case. At the 2016 election, almost a quarter turned to minor parties and Independents. In a system once dominated by the major parties, this points to one measure of distrust; the movement to minor parties and Independents whose selling point is invariably that they are not like the 'bastards', as Don Chipp called them.

The winding back of the protectionist state in the face of globalisation during the 1980s and 1990s is likely to have contributed to declining confidence. Governments that had surrendered instruments of control – however inadequate they had become – as well as ceding authority to the market, were hardly likely to instil a sense of confidence in their own capacity. Interestingly, the same period was a turning point in the history of systems of integrity, when various Australian governments established bodies aimed at reducing the corruption exposed by royal commissions and other inquiries. It is a confluence worthy of further examination.

The tensions I have explored here are probably embedded in representative government and political democracy, but they take on a distinctive complexion in light of Australian historical experience. Australia's democracy was precocious, so many of these tensions emerged quite early, and they gave rise to organisational forms and rituals that sought to manage the problem of distrust and grapple with the challenge of corruption. Political parties are central to this history. However, the unravelling of political parties – which are themselves subject to a very light touch in terms of integrity systems and the enforcement of democratic norms – has exposed the political system to shocks manifest in turnover of governments and leaders. The result is also an increasingly dangerous political stagnation and a rightful concern about the potential for corruption.

A psychology perspective: Valerie Braithwaite, Australian National University

Five points about how I look at trust through a psychological lens. First of all, people differ in capacity to trust as they differ in their capacity to engage in cooperative and social activities. Trust is socially adapted, generally speaking, and most of us at an early age develop a good dose of it. Erik Erikson³⁸ sets out trust and mistrust as our first stage of psychosocial development. We know this through folk knowledge. Good parenting means being consistent in providing care and being responsive to a baby's needs. We learn to trust through knowing our carers will look after us. They meet our needs, and they do not harm us.

My second point is to draw attention to work by Jenny Job and Monica Reinhardt³⁹ at the ANU, which shows that trust ripples out from trust in family. Trust in family leads to trust in friends to workplaces to neighbourhoods, local authorities, and eventually, more distant government institutions. In Jenny's

research, the institution was the Australian Taxation Office. This work is important in challenging Putnam's idea that trust developed through membership of bridging organisations and social not civic engagement. That is not to say civic engagement is not important, but the point is that family is more important for the development of trust. So, while trust ripples are not like ripples from the stone thrown in a pond, the rippling can meet resistance – trust can be pushed back by organisations or institutions. They send the message we cannot be trusted. That happens through breaching trust norms. Our babies may not be able to articulate dimensions of trustworthiness, but language and life experiences teach us to develop that art.

Third, trust norms are essentially shared understandings of what must be done to be considered trustworthy. They cluster around two themes. First, being dependable, reliable, responsible, and basically doing what you say you will do. We have heard quite a bit about that this morning. Keeping promises if you like. The second cluster relates to social bonding, having empathy for others, sharing the concerns of others, showing generosity of spirit toward others. All of this is about abiding by the principle 'I will not hurt you, I will honour my commitments to you, and support you in any way I can'. That is essentially what a relationship of trust means, and it exists between individuals, but also between organisations, and of course between individuals and organisations.

Fourth, organisations and institutions breach trust norms regularly. Michelle Grattan made that point this morning. Distrust is not a new problem we are facing. Tom Tyler has captured what I would call a breach of trust norms through his concept of procedural justice⁴⁰. Now, he is not talking about a legal understanding of procedural justice there, but a psychological understanding. Essentially justice as respectful treatment, fair hearing, absence of bias, and arbitrariness. Delivery of procedural justice has been shown in many contexts to be more important than distributive justice in winning trust.

Fifth and final point, breaches of trust do not cause systems to collapse. Persistently ignoring the science, however, does. In my work, I draw a distinction between resistant and dismissive defiance. Resistant defiance is the kind of refusal to cooperate, an expression of distrust that responds well to procedural justice, as Tom Tyler talks about it. Apology, explanation of why the breach occurred, making amends to ensure further breaches do not occur, all of these will restore trust. So, in other words, social processes can return to a state of honouring trust norms and expressing regret about the past.

Dismissive defiance, however, is an entirely different beast. It is characterised by cutting oneself off from institutions, by rejection of trust norms, rejection of what most of us understand is a social contract with those who govern us. It is a desire to win against the system, and it usually also involves legal cynicism. Dismissive defiance is a serious threat to institutions. It can change or break institutions.

One final thought: sometimes, institutions need to change, and without dismissive defiance by the suffragettes, we women may still not have the vote.

A sociology perspective: Fiona Haines, University of Melbourne

I am a criminologist, and I am here speaking on behalf of sociology. My area is corporate and white-collar crime, so I thought what I would do is just use the lens of three theorists. I have chosen two sociologists, Jürgen Habermas and Wolfgang Streeck, and my criminologist is Dave Whyte. I want to use these theories to look at an endemic tension that each of them sees at work. For Habermas, it is between accumulation and legitimation⁴¹. For Streeck, it's between the Williamsonian Institution premise on competition and self-interest, cynicism and greed, and the Durkheimian premise on reciprocity and trust⁴². For Dave Whyte, the criminologist, it is the need to pay attention to regimes of permission that emerge from government that facilitate business activity, and that can facilitate corporate harm⁴³. Each has a different view on the potential for a robust response by government to corporate wrongdoing.

Wolfgang Streeck is perhaps the most pessimistic where he sees the morals of the Williamsonian institution both requiring the Durkheimian institution of trust and integrity and reciprocity, while cynically exploiting it and destroying it. Without a Durkheimian legacy, the market could not function. Mistrust and cynicism would reign supreme. It is difficult in a Streeckian world to see an easy way forward.

For Dave Whyte, the criminologist, he points to the way that our attention is always attracted to moments of rupture and, following Gramsci, he looks at the way the status policeman comes in during those moments of rupture, and our direction is turned away from the regimes of permission that foments the damage in the first place, the laws, regulations, and relationships that routinely permit corporate harm to continue.

Perhaps the theorists I have used the most in my work is Jürgen Habermas, and what I have done with Habermas, I have probably bastardised Jürgen Habermas a little, but I use it in the sense of political risk. Political risk is framed by keeping the economy going and making people feel safe. The management of political risk, the management of legitimacy is central to a government's response to crisis, including crises of corruption. What I find in my work is that if you follow that legitimacy keeping the economy going and making people feel safe, and if you follow it over a five–six–seven-year period of time, the issues that led to the moment of rupture, the disaster in the first place, disappear, and it all becomes about keeping legitimacy. So, what are the implications for the subject of the symposium, 'Regenerating trust and integrity in Australian institutions?'

From Streeck, I think it is that we may want to pay attention to the cannibalistic effects of anorexic competition, premised on profit as the primary source of economic growth and public benefit. I think in the condemnation of this kind of atomistic anorexic version of competition based on growth at all costs – and profitable costs – we should not throw the baby out with the bathwater. I am currently working with colleagues looking at richer forms of competition, based on collaboration, based on public benefit, that might find some way forward.

From Dave Whyte, I think we might want to be cautious about a national integrity system that has as its primary concern identifying corruption and misconduct. Attention to these moments of rupture must not detract attention from the regimes of permission that might underpin the erosion of institutional integrity. I think we heard some of those this morning from Scott Ludlam, in terms of transparency of political donations, accountability in lobbying, revolving doors, reforms of trust law, and many more.

From Habermas, I think we would want to be cautious about equating trust with integrity. In my own work, the retaining of political legitimacy means that regaining of trust; however thin, and however fragile it is; retaining political risk, or retaining integrity, managing political risk, is absolutely central. We cannot say we just get rid of politics. The key is how you bring integrity into that embrace. One of the problems here is the asymmetry of trust. We are often required to trust others: politicians, bureaucrats, professionals, in a situation of unequal knowledge. So, what might be a way forward? I think, again it was mentioned this morning, and there is so much rich information coming out that it is hard to tease it apart, but to dwell a moment on the issue of accountability, not so much in a criminological sense where accountability is written as punishment and punishment turns into law and order and the problem is associated with that. But how we get to a situation where people in institutions have to provide an account for their behaviour, based on data, and based on standards of communication that make a system more transparent, and more accountable, and act with integrity in the first place. We may not agree with the decisions that are being made, but at least we are party to the reasoning behind it.

A business perspective: How economics deals with integrity, corruption and trust and contributes to improving them: Ross Gittins

I am not at all sure I am the right person to be speaking on behalf of economists on the question of integrity, corruption and trust. My accustomed role is to provide outsiders with a critique of economics and economists, whereas academic economists tend to be quite defensive. So, I cannot promise you that most economists would agree with all I say.

The plain truth is that, historically, trust has not been an issue of central concern to economists. Their workhorse model of markets takes for granted a high level of trust between buyers and sellers, producers and consumers. Only as economists have become aware that levels of trust seem less than they were have they become more conscious of the economic value of trust and trustworthiness to the smooth functioning of the economy or, to put it the other way, of the greater costs that are incurred when, for example, it cannot be taken for granted that everyone walking away from an airport luggage carousel actually owns the bags they are carrying. At the macro level, economists have found some evidence of the correlation between high levels of trust, or low levels of corruption, and higher rates of economic growth. Over the past 20 years or so a small number of economists – prominent among whom is Luigi Zingales of the Booth School of Business in the University of Chicago – have been studying trust but, by my reading, their findings are still at an early stage. The field of public choice theory, earlier led by James Buchanan and Gordon Tullock, and the associated literature on rent-seeking, has done much to explain the incentives that create risks of corruption among politicians and senior bureaucrats, and institutional corruption, including regulatory capture.

However, now I want to turn from academia to the contribution of economic practitioners, particularly econocrats. The Organisation for Economic Cooperation and Development has established Trustlab,⁴⁴ to collect and improve measures of trust, so as to understand what drives it and how policymakers can attempt to restore it. So far it has data from seven countries measuring interpersonal trust, trust in immigrants and people from another religion, as well as trust in institutions such as parliament, government, the judicial system, the police, the media and financial institutions. It finds levels of trust in other people and in government rise with levels of education and income. Perceptions of high-level government corruption and government reliability and responsiveness are the strongest determinant of trust.

The Productivity Commission's report, *Shifting the Dial*, noted survey evidence that the majority of Australians do not have trust or confidence in government, and that the degree of trust has fallen significantly. A recent speech by the chairman of the ACCC, Rod Sims, acknowledged a significant amount of law-breaking by companies.

But now let me give you my own views. I believe that much of our loss of trust in governments, the banks and business are justified because there has been a deterioration in the vigilance of regulators and the behaviour of businesses. Some part of this may be explained by failures in the experiment with the deregulation of many industries which, it was expected, would lead to increased economic efficiency – to the benefit of customers – without any change in standards of honest dealing with customers. Unfortunately, heightened competition in markets may sometimes lead to a race to the bottom, in which firms feel under pressure to adopt the questionable practices of their rivals, or are reluctant to be the first to give up such practices for fear of losing business to less scrupulous rivals. Regulatory bodies were quietly encouraged to be more conciliatory and less aggressive. Often their funding was cut. It may be no coincidence that the surprising number of allegations of 'wage theft' in recent years came after the reduction of unions' right of entry to the workplace, including their right to check wage records to ensure industrial awards were being adhered to.

It is predictable for a decline in the public's trust in firms to treat their customers fairly to be followed by demands for greater government regulation of business behaviour. I have sympathy for such calls, but economists know that using regulation to achieve improved behaviour can easily bring about unintended adverse consequences, which add more to costs than they do to improve outcomes. In his interim report, the banking royal commissioner noted that most of the misconduct he had uncovered was already unlawful, suggesting that a raft of new laws was not needed. Rather, he implied, a better approach would be for regulatory bodies to enforce the existing laws with greater diligence. This might well involve them being given greater funding to do so.

There is an amoral calculation in economics which says that a 'rational' decision on whether to break a law involves weighing the expected benefit from doing so against the expected cost of doing so, which is the amount of the penalty multiplied by the probability of being caught. Since the probability of apprehension is usually low, penalties need to be high – much higher than at present – for the deterrent to be effective. Sometimes economists, who are used to reducing everything to monetary calculations, forget that penalties involving a jail term, however short, may be a far more effective deterrent.

At this stage in the discussion business-people retort that one cannot legislate to make people honest. This is only half true. If the expected penalty is made high enough, businesses will be induced to change their behaviour. Also, behavioural economists have learnt from social psychology that if a change in people's behaviour is achieved, they will seek to reduce their cognitive dissonance by changing their beliefs to fit with their new behaviour. This tells me it is possible to change group norms of acceptable behaviour – what today is called 'business culture' – for the better. Were that to happen, it is reasonable to hope that the public's trust in our economic institutions could eventually return.

SESSION 3: Keynote Presentation:

Stan Grant



Can I just pay my respects first of all to the traditional people of this land with whom I share connections. Many of my family are in fact both Wiradjuri people and Ngunnawal people, so I do feel as if I am back in my own country. It is lovely to be here.

It is a real confluence of events this week. I was down to give this address at the same time as I was asked to give the annual Hawke lecture in Adelaide on Friday and they really cut across similar issues. For the Hawke lecture, they wanted me to talk about the Uluru statement and what that means for Australia, and I really started to think about the span of my journalistic career.

I came into journalism with the election of Bob Hawke and I leave journalism with Donald Trump in the White House. My years span Hawke to Trump: it goes from the age of consensus to the age of anger. Ronald Reagan was President of the United States in my teenage years. We have gone from ‘Morning in America’⁴⁵ to ‘American carnage’⁴⁶ and I really wanted to talk about that journey and the journey that I have taken as a journalist, and what I have seen, and what I have taken away from that period.

It is often said that journalism is a front-row seat at history and that is true and has certainly been true in my case, but I’d have to add that journalists do not make the best historians – far too prone to drama, with short attention spans, and much more interested in events than ideas, but I have been very lucky to have seen the world change around me.

I suppose I came of age as a journalist in that sort of late eighties period with the end of the Cold War, and a flourishing of democracy throughout the world. The mid-twentieth century was a boom time for democracy. It went from there being just over 30 democratic states in the early ’70s to over a 110 by the early 2000s. But what have we seen during that period?

Remember Francis Fukuyama in that end of history quote: That this was the end of the great ideological battles, that liberal democracy was the last ideology left standing in the ring⁴⁷.

Kishore Mahbubani, the former Singaporean ambassador and political scientist, has said that Fukuyama’s comment about the end of history ‘did a lot of brain damage’ to the West⁴⁸.

Joseph Nye, who coined the phrase ‘soft power’, wrote about his concerns over what he saw as the assumptions of the future of liberal democracy, what he saw as complacency, and he said that the United States and the West at the time of their greatest triumphs had taken their eye off the ball⁴⁹. That the assumption that the world would simply give way to liberal democratic ideas, that we would enter an era of open borders and free trade which would be good for all of us. That the idea that people may cling to what was seen as archaic identities was over. That we were now all individuals. Or as Margaret Thatcher said, ‘there is no such thing as society’⁵⁰.

What have we seen since Francis Fukuyama’s ‘end of history’? I would argue that we have seen the return of history. That is certainly what I have seen as a reporter.

Look around our world right now and what do we see? We see a resurgence of populism, authoritarianism, nationalism, tribalism, sectarianism. The borders are now going back up. There is a blowback against immigration that is fuelling the rise of the political right across Europe. We know that it lies significantly at the heart of the Brexit vote and that immigration was a key to Donald Trump winning the White House.

This is the age of anger. ‘Of anger’ – that’s what Pankaj Mishra the Indian writer has called it: ‘the age of anger’⁵¹. I think also that it is the age of identity. I have been thinking a lot about this question of identity, of what it means to define yourself in this age.

Francis Fukuyama has returned to that subject himself in a recent book⁵² where he talks about the idea of ‘thymos’ – which he says is the Greek word for respect or recognition. Thymos – that part of our soul that desires recognition and respect.

Kwame Anthony Appiah, the cosmopolitan thinker and writer, also has a book out on identity that he has called ‘the lies that bind’⁵³. The lies that bind, that identity is a construction. It is a lie, but it is a lie within which we invest so much of ourselves.

Amartya Sen, the Indian economist and philosopher wrote about this, and he called it the dangers of solitary identities⁵⁴. Solitary identities that define ourselves in exclusive terms: us and them. That pit ourselves against each other.

If I tick off the conflicts that I have reported on throughout my career, identity lies at the heart of all of them. Hutu versus Tutsi in Rwanda. Catholic versus Protestant in Ireland. The blood feud of Sunni and Shia Islam. Hindu versus Muslim. The existential nuclear-armed standoff between India and Pakistan. North and South Korea.

When Amartya Sen says that identities can kill we know that all too well. Because that is what we have seen in our world.

What we have seen as well is the playing out of what Charles Taylor, the Canadian philosopher, called the politics of difference⁵⁵. The ideal of authenticity. No longer is it recognition of your rights as an individual but he says recognition of your right to survive. This was a battle. It was no longer about liberating the individual, but the very survival of your particular group.

And it has come at a time when we are seeing challenges to democracy around our world. A democratic recession, as some people have called it. When you tie recognition together with identity it requires a story. And the story that I have seen in my time is a story that is rooted in the grievance of history. The grievance of history. Something that Friedrich Nietzsche once called a ‘malignant historical fever’⁵⁶.

Just think about the stories we tell ourselves in the world today. I reported for a decade out of China from Beijing with CNN. I saw the rise of Xi Jinping and how he flicked the switch to this virulent strain of Chinese nationalism. And the constant refrain of the 100 years of humiliation⁵⁷. The 100 years of the humiliation of China by foreign powers stretching back to the Opium War up until Mao’s revolution.

Think about Vladimir Putin. When he talks about the end of the Soviet Union being the greatest catastrophe of the 20th century.⁵⁸ When you consider what a bloody century it was, he considers that the greatest catastrophe of the 20th century. Erdoğan laments the end of the Ottoman Empire. ISIS spoke about a return of the caliphate.⁵⁹

We have people defining themselves within the framework of an unrelenting unending sense of historical grievance. Think of Donald Trump and his pledge to make ‘America great again’. That things were better in some imagined past.

What Mark Lilla, the American political scientist has called a militant nostalgia⁶⁰. He spoke of the shipwrecked mind. He said the shipwrecked mind is the mind of the radical Islamist, of the alt-right, of all of those people who see the future – the debris of the future – passing by them. Who cannot imagine a future that is not built around their idea of historical grievance.

Identity, historical grievance, a return to tribalism is what we see at the heart of our world today. It is the challenge to democracy at a very time when the continued resurgence of China is offering up a viable alternative to a liberal democratic order. An authoritarian alternative that has continued to make its people rich, has continued to liberalise its economy while rejecting the tenets of political liberalism.

This is the crosshairs that we face in our history right now. I have gone looking for those people who would best explain this world to us. Journalists do not explain this world to us. Politicians seek to exploit this world and economists certainly do not explain this phenomenon. This cultural need for tribalism and identity. This rejection of the tenets of globalisation and universalism.

I have gone back to Carl Schmitt the German political writer and philosopher, and the way that he saw democracy essentially as being a battle, not between adversaries, but between friends and enemies⁶¹. We do not disagree with someone, we reject them. Someone is no longer wrong, they are evil.

This is the language that we hear so often in our politics today. Chantal Mouffe, the Belgian political philosopher, has written about this idea. She picked up on Carl Schmitt's idea of this need for a permanent enemy, and she wondered why we were seeing this blowback against globalisation which had made us wealthier, had increased our connectivity to each other, had seen enormous breakthroughs in technology, that had underpinned China's ability to lift more than half a billion people out of poverty.

Why were we seeing this blowback? And she went back to that period at the end of the Cold War and that idea of the end of history. When we heard politicians like Tony Blair coin phrases like the Third Way or Bill Clinton and his political ideas of triangulation. That they would take as accepted the precepts of neoliberalism. Take in Blair's case, the fundamentals of Margaret Thatcher's economic model and overlay that with an ethical and moral politics that addresses progressive causes and progressive issues⁶².

But Chantal Mouffe says that those people who pursued the Third Way and triangulation – this pursuit of the much-lauded political centre – were chasing a mirage. Worse than that, it was a siren song that lured democracy onto the rocks. Consensus, she said did not create a more reconciled society. Instead, it fuelled antagonism. The unquestioned belief in liberal democracy banished all forms of political resistance or opposition to the fringes. Economics, ethics, morality: all in her view crowded out politics.

But politics cannot be contained. To the liberals, humanity was too rational for tribalism. We had freed ourselves from archaic bonds of class, race, or religion. But Chantelle Mouffe tells us that they were wrong.

As she wrote the mistake of liberal rationalism is to ignore the affective dimension mobilised by collective identifications, and to imagine that those supposedly archaic passions are bound to disappear with the advance of individualism and the progress of rationality. She said that we had elevated policy over identity.

But look around the world today, what do we see? We see an unemployed white steelworker from Wisconsin, who may previously have voted for Barack Obama, now throwing his lot in with Donald Trump. Because Hillary Clinton, one of the progressive liberals that Chantal Mouffe would have identified, dismissed them as belonging to a 'basket of deplorables'⁶³.

We look at the UK, and we see people pushing back against immigration and voting to exit the European Union. People whose politics were pushed to the fringes, who were told that no longer did they have a voice, that no one spoke for them, that the ideas of collective identities were banished to the past. That if they lost their job because their factory closed down all they needed to do was to retrain.

We are now coming roaring back. That is what we are seeing in our democracies right now. We see it in Australia, a third of the people, of voters, not voting for either of the major parties. In the recent Wentworth by-election neither of the major parties managed to secure 50%.

We see it with the rise of groups like One Nation. We see it with the increasing volatility in our Parliament's increasing numbers of independents on the crossbenches in the Senate and the House, to the point where politics is no longer decided by the 80%. We don't govern from the 80%. The governing is dictated by the 20%, and growing, on the fringes. Those who were told that they did not have a voice in the political centre are now roaring back.

John Adams, one of the founding fathers of the United States and its second president, once said 'remember democracy never lasts long. It soon wastes, exhausts, murders itself. There never was a democracy that did not commit suicide'⁶⁴.

Is that what we are seeing now? That this democracy that is not even yet in historical terms reached middle age, is now waning and potentially on its knees? This is the challenge of our age. Whether democracy is fit for purpose in a world where nation-states are not so clearly defined. Where the borders are not so clearly defined. Where we are no longer homogeneous States but increasingly pluralist and diverse states with different groups contending for political recognition and power and eroding an overall sense of civic nationalism.

Can democracy survive within its boundaries and at the same time meet the challenge of increasing authoritarianism led by a China that does not intend adopting liberal democratic principles? That is the question of our age.

I wanted to bring that to Australia and to look – each country meets these challenges in different ways depending on the historical circumstances. What is the challenge in Australia? What is the unresolved question at the heart of our democracy? The very question of the legitimacy of the Australian state. The idea that a country can be taken from a people who had lived here for tens of thousands of years, on the basis that this was terra nullius. That it was an empty land and the people had no rights to that land. The idea that a constitution would be formulated at the time of Federation that stated explicitly that Aboriginal natives would not be counted when reckoning the numbers of the Commonwealth.

It has been an ongoing struggle for Australia to be able to rationalise the principles of its democracy – one of the oldest and profound modern democracies in the world – with this ongoing exclusion, something that the anthropologist Bill Stanner called ‘the torment of powerlessness’⁶⁵, that indigenous people in Australia still face.

Just like other parts of the world, we also emptied out the political centre from adversarial politics. In the 1990s after the Mabo High Court decision which struck down Terra Nullius,⁶⁶ we stopped talking about rights, and we started increasingly to talk about reconciliation.

Ideas such as a treaty were banished to the political fringes. The emphasis was on getting a job, getting an education, saying sorry. The emphasis was on improving the lot of Aboriginal people and ‘closing the gap’. But we stopped talking about politics. At a time when there are more Aboriginal people graduating University than ever before, when there is a burgeoning Aboriginal middle class, when my grandfather would look at my life, someone who in my case was born in an Aboriginal mission in rural New South Wales, who has grown up to travel the world as a reporter, to stand in the White House with Barack Obama. To stand in the Great Hall of the People as Xi Jinping was anointed as the new leader of China. To have stood outside Osama bin Laden’s house in Pakistan the night after he was killed. To have seen the things that I have seen, my grandfather would look at my life, and it would be utterly unrecognizable.

Why at a time when we are seeing, yes still great challenges, but increasing success among individual Aboriginal people, are we also seeing increasing anger. Last Australia Day was an angrier Australia Day than I could have imagined.

Why are Aboriginal people screaming in the faces of white Australians celebrating Australia Day that they want to see this country burn to the ground?

I would argue precisely as Chantal Mouffe argued: that we emptied out the centre from politics. We banished it to the fringes. We stopped talking about politics. We talked about economics, and we talked about morality, and we talked about ethics, but we banished the political. We banished the antagonism.

How do we bring that antagonism back to the centre of politics and still allow our democracies to hold? How do we not push those voices to the fringes where they fester with resentment and give them a place within our political architecture so that they are heard, they feel as if they are recognised and that they can accept the umpire’s verdict when the national decision goes against them.

How do we create a more capacious idea of democracy that does not tell these people that their beliefs are archaic and not at one with a modern political world?

Aboriginal Australia is no different to what we are seeing in other parts of the world with the rise of identity politics fuelled by anger. Historical grievance is really eating away at a sense of civic nationalism. Eating away at the fundamentals of democracy, and yet at the height of that, we had the Uluru Statement from the Heart⁶⁷.

I was really privileged and fortunate to be appointed by the Parliament, it was both a cross-parliamentary body, appointed to the referendum council. It was our job to travel Australia to speak to Aboriginal groups about how they wished to be recognised in Australia.

A group of people who had been locked out and excluded, who felt that democracy was never meant for them. They were increasingly telling us that they saw a place within this democracy that could meet their needs. That could fulfil the promise of this country and complete the democratic ideals of this country.

The Uluru Statement suggested many things. One that there be a Truth and Reconciliation Commission, so the story of Australia, the history of Australia, could be heard.

That there be a Makarrata, a Yolngu word from Arnhem Land, speaking of a coming together after a fight, a peace-making. And that there be a constitutionally enshrined body that would give voice to the aspirations of indigenous people. That that body would be included in a constitution written to exclude Aboriginal people, that would give indigenous people in Australia a voice in policy made toward them.

Now immediately you had people saying ‘well that is a third chamber of the Parliament and why should there be special laws for some and not for others’?

The reality is that there are special laws for some and not for others. The reality is the highest court in this land has said that Native Title exists. And from Native Title, there are cascades of rights and issues and challenges that we need to resolve.

The fact of the matter is after the 1967 referendum the Australian Parliament has the capacity to make laws specifically for Aboriginal people. As we saw with the intervention in the Northern Territory, the Racial Discrimination Act was set aside, so that laws can be made specifically for Aboriginal people, and yet 3% of the population is still suffering the torment of powerlessness, so that without the ability to move politics at the ballot box they have no effective representation.

What a remarkable document the Uluru statement is. A remarkable document that, at a time when democracy is being challenged, when identity politics is undermining a sense of civic nationalism, at a time we are seeing a resurgence of authoritarianism, that here were a group of people who had travelled the farthest distance, and carried the heaviest load, saying that they believed in democracy enough that it could meet their aspirations and that they could complete the idea of Australia.

Many have described it as a gift. It is not just a gift to Australia, at a time when democracy is in retreat, it is a fundamental gift to democracies everywhere.

I just want to finish with going back to someone whom I think probably encapsulated this age more than any other. That is the French Algerian writer Albert Camus.

He looked at the world around him and he saw absurdity. He said a world that can be explained even with bad reasons is a familiar world, but on the other hand in a universe suddenly divested of illusions and lights man feels alien, a stranger. That someone in America could look to Donald Trump and say he is the answer. Explaining his world even with bad reasons makes sense to someone who feels alien, a stranger.

Camus said the divorce between man and his life, the actor and his setting, is properly the feeling of absurdity. The absurd becomes God. That inability to understand becomes the existence that illuminates everything.

Mr Grant fielded several questions from the audience, across the topics of the implications of collective identities and grassroots activism. His responses are presented below:

Collective identities: That is precisely the answer: how we frame these collective identities. You know if I look at my own life, I am an Aboriginal person: Wiradjuri father and I am also someone who is descended from an Irish convict.

I am on the ship and on the shore. I am all of those things. I am a cosmopolitan. I am someone who has lived a life in the world, but I am rooted in a sense of belonging to this country and rooted in a sense of culture. Kwame Anthony Appiah said identity can shape the contours of your life, or it can shut down your life.

My identity shapes the contours of my life. I think when identity, as Charles Taylor⁶⁸ has identified, stops being the recognition of the rights of the individual and how individuals with the right to free association can form various collective groups to the recognition of survival, to the recognition of the group, to what he called this recognition of authenticity, it changes shape.

I think we look around our world today and see collective identities being increasingly framed around historical grievance.

Us-and-them. Tribalism. Democrat, Republican. You know, good and evil. That is the type, that is the risk we face when we fail to walk that fine line between our fundamental individualism, our rights of free association, the hybrid and multi-layered aspects of all of our identities, and the hardened, exclusive, solitary identity that pits one against another.

That is the distinction I would make and I think when you come to Australia – and I had to wrestle with this idea myself – as someone who fundamentally believes in individualism, who fundamentally believes that democracy is about the rights of the individual, to look at something like the Uluru Statement which was an acknowledgement of the fundamental rights of a group within that democracy, was a hurdle.

I spent a lot of time thinking about it, but I arrived at this point where I said it is clear that as a group we have been treated differently. My parents, my grandparents, my life, was shaped differently because we were treated as a group. The capacity to animate the individuals within that group lies in a democracy's ability to be able to speak to the aspirations and demands of that constituent group. That by acknowledging the rights of Aboriginal people within a constitution that had excluded them, you tap into the potential of the individual Aboriginal people within that group to express their lives in whichever way they wish.

Individualism can be married to the idea of group rights if we have a big enough idea of the capacity of our democracy. And I think that negates the idea then of a solitary, adversarial, hate-filled, historical grievance-based identity. By bringing it into the centre of the democracy that is a conflictual centre, a conflictual rather than consensus, we look at adversarial models of politics that give voice to that sense of grievance without pushing it to the fringes.

That is what democracy needs to look at, and clearly, we have not done that well in the 30 years since the end of the Cold War.

Grassroots activism: Well, yes, I mean it can be cathartic, and we see, when you see organizations that are, you know, that are very organic and that they have a broad-based structure, that they are organizations that speak broadly to our sense of place in the country and our demands on our democracy. I think those things can be very cathartic.

I mean look at the movement in the mid '60's in Australia at a time when my father was being sent to jail for offensive language, having the crap beaten out of him in police cells, that an organisation, a grassroots movement of black people, white people, all other people, in Australia led to the most successful referendum in the history of Australia: the 1967 referendum.

The most successful referendum in Australian history, because of a grassroots political movement that was not defined around strict definitions and exclusive definitions of identity.

I think that what we have seen, and again it comes back to the idea that Chantal Mouffe put forward, this idea that we neutralise politics at the centre. If we elevated economics or ethics or morality, that we saw these collective groups as being archaic, that it was the individual first, pushed a lot of these groups to the fringes.

And it negated the capacity for these groups to form free association across a whole range of different ethnicities, religions, races, whatever. And I think what we see now is a hardening of politics so that even if you see grassroots movements, there will often be a toxic identity overlay for those groups. And I think that can be really, really, dangerous and that is why I went to that point before. There is a psychological aspect to it. The psychological aspect of loss and grievance and vengeance. What Nietzsche called 'ressentiment', resentment, where you harbour a grievance, and an unquenchable thirst for vengeance that frames your very identity.

Because people have been pushed out of the centre, and I think the type of grassroots movement you are talking about, these large cathartic groups of people drawn from all different aspects of society are incredibly healthy things, but I think we are really starting to see the dangers right now in the opposite of that, which is political mobilisation around strict identitarian groups that are exclusive and harbour resentment of the core.



SESSION 4: Assessing Australia's National Integrity System

Adam Graycar introducing the three speakers: Our three speakers are a part of an ARC linkage grant that is essentially mapping Australia's integrity systems, and all three of them are experts on corruption. When we look at corruption, we think 'what is it? What does it do to the country?' It is one of these issues that are very, very hard to measure. We do not know how much corruption there really is. When corrupt acts take place, they take place in secret, and neither party wants anybody to know about it. But, there are proxies, there are other indicators. A lot of our data relate to perceptions of corruption, but there is no point in knowing about all of these unless we know what we are going to do about it. Our next three speakers are going to take us through some of that journey.

A political science and public policy perspective: AJ Brown

AJ Brown: It is a great honour and privilege to be here, and to have been part of the discussion, or witness some of the discussion already, which I think we are going to lead off from quite nicely. Adam Graycar and the other speakers are partners in crime in this particular exercise of mapping our integrity systems. One of the beauties of this particular exercise, which is actually to assess the national integrity system, is that you cannot afford to be depressed. We do as social scientists live and operate in a country where we need to confront our huge challenges, but we do have opportunities to lead, not just national thinking, but international thinking, on the responses to many of the things that we have heard about which I think Stan Grant has just been painting as a bit of a global picture.

Now why are we assessing a national integrity system, and what is it, and how do we do it, and where does it all lead? I think Fiona Haines already said this morning that she was suspicious of the idea of a national integrity system, or sceptical I think might have been the word, and I think that it is always healthy to be sceptical. However, one of the reasons why we are doing this is for all the reasons that I think Stan Grant has outlined. We live in a global context. In addition to my day job at Griffith University, I have the privilege and sometimes the burden of being on the board of Transparency International Australia, not just here in Australia, but globally. So I certainly get to see the people in our movement who are fighting corruption not just here in Australia, but in Rwanda, in Cambodia, in the places where the Trump message has licensed the people who once upon a time did not even bother paying lip service to democracy at all, to now create regimes where the vestiges of democracy or accountability are of the thinnest and effectively most non-existent kind that is possibly imaginable.

So, we are in that context, and we have this challenge now to figure out whether we are assessing integrity systems in isolation from those political issues, those democratic issues, that Stan was telling us about, and the answer has got to be no. So, what is a national integrity system? From Transparency International's history starting out in the 1990s, when everybody was a bit more optimistic, the idea that a democratic framework, a liberal democratic framework and a solid national integrity system were really interchangeable concepts was very much in vogue. Now we can look at it and say well that is really not cutting the mustard. This concept of a national integrity system that transparency international has sort of inherited and developed really brings those questions right to the fore. You can just look at this concept and say well, this is what we are up against in many ways. Not what is actually helping us is this particular institutionalisation, or in some cases pseudo-institutionalization of particular functions and powers.

The New Zealand national integrity system rests on a couple of foundations called public awareness and society's values. In the NZ national integrity system assessment, you will see the Treaty of Waitangi mentioned there as having found its way in as part of the institutionalisation of New Zealand's values. I think that raises good questions for us in terms of what is it about our system that we really need to fundamentally rethink politically in order to define and achieve what we really mean by integrity.

So, we can come back to questions about the fundamentals and the conceptualisation of a national integrity system expressed in those sorts of terms, but one thing that is clear – and I will just talk briefly about the theory of this – one thing that is quite clear from what happens in practice internationally and in Transparency International, when we are really getting down to the brass tacks of assessing what is going on and what is not working and what are the reform opportunities for any political system when it comes to combating corruption and trying to promote integrity, is that it has often got less to do with democracy per se as accountability. Accountability comes in many forms, and accountability has predated democracy.

When I think about Stan's question about whether we are seeing the death of democracy, well, maybe we are seeing the death of democracy, but well now maybe we will see the birth of new and different forms of accountability. I do not think we are seeing the death of democracy personally, because I do not think we have ever really gotten close to democracy in the way that we should.

So, without delving massively into the theory, I think when you think about the concepts of what we are trying to achieve in the institutionalisation of any system that is designed to pursue integrity, and to fight corruption, or control it, or contain it, then we have some really interesting tensions going on in which all our disciplines are very much engaged. Being in the presence of Valerie Braithwaite I cannot help but emphasise that when we talk about these institutions and this push-me-pull-you between corruption and integrity, between trying to promote the values we are trying to achieve and trying to combat the behaviour that we do not want there, is an incredibly healthy tension. The whole concept of enculturation, of institutionalising distrust in order to enculturate trust, to channel a famous Braithwaite volume⁶⁹, is built into our ideas of what accountability is and how we achieve it and therefore also what integrity is and how we achieve it.

But for the purposes of the conceptualisation of any system that is designed to pursue integrity or combat corruption, we are not just talking about accountability. Nor are we just talking about corruption. If it were just about corruption and fighting corruption, I'd be as sceptical as anybody else. But it is not, it is about the full spectrum, and to start to get back to practicalities, which is where we are going to end up, is we live in systems. Especially in Australia, where we have innovated with all of these systems. We live in systems where we have constructed institutions and frameworks quickly, to create horizontal, and divided, and mutual accountability in all sorts of ways that develop traditional separations of powers, ideas, in order specifically to constrain power, to mould power in ways that are intended to pursue or maximize the chances of integrity, however defined, and to combat corruption. Sometimes easier to define. We have these institutions. This is not an academic exercise. We have a real system. We may not have all invented it the way we wanted it, but we are working with it to try and figure out where it should go very much in the context that Stan painted. We have talked, I think Les mentioned, and so have others, about what is the problem here that we are fighting? And that has been part of the discussion this morning as well. Are we trying to fight corruption in Australia, in our system, when we are talking about regenerating trust and integrity and institutions? Or do we have a confidence problem, or is it a mix of both?

When you look at Australia's slide on Transparency International's Corruption Perceptions Index, what we know for sure is that we have got a confidence problem of our own and we have got a reputation problem, notwithstanding that we are still one of the less corrupt countries in the world measured in certain terms. We have got a trust problem, and the trust problem is real. It was interesting to hear the references to local government being most trusted. This is in fact very often true, and in fact in the latest global corruption barometer survey that we have run as part of this project it was interesting just to confirm that the slump in trust in the federal level continues.

The slump in trust in state levels is perhaps permanent and terminal, but it is no surprise internationally. Notwithstanding all that media coverage about corruption in local government, people do say well at least we know how it works, and how to get things done and hence local government retains this sort of advantage. How we maximise that is probably one of the more critical questions for us. I think one of the other things that is significant about that is that trust does go up. If one looks internationally at the research, trust does revert. Trust does repair. I think that discussion about trust repair that we had this morning, applied to the political system, is a great discussion that we need to be having, and that is really the focus of trying to assess a system and decide how can we rebuild trust? It would be good if we make sure that we contain corruption and get rid of it as well, but how we can rebuild trust is very much at the core of the exercise.

We also know the relationship between different elements of trust, and there has not been much unpacking of that, but if we want to start unpacking it, maybe we can in questions, we can talk about probity, we can talk about performance, we can talk about process. All these things that feed into conceptions of public trust. We now know from this type of research – this is what makes me a political scientist, not just a public policy person – is that we know that calculations of performance as a basis for trust vary, about twenty to thirty per cent of the variance in that is explained by concerns about probity, about corruption, and that they are very much on the rise.

Finally, and I really wanted to share this with you really quickly because this is I think really important research. One of the things we have done for the first time is to say to the population, “okay, you have said you are concerned about corruption: what is it?” This is the first time it has been done internationally, to actually say “what do you mean, what is corruption to you?” before any other prompt. What is really heartening, and this is one of the things that make me not depressed but optimistic all the time about working from an Australian base with compulsory voting and all the other things that make us stronger, is the common sense of people. Because when we ask that question of a population sample, it was amazing what a low proportion of people actually said they do not know. They had something in their head. A low proportion of people talked about the banks, well, 2.5% of people talked about the banks. They talked about government, which is what the question was about. They did not talk about just disaffection with government, or only 3.7% of people did. They talked about the things that matter, and you can see the things that matter which over 80% of people chose as being the things that they are talking about. You can see for yourself the common sense of the Australian people, of our political community. It may not be the same everywhere, but that is our political community, which we are serving.

This assessment is not just about corruption, it is about all of or at least all the well-institutionalised national, societal-wide processes that are already built-in, in which we fundamentally believe should be built-in into integrity accountability. All these processes which all hopefully go towards integrity. So, we have got this map of them and there is a survey that is online that you can all participate in if you go to the Griffith website or the Transparency International Australia website, and I encourage you to do so. I guess it is all nicely encapsulated by this really lively debate at the moment about some sort of federal anti-corruption body or national integrity commission etc. It really sums up the fork in the road that we can take when we want to think about how we apply our knowledge to political development and institutional design. We always have options, and so I think everybody has been given access or we can give you access to an options paper we have produced which focuses on this particular issue.

I guess what I wanted to encapsulate was that it was just the nature of the choice. The very practical choice that we have to face when it comes to what we are going to do about our institutions right now, and the importance of the different ways that we approach it. It is really summarised by our options; we can either take an existing messy system and just try and make it work better, which is sort of option one, and not deal with the big gaps and the strategic issues. We can take a siloed approach, and I think that for all of us this is really the critical issue, we can just focus on corruption, establish an anti-corruption body. We can make it really siloed. We can have one institution and somehow pray that it is going to do everything and solve all our problems. It is not going to happen. We could rely on just one, or overwhelmingly on one discipline, and one line of knowledge, which is law.

Or we can do what we have set out on the options paper, which is to try and take a more system-wide approach. I will not spell out the content of that system-wide approach, but I think whatever questions get asked based on this audience are really going to provide, flush out, all of the different elements that we have to be thinking about when it comes to these sorts of issues. These are the practicalities. These are the realities of public policy and evidence-based policymaking. I very much hope we have got your support for taking a system system-wide approach to this, rather than just a siloed narrow approach, and on that note, I will hand over to somebody who knows the integrity system inside out from a completely non-academic perspective.

An ombudsman's perspective: John McMillan

My message today is that people are more likely to have trust and confidence in the integrity of an activity or organisation if there is a clearly defined procedure for raising integrity issues for independent investigation.

I will start with an example that may be familiar to many of us. An initial concern upon arriving by air in another country is of being cheated by a taxi driver at the airport. A few years ago, arriving in Bangkok, I was reassured when a uniformed official at the taxi rank handed each passenger a card that gave a number to ring if there was any problem with the taxi ride or fare. Telling people there is an independent complaint procedure is a valuable step in building confidence in the integrity of an activity.

We have built on that lesson extensively in Australia in both our legal framework and cultural practices. We are reassured that we can complain to an Ombudsman if we are in a dispute with a government agency or a financial, telecommunications or utility service provider. We are reassured that commercial use of personal data must conform to privacy principles that can be enforced by an independent privacy commissioner. We are reassured that government secrecy can be combatted through access to information and public interest disclosure laws, and by independent adjudication of disputes under those laws. We are also reassured that unfair business trading and competition is regulated by independent watchdog agencies.

Government has worked to strengthen our trust and reassurance by conveying a clear message that integrity is a core value at the centre of public life in Australia:

- The Australian Public Service Values, which have been legislated in the *Public Service Act 1999*, declare that 'The APS ... acts with integrity, in all that it does' (s 10). The APS Code of Conduct, also embedded in the PS Act, declares that all APS employees 'must behave honestly and with integrity' and 'must at all times, behave in a way that upholds ... the integrity and good reputation of the employee's Agency and the APS' (s 13).
- An integrity commitment is written into the Corporate Plan of many Commonwealth agencies – for example, the Department of the Prime Minister and Cabinet corporate plan states: 'We place the greatest importance on integrity', and the Treasury's plan speaks of 'our reputation for integrity'.
- The opening sentence of the Statement of Ministerial Standards declares that ministers 'must act in a manner that is consistent with the highest standards of integrity and propriety'.
- The Lobbying Code of Conduct declares that its object is 'to promote trust in the integrity of government processes'.
- ASIC's extensive framework for business regulation in Australia is titled the ASIC Market Integrity Rules.
- Three of the fifteen commitments in Australia's first Open Government National Action Plan fall under the heading 'Integrity in the public sector'.
- To stem police corruption, we have the Australian Commission for Law Enforcement Integrity; and the latest proposal to stem corruption in sport is to create a National Sports Integrity Commission.

The list of examples of how we embrace the notion of integrity in government is endless. Yet there are two glaring omissions. We have neither a national integrity commission nor an overarching integrity statute that defines corruption and integrity standards.

A common explanation for those gaps is that the Commonwealth instead has a comprehensive and effective multi-agency framework for combatting corruption and promoting integrity. My view is that it does not, and there are serious gaps and weaknesses in the current Commonwealth integrity framework. I will illustrate my view with two examples that I have encountered in oversight work.

My experience as Commonwealth Ombudsman is that there was no clear path for a person to make a corruption allegation or for the Ombudsman or any other body to receive and act upon an allegation. On occasions, people would contact the Ombudsman to inquire about steps that could be adopted to deal with a corruption allegation relating, for example, to government procurement, personnel recruitment or financial management. The caller would often explain that they went to the Ombudsman as they did not know where else to go. Some callers were reluctant to give details of an allegation until they knew what would happen. Some were not interested in giving further details when advised that the Australian Federal Police may be contacted – they did not want police involvement at that early stage, which is why they had called the Ombudsman.

Advising the caller that the Ombudsman did not have the forensic skills to investigate a complex matter, and that investigation options would have to be discussed with the agency to which the allegation related, was also discouraging to callers. Nor was it possible to advise the caller how a corruption complaint would be finalised or reported.

There have been some improvements over the years, but they have not been comprehensive. ACLEI, for example, can only receive allegations of corruption in law enforcement. The Public Interest Disclosures Act only applies to disclosures by public officials.

In contrast, I was reassured by the system of mandatory reporting that I later encountered as Acting NSW Ombudsman. Section 11 of the *Independent Commission Against Corruption Act* imposes a duty on the Ombudsman and the principal officers of all public authorities to report to ICAC ‘any matter that the person suspects on reasonable grounds concerns or may concern corrupt conduct’. The matter to be reported may have been the subject of a complaint to the Ombudsman, or it may concern the conduct of an Ombudsman employee.

This mandatory reporting obligation was a powerful influence on government. Officials knew that corruption allegations were taken seriously along a well-defined reporting and investigation path. In my experience there is no similar understanding or confidence within Commonwealth government agencies. Nor is there any single website to which the public can go to ascertain the framework for corruption reporting. The websites of the State anti-corruption and integrity commissions provide a clear contrast in laying out how a corruption complaint can be made and will be considered. The Commonwealth cannot seriously claim that it is serious about stemming corruption if straightforward and comprehensive advice is not given to the public, who will be the main source of corruption reporting.

A related benefit I experienced in NSW was that the ICAC Commissioners and staff would go on a roadshow two or three times a year to talk about corruption reporting and risks and to deliver training sessions. The Ombudsman was invited to join them, along with at times other oversight officers. A good crowd of local and regional government representatives would turn up and absorb the clear and serious messages that were conveyed about integrity in government.

I never experienced anything of that kind in Commonwealth Government, and I doubt whether it could practically be done under the current Commonwealth framework. This is confirmed by the fact that, in my experience, no Commonwealth agency has ever taken the lead in organising an ongoing program of corruption and integrity education for the whole of government.

A second example I will give of a gap and weakness in the current Commonwealth framework relates to what must surely rank as one of the more serious integrity threats in government – misconduct by an agency head. This is not a hypothetical concern. Misconduct occurs at senior government levels around Australia and threatens to poison the integrity of agency processes and undermine public confidence. Recent examples highlighted in the media or dealt with by State anti-corruption commissions include the conduct of senior officials of the WA Health Department and Horizon Power, the Mayor and CEO of the Ipswich City Council, a senior officer in Victoria Police Professional Standards Command, NSW ministers and officials connected to Australian Water Holdings and to mineral licensing, and misconduct by political leaders and members of parliament.

Allegations of misconduct by an agency head in a State agency can be easily reported to an anti-corruption commission – to the Independent Commission Against Corruption in NSW or SA, the Independent Broad-Based Anti-Corruption Commission in Victoria, the Crime and Misconduct Commission in Queensland, the Crime and Corruption Commission in WA and the Integrity Commission in Tasmania. We know too that those agencies are respected – even feared – bodies that are known to act independently in assessing, investigating and reporting on misconduct allegations. We can be further confident that no minister or agency head would try and lean on one of those commissions while it discharged its functions.

What happens in the Commonwealth? The only defined procedure for making a misconduct allegation against an agency head is in s 41A of the *Public Service Act*, which provides that an alleged breach of the Code of Conduct by an Agency Head can be sent to the Public Service Commissioner – who is a fellow member of the Secretaries Board. The Commissioner has the discretion to inquire into an alleged breach and has a duty to report the results of any inquiry to the Agency Head’s minister. What will the minister do with the report? There is no prescribed statutory reporting procedure. Will the minister be influenced by personal or political considerations? Will the minister workshop the issue with the agency head or with other colleagues? None of those possibilities is foreclosed.

A further complication is that misconduct complaints against the Public Service Commissioner go to the Merit Protection Commissioner, who is a more junior statutory office holder supported by staff from the Australian Public Service Commission. The Merit Protection Commissioner is required to report on any inquiry to the Presiding Officers of the Parliament, but again with no statutory prescription as to what the presiding officers are to do with the report.

There can be added complications if, as in a recent instance, there is a vacancy in the position of Merit Protection Commissioner for six months and the Acting Commissioner is a substantive officer of the APSC. In that instance, I was called in at a late hour as a private consultant to investigate the misconduct allegations and to report to the Merit Protection Commissioner. Not surprisingly, the media gave prominent coverage to complaints of haste and unfairness in the investigation. While an integrity or anti-corruption commission would not necessarily have jurisdiction to conduct an investigation of that kind, the creation of such a commission is likely to focus attention on the need for a better Commonwealth procedure for investigating allegations against agency heads.

In summary, I firmly believe there is a need for a national integrity commission that has a broad agenda to investigate corruption allegations as well as educating government and the community about integrity in government. The agenda must span both unacceptable conduct as well as aspirational goals. The Commission must have a high profile in government and the community – both to symbolise Australia’s commitment to integrity, and to develop an active program that reaches out to all quarters of government. The integrity framework that the commission oversees must be easily accessible on a commission website and include information on reporting and investigation procedures, conduct standards, training manuals, and monitoring and auditing criteria.

This reform would capture the responsibility of the national government in a federation to reflect and crystallise the fundamental principles of the Australian government and society. The existence of such a commission and integrity framework would be an important step in building public trust in the integrity of Australian institutions.

AJ Brown spoke about the idea and components of a national integrity system, and how that has been used in our study, and John McMillan has addressed some of the gaps that he finds at the Commonwealth level. My focus is going to be on prevention and the role of prevention in integrity agencies and integrity systems. The idea that we should not just react to investigate and sanction after the event of corruption. Obviously, we need to do that, but that we can actually take an active role to seek to prevent it from occurring in the first place, to reduce it, and despite some suggestions that all that is needed to achieve that is harsher penalties and some public scalps, I am going to argue that hopes for this are not proven by the evidence.

The evidence is very much to the contrary. There is clear evidence to show that punitiveness does not deter wrongdoing, across a whole range of different areas, and there is no reason to suspect that that does not apply to corruption. Instead, I am going to suggest what might be a more effective way to inculcate prevention into our national integrity system.

So, one of the key research questions for our study is to what extent prevention is already embedded and happening across the federal and state systems, and how it can be further strengthened and promoted. We know, or at least we suspect, that corruption in Australia is low by international standards. As AJ Brown has said, often the comment is, well what is the problem in a country like Australia? One of the things that a clearly communicated pro-integrity approach to corruption prevention can do is to rebuild public confidence or to help rebuild public confidence. John McMillan has made the point that knowing that the system exists can be an important role in establishing confidence. Other people made that point earlier.

So, the key challenge here is to have a system that is not dominated by investigations and enforcement, the red end of the double-headed arrow that AJ showed a few minutes ago, but that also gives weight to prevention and strengthening pro-integrity approaches, the blue end. This could be hard in a public environment that focuses on scandals, and punishment, and scalps, and sees alternatives as soft or ineffective options.

As criminologists, we see this all the time in law and order debates, and there is again no reason why corruption would be any different. One of the prime reasons for this is that the complex, lengthy, and costly nature of corruption investigations, which get tied up in adversarial processes and suck up resources, which limits the capacity of integrity agencies to undertake more innovative prevention programs.

It also affects public confidence as proceedings are long and drawn-out, and people wonder when it is ever going to come to a resolution. Despite this, our assessment so far suggests that there is a standard model of corruption prevention across Australia, which does rely heavily on legal regulation and tough enforcement, despite the problems that I have mentioned. Extensive resources are directed at catching and prosecuting bad apples, and this is coupled with fairly broad education programs that are said to promote integrity. The underlying assumptions here is that the enforcement activity acts as a deterrent to future wrongdoing and that education alone can promote compliance.

Another problem is that criminal prosecutions for corruption are generally quite hard to prove. They are hard to investigate and to collect evidence to a criminal standard, and when they succeed maximum penalties may not be applied. We often see well-resourced people under investigation mounting endless legal challenges to the corruption investigation even before they get to prosecution, and we saw only last week the High Court reversing or throwing out processes that involved an investigation of a very high-profile corruption case in Australia. Again, these types of failed or delayed prosecutions do not send a message of deterrence. In fact, they do the complete opposite. They act as a motivator or a provocation for further offending as people who are inclined to offend can see that there are very few consequences for their actions.

Focussing on individual wrongdoers also misses organisational contexts and systems issues, which limits the opportunity to learn from past experiences. We only have to look at the banking Royal Commission to see how powerful corporate culture can be in an industry context, and we had again a lot of discussion about that this morning. As Fiona Haines said before lunch, it is important not to lose sight of the regimes of permission that have encouraged corruption, conflicts of interest, undue influence, and a general lack of transparency. Any prevention mechanism needs to really focus on those regimes just as much as it does on individual cases of wrongdoing.

Most importantly, there is very little empirical evidence to support the idea that strong enforcement, even if it occurs, has any deterrent effect whatsoever of reducing further offending. There is some evidence from the criminological literature that enforcement can deter individuals when there are swift and certain consequences for their actions, when there is clear risk of detection, and where the actions are taken very promptly afterwards. These conditions hardly ever happened with corruption investigations, which go on for years and years.

The evidence is even weaker in organisational contexts where agencies or companies are implicit in supporting corruption. There are also problems with the assumption that education programs alone can improve compliance with rules. We know from the extensive regulatory literature that broad compliance is only likely to be engaged where there is an implied deterrent threat, and I have just mentioned all the problems with deterrence. We need that big gun in reserve to be able to promote compliant behaviour. What is needed is a system of graduated responses, the classic responsive regulation pyramid. But the focus on the top end of that pyramid, criminal prosecution, detracts from all the layers that sit below it.

My argument is that the evidence suggests we need an integrated prevention system as part of the national integrity system, and it needs to be built on at least six factors. The first one of those is a broad range of efforts focused on integrity promotion, including integrity plans, education campaigns, training, the development of specific guidelines and standards and advice mechanisms, and this would also be the part where we have a strengthening of regulatory regimes and oversight, those regimes of permissiveness.

The second part of any strong prevention framework looks at targeted opportunity reduction measures, drawing on situational crime prevention literature, which has shown opportunity reduction as the single most powerful way so far tested to prevent and reduce offending. So, we need things like system audits analysis of intelligence to show trends and system weaknesses, development of early warning systems, target hardening to strong and weak points, increased monitoring and surveillance, increased guardianship of problem areas, and the neutralisation of motivations that lead to further offending.

The third element of a prevention plan would look at improved oversight and detection mechanisms, including targeted audits, strong whistleblowing systems, complaint handling systems, and strengthened investigative capacity, so the types of things that John McMillan was just talking about—clearly articulated channels for people who do have something to say about corruption, because as a hidden activity corruption is very dependent on that kind of complaint or whistle-blower action rather than detection.

Fourth, we need, when we do detect this kind of behaviour, to have a system of graduated responses, graduated sanctions, for less serious detected wrongdoing, to try and engage compliance and that self-regulatory motivation that's been shown to be able to be engaged in the regulatory literature. So, this includes things like not prosecuting everything, but thinking about the role of warnings, undertakings, improvement plans, just as we do in a whole range of our corporate regulatory areas now. There is no reason why those kinds of approaches cannot also apply to corruption prevention.

Fifth, when we do detect more serious wrongdoing, we need swift enforcement action against those involved, which is directed at deterrence. So, because of the requirement for swiftness, we need to look at civil actions, we need to look at fines, we need to look at a range of innovative civil actions,

including things like adverse publicity, and enforced undertaking. Again, these are not novel. We apply these in a whole range of regulatory schemes looking at corporate behaviour. They can be incorporated very easily into a corruption prevention scheme.

Finally, we do need criminal prosecutions, or license revocation, for agencies and organisations that are involved in corruption at the most egregious offending level, to engage that big gun of heightened deterrence. If the whole pyramid rests on the idea of that big gun being in existence, then occasionally it needs to be used. However, it needs to be used sparingly, both to save resources, and to promote the fairness of the system. So, this staged approach moves from prevention based on enhancing compliance at the bottom level, where most of the resources and most of the attention should be focused, through to selected vigorous enforcement at the top end, which I would argue is the opposite of what happens in most corruption prevention regimes currently around Australia, where resources focused very heavily on the investigation and prosecution of wrongdoers.

That is a campaign that needs to be made to politicians and the public, about perceived soft options. There are perceptions that some people get away with improper conduct and I think that is an important part of any remit of any national integrity commission, to lead that campaign, to show some courage and honesty in leading that kind of campaign. My key message is that any integrity system needs to take prevention seriously, and to adopt a systems approach that integrates what we know about what works, and what is effective in actually preventing and reducing this problem, rather than focusing all of our resources on catching the bad apples and dealing with them after the event.

Where to from here?

Symposium outcomes



In the final session of the day, panellists and speakers had the opportunity to reflect on their contribution, as well as what they heard from others. The cross-sectoral reflections highlighted the complexities and challenges that lie ahead if trust and integrity are to be strengthened between the community and Australia's institutions. A brief summary of these reflections followed by some observations by the Symposium conveners constitute the initial outcomes of the day.

Reflections from the economics and business sector

Business needs to hear the concerns of the community in which they operate, what the public believe about organisations or institutions and recognise the benefits of listening to non-traditional voices. Actively listening to the community concerns means addressing concerns raised from different perspectives – even when the organisation may not consider such concerns as problems that a business, sector or institution 'own'. As part of the community business has a stake in community problems and solutions. With this in mind, solutions should be developed on the ground. Working with communities to solve problems can connect policy to the things about which people are talking. Evidence shows that community-based solutions provide benefits to those businesses engaged with the public.

Working from the ground up enables operational and cultural change to reflect public values, while leadership from the boardroom can support this with cultural change from the top down. In this size matters. A large organisation or institution requires cultural management at the top. Decisions from the board can project the alignment with public values through practical measures – fixing the rate of return; addressing disparities on gender and pay – essentially doing the right thing, because it is the right thing.

Reflections from the community sector

The experience of the community sector has demonstrated that simply putting more women into the workplace and boardroom has a positive impact on perceptions of trust and integrity. However, this is not enough. There is a need for all sectors of society to establish more solid interactions with each other. Working together demonstrates to the community that there is inter-sectoral trust and opens the way for greater public trust when cooperation works toward solving community problems. Cooperation should not be in secret, nor should sectors be working alone. There is a need for transparency in processes. Transparency demonstrates that sectors trust the public to see things are being done, which gives people a basis to understand the decisions being made on their behalf. Cross-sectoral collaboration and transparency have a watchdog effect, allowing monitoring of sectoral behaviour by partners and the community alike.

Reflections from the media

There are limits to any solution being applied independently. In a multicultural, multi-ethnic and multi-gendered society representativeness at every level is an impossible task. Therefore, diversity in the boardroom must be part of a bigger set of measures. Similarly, transparency faces the challenges of the 24-hour media cycle that bombards the average citizen with information, giving them little chance to process what they have seen, read and heard before the next onslaught. What does this mean for trust? How does an individual make an informed decision about an institution?

Other complex questions remain unanswered yet also need to be addressed. For example, inequality in the economy has links to the blowback against democracy illustrated by the rise of populism globally – are events like Brexit economic or cultural, or both? How do inequality and populism explain corruption, the loss of integrity, or the decline of trust in institutions? Understanding these questions is how we can structure or develop measures to restore trust and integrity in democratic institutions. For example, increasing who is in the ‘political centre’ is a critical measure for restoring trust.

Reflections from politics

There are real-world effects of applying measures to reinstate trust and integrity. Politics can often distort policy measures intended to fix institutional flaws. A key example was the manner in which the Henry Tax Review was used by lobby groups to destabilise the Labor government, which shows that the desire to change is simply not enough. All sectors – whether it is politics, business, banking etc. – need to be willing to take hits when defending a measure that can be critical to institutional integrity. Democracies are self-correcting. There is cause for optimism when institutions are committed to real change.

Reflections on limitations

The speakers noted a key absence from the Symposium – the position of religious groups. Integrity and trust in religious institutions have been under pressure in recent years with the Royal Commission into the Institutional Responses to the Abuse of Children, the arrest and subsequent conviction of Cardinal Pell, and the community divisions arising from the marriage equality plebiscite. There has been a pronounced public pushback against religious institutions, which raises further questions. Does the response to the religious scandals example provide a template for the next set of integrity restoring measures? A what to do/not to do guide? Such lessons need to be considered by all institutions, sectors and organisations.

Conveners’ observations

Several key issues and sub-issues emerged from the Symposium. Most critical in terms of eroded trust was the concept of distance created by the decline of social cohesion; distance between genders in terms of opportunities and roles in society; distance created by centralisation of institutions; and distance between policymakers, policy implementers and policy receivers.

The second issue was an observation of institutional blind spots and an apparent lack of self-reflection by institutions. This emerged more from what was not said at the symposium, rather than what was said. Representatives rightly pointed out what their institutions were doing well – the things they do build integrity and trust. Yet there was far less discussion on where things did not work as well or were contributing factors coming from institutions that exacerbated the decline in trust. Key among this silence – with the notable exception of Stan Grant’s contribution – was that trust is a two-way street. Institutions worry about the decline in trust the public has in them but do not reflect on the fact they place little trust in the public.

The third key issue was the role of watchdogs – the anti-corruption and integrity agencies set to monitor the behaviour of institutions, and the internal processes within institutions designed to guide behaviour toward the good. Each of these issues and sub-issues is discussed in more detail below.

Distance

The decline in social cohesion

More than 20 years ago, Robert Putnam wrote *Bowling Alone*, outlining the decline in social cohesion across the generations in the United States. In the intervening years, we have seen the explosion of the internet and mobile technology, and the signs are all around us that this has an effect in multiple ways. Social media is reconnecting society and people with similar interests, yet it is also creating bubbles and echo chambers, where the same views are sort out, fed by algorithms and marketing devices creating distance and new divisions in society. A citizen may be a member of an interest group with a global membership numbered in the hundreds of thousands or even the millions, but how many connections have they in their neighbourhood?

From an institutional perspective, technology has enabled internet banking in the finance sector; e-mails to parents in education; SMS warnings at times of crisis; crime reporting on-line; medical consultations in local health and more. All these things were once done in a face-to-face manner, where body language and multiple other forms of communication were blended – things that are integral to trust between individuals and institutions – a voice, a face, empathy and more. Cassandra Goldie's contribution illustrated how the high level of trust in civil society organisations was the product of the closer relationships built through community engagement. Lessons from civil society can be drawn into other sectors if they are serious about wanting to rebuild a trusting relationship with the public.

Gender

Goldie's presentation also underscored the role of gender. Civil society is heavily reliant on the contributions of women as board members, employees and volunteers. Yet the professionals mostly do not see the same pay for equal work and responsibilities that their male counterparts receive in other sectors. This creates a distance between men and women, further undermining trust. The pay gap breeds distrust within sectors as well – again feeding into the problem of distance.

Centralisation

The new information age has realised the vision of public sector reformers of 30 years ago – an ability to centralise, create efficiencies and serve a greater number of people with a reduction in resources. Yet this has come at the price of trust. In many towns and centres across Australia, you can no longer walk into your local bank. If you require service that is unusual, or out of the norm, your first point of contact can be a website that to the lay citizen is confusing, multi-layered, and filled with legal arse-covering. Putnam's argument that communities no longer know each other is growing with the institutional retreat into centralised models and modes of delivery.

Would your family understand this conversation?

Talk of the 'Canberra Bubble' reinforces ideas of distance created by centralisation. Valerie Braithwaite posed the question as to whether her family in Ipswich would understand the conversation at the Symposium? Furthermore, would they engage if they did? Families can be incredibly diverse, with educated and less well-educated members, those who prefer football to politics. We need to think about whether those with a political bent trust those who prefer football and vice versa? It is not the case that those who prefer politics do not understand football or those who prefer football do not understand politics – it is whether they trust each other.

Institutional blind spots

The sense is that everyone is so convinced by what they do. The business community has a purpose, and journalists have a purpose, the same way public servants, academia etc have a right to exist and perform a public good. People become aware the public is far more informed. Holding yourself locked into your institutional paradigm, you cannot hear the other viewpoints. The sense of ego needs to be put aside, to listen to what people are scared about when it comes to your area. The failings of journalism; the failure of business; the failure of government.

Other notable absences from the symposium are more of the trusted institutions. The police and military in Australia regularly top the list of trusted institutions whenever polling is done.⁷⁰ This begs the question as to why these institutions in Australia (and internationally)⁷¹ enjoy the public trust?

Trust is a two-way street

Trust is a two-way street. Institutions and agencies often worry about the loss of trust the public has in them; however, they do not always give the same consideration to the trust they place in the public. In recent years, Australian universities have suffered significant data breaches, and many of the presenters at the Symposium have their details held by foreign states or cyber-criminals.⁷² In the United States, the Office of Personnel Management (OPM)⁷³ lost the data of every federal public servant. If institutions cannot protect their employees, how can we ask the public to trust them with their data?

To access welfare payments the government now requires intimate details of people's private lives, their partners, their children, their parents. Individuals must trust institutions with this data. Accessing Medicare or an invalid pension requires members of the public trusting government with details of their sex lives, chronic illnesses, HIV status and more. All of these are matters which carry social stigma. The debate on whether people can opt-in or opt-out of the My-health database underscores the problem – people do not automatically trust the government.

Steven Kennedy, Secretary of the Department of Infrastructure, Transport, Cities and Regional Development, recently advised a group of senior public servants that we need to rethink trust in a digital age.⁷⁴ This is true. However, government needs to signal trust going the other way. Thirty years ago, the Australian Taxation Office introduced self-assessment on the basis that the majority of taxpayers were honest, which realised a massive saving in tax assessments, and at the same time signalled to every taxpayer the government trusted them. In more recent years, taxpayers have been receiving automatically generated letters questioning their honesty if their return falls outside a set of algorithms. This signals the complete opposite – the government no longer trusts you – the machinery of government, quite literally, has a default of non-trust rather than trust, which creates further distance between citizens and government.

Grant King noted that the business community needs to do a better job of listening to the community, hearing its concerns and acting on them. This represents a trusting approach – trusting the community to understand the problems it faces and trusting them to provide the solutions. However, this approach requires consistency – as Stan Grant's analysis of the government response to the Statement from the Heart illustrated. Sending a message to a community that 'we trust you' and then rejecting community solutions without due consideration or explanation reinforces the existing distance between institutions and the people. It reversed the message of trust in people.

Watchdogs

For millennia people have asked about who our guardians should be, and who guards the guardians. One set of arguments was about whether we should have a commonwealth integrity agency.

The debate is yet to be held on the nature of its jurisdiction, the types of activities it will pursue, the targets of oversight, the powers it will be granted, and importantly whether it will have separate or overlapping authority. Issues of coordination and independence will also feature large in the debate

The legislation for anti-corruption agencies is always specific, and around Australia, they vary greatly in jurisdiction and powers. All are expected to tackle corruption. Some have organised crime as a target, at the other end of the spectrum some focus on misconduct. Some do police misconduct as well. Some carry a big stick, others are accused of having the impact of a slap with a wet lettuce leaf. Some have been accused of over-reach and have had pushback against them. There are two types of models, one of which is an agency that barks, another is one that bites.

Whichever way we look at it, Australia is a low corruption country, but this is not to say that corruption is not significant and important in our political and public service life. In low corruption environments, examples of corruption are examined with greater scrutiny and treated as particularly egregious because we expect better, and expect higher standards than those shown by the transgressor.

One gets into a debate about the boundaries between misconduct, maladministration and corruption. Whenever any of these occur they reflect breaches of integrity and failures of trust. One could argue that misconduct is not an anti-corruption agency matter. If it is not a criminal or police matter, it should be dealt with by the Agency Head or the Public Service Commissioner.

What gets up the public's nose are services that do not serve the public, services that are maladministered or are wasteful in their resource usage, and they want a watchdog to call out waste, fraud and abuse.

There are formal processes to deal with malfeasance, but as the journalist Michael Lewis has pointed out the challenge for many of our societies is not about legal demarcations, but the interesting process of who calls out transgressions. He uses the analogy of referees, especially in sporting situations. Referees are the subject of constant abuse and disparagement, and in the end may become timid in calling out the powerful in our society. On the other hand, some referees are captured by powerful interests. These scenarios become huge issues of trust in our societies.

These observations were the subject of two follow-up roundtable discussions with Australian government agencies in October 2019.

Speakers



Professor Frank Bongiorno FASSA FRHistS

Frank Bongiorno is Head of the School of History, Australian National University. He has also held academic posts at Griffith University, the University of New England and King's College London, and in 1997-98 he was Smuts Visiting Fellow in Commonwealth Studies, University of Cambridge. He is the author or co-author of four books, and numerous articles and book chapters, on Australian history and regularly contributes to the media. His latest book, *The Eighties: The Decade That Transformed Australia* (2015) was awarded Australian Capital Territory Book of the Year and was shortlisted for the Ernest Scott Prize, the New South Wales Premier's History Awards and the Council for the Humanities Arts and Social Sciences Australia Book Prize. Among his current projects is a political history of Australia from the earliest times to the present.



Professor Valerie Braithwaite BA Hons (Class 1), PhD, FASSA

Valerie Braithwaite is a professor in the School of Regulation and Global Governance (RegNet) at the Australian National University. Her research focuses on how and why regulation needs to be implemented with respect for the needs and hopes of citizens and how failure to regulate according to this principle undermines community capacity and trust in public and private institutions. Her contributions to this debate include "Taxing Democracy," "Hope, Power and Governance" and "Defiance in Taxation and Governance", and the government reports "Review of Higher Education Regulation" (with Kwong Lee Dow) and "All Eyes on Quality: Review of the National Vocational Education and Training Regulator Act 2011." Valerie was a foundation member of the Regulatory Institutions Network (RegNet) led by John Braithwaite. She headed one of RegNet's flagships, the Centre for Tax System Integrity (1999-2006) and contributed to the ATO's development of their responsive regulatory Compliance Model. Her regulatory work spans a number of fields – child protection, aged care, tertiary education, work health and safety, work and school bullying prevention, and workplace equality.



Professor AJ Brown FAAL

A J Brown is Professor of Public Policy & Law in the Centre for Governance & Public Policy, Griffith University, where he is program director, integrity and anti-corruption. He has led six Australian Research Council projects into public integrity and governance reform since 2005, including the Australian Constitutional Values Survey, and two current ARC Linkage Projects: Whistling While They Work Two and Strengthening Australia's national integrity system: priorities for reform. Among other roles, he was previously a senior investigator, ministerial policy advisor, consultant and judicial associate, for, respectively, the Commonwealth Ombudsman, Queensland Government, Victorian Government and Parliament, and Justice Tony Fitzgerald AC, President of the Queensland Court of Appeal. In 2017, he was elected to the global board of Transparency International, the global coalition against corruption; and has served on TI Australia's board since 2010. In 2012, his biography *Michael Kirby: Paradoxes & Principles* was shortlisted for the Prime Minister's Literary Award, Walkley Book Award and National Biography

Award. He is a member of the Commonwealth Government's Expert Advisory Panel on Whistleblower Protection, immediate past president of the Australian Political Studies Association, and a Fellow of the Australian Academy of Law.



Ms Melinda Cilento

Melinda is the CEO of the Committee for Economic Development of Australia (CEDA). She is also a nonexecutive director of Woodside Petroleum and Australian Unity and Co-Chair of Reconciliation Australia. Melinda is also a member of the Parliamentary Budget Office panel of expert advisors. She was previously a Commissioner with the Productivity Commission and Deputy CEO and Chief Economist with the Business Council of Australia. Melinda has also previously held senior roles with the Federal Department of Treasury, Invesco and the International Monetary Fund. Melinda's executive and director experience cover the corporate, government and not-for-profit sectors, and she has a strong track record of working collaboratively across sectors. Melinda's professional qualifications include a Masters of Economics (Australian National University), and a Bachelor of Economics (Hons) and Bachelor of Arts (Psychology), (Flinders University, SA). She is a graduate of the AICD Company Directors Course.



Professor Garrett Cullity FASSA

Garrett Cullity is Hughes Professor of Philosophy at the University of Adelaide. He taught previously at the universities of Oxford and St Andrews. A moral philosopher whose work ranges across the theoretical and applied parts of the discipline, his work has addressed topics including the nature of moral judgement, the sources of moral knowledge, the relationship between reasons for action and rationality, the content of the moral virtues, the moral emotions, human rights, fairness and collective action, and the ethical issues surrounding international aid, climate change, and our activities as consumers. He is the author of *The Moral Demands of Affluence* (OUP, 2004) and *Concern, Respect and Cooperation* (OUP, 2018), a co-editor of *Ethics and Practical Reason* (OUP, 1997), and an Associate Editor of the *Journal Philosophy and Public Affairs*.



Dr Nicole Gillespie

Nicole Gillespie is Associate Professor of Management and Associate Director of Research at the University of Queensland Business School and International Research Fellow at the Centre for Corporate Reputation, Oxford University. Nicole's research focuses on the development and repair of trust, particularly in challenging contexts such as after trust failures, during organisational change and technological disruption, and in contested industries. Her research appears in leading journals such as *Academy of Management Review*, *Journal of Management*, *Journal of Applied Psychology*, *Business Ethics Quarterly*, *Sloan Management Review* and *Organization Studies*. Nicole has written commissioned reports on building and repairing trust for the Institute of Business Ethics (sponsored by PwC) and a policy note for the UK Parliament, and has consulted to and conducted research in a range of private and public sector organisations, including Barclays Bank, UBS Bank, Santos, Origin, the Australian Army and the Royal Flying Doctor Service. She is Deputy Editor of the *Journal of Trust Research* and on the editorial board of *Leadership Quarterly*. She teaches on the UQ MBA program and the Australian and New Zealand School of Government (ANZSOG) Executive Masters in Public Administration and is the recipient of five teaching excellence awards.



Mr Ross Gittins AM FASSA

Ross Gittins has been Economics Editor of *The Sydney Morning Herald* since 1978. He is also a columnist on economic issues for *The Age*, Melbourne, and the *Canberra Times*. He holds a Bachelor of Commerce from the University of Newcastle, is a fellow of the Institute of Chartered Accountants and has received honorary doctorates from Macquarie University and the University of Sydney. Before joining the Herald, he worked as an auditor with the national chartered accounting firm Touche Ross & Co.



Dr Cassandra Goldie

Dr Cassandra Goldie has been the CEO of the Australian Council of Social Service (ACOSS) since July 2010. With public policy expertise in economic and social issues, civil society, social justice and human rights, Cassandra has represented the interests of people who are disadvantaged, and civil society generally, in major national and international processes as well as in grassroots communities. Prior to joining ACOSS, Cassandra has held senior roles in both the NFP and public sectors, including as Director of Sex and Age Discrimination with the Australian Human Rights Commission, Director and Principal Solicitor with the Darwin Community Legal Service and Senior Executive with Legal Aid in Western Australia. Cassandra has a PhD from the University of New South Wales and a Masters of Law from University College London. She is a graduate of the Australian Institute of Company Directors. Cassandra serves on the Advisory Committee for the Kaldor Centre for International Refugee Law, as a member of the UNSW Grand Challenge on Inequality and Law Advisory Committees and on the Management Committee of the International Council of Social Welfare.

Cassandra was recognised as one of the Inaugural Westpac/Australian Financial Review 100 Women of Influence in 2012 and selected as an AFR/BOSS True Leader in 2013. In 2014, she was voted one of the Impact 25 Most Influential People in the Social Economy and recognised by the AFR in 2015 on their Annual Overt Power List.



Mr Stan Grant

Stan Grant is the host of the ABC's current affairs program *Matter of Fact*, ABC's Chief Asia Correspondent, Ambassador of the Australian Indigenous Education Foundation. He is one of Australia's most respected and awarded journalists, with more than 30 years' experience in radio and television news and current affairs. Stan has a strong reputation for independence and integrity and has interviewed international political and business leaders, including our prime ministers and senior ministers. Prior to taking up his latest role, Stan served for a decade as a Senior International Correspondent for CNN in Asia and the Middle East, broadcasting to an audience of millions around the world. Stan is an award-winning and best-selling author of several books and has contributed articles to many major Australian newspapers, magazines and journals.



Ms Michelle Grattan AO FASSA

Michelle Grattan is one of Australia's most respected political journalists. She has been a member of the Canberra parliamentary press gallery for more than 40 years, during which time she has covered all the most significant stories in Australian politics.

As a former editor of The Canberra Times, Michelle Grattan was also the first female editor of an Australian daily newspaper. She has been with the *Australian Financial Review*, *The Sydney Morning Herald* and Political Editor of *The Age* since 2004.

Michelle currently has a dual role with an academic position at the University of Canberra and as Associate Editor (Politics) and Chief Political Correspondent at *The Conversation*.

In her role at the University of Canberra, Michelle is teaching, working on research projects in politics and political communication, as well as providing public commentary and strategic advice. She is the author, co-author and editor of several books and was made an Officer of the Order of Australia (AO) in 2004 for her long and distinguished service to Australian journalism.



Professor Adam Graycar AM FASSA

Adam Graycar's diverse academic career has included posts of Foundation Director of the Social Policy Research Centre at UNSW; Dean, School of Criminal Justice at Rutgers, the State University of New Jersey; and Director of the Research School of Social Sciences at the ANU. He is currently Professor of Public Policy at the University of Adelaide, and also teaches a semester-length course in public policy at the National University of Singapore. He spent 22 years in government, covering a wide range of policy fields in both the South Australian and Commonwealth governments. His current projects are on public administration, corruption prevention and integrity. He works with the United Nations, the World Bank, leading universities and other international organisations.



Professor Fiona Haines FASSA

Fiona Haines' research, which encompasses work on industrial disasters, grievances and multinational enterprises, centres on white-collar and corporate crime, globalisation and regulation. She is an internationally renowned expert in the area of regulation and compliance with published work in the area ranging from occupational health & safety and financial fraud to the impact of criminalisation of cartel conduct, challenges for regulation in the transformation of the National Electricity Market with the introduction of household solar PV and the capacity of new governance to resolve issues of human rights violations associated with the activities of multinational corporations. Her recent books include *The Paradox of Regulation: what regulation can achieve and what it cannot* (Edward Elgar, 2011) and *Regulatory Transformations: Rethinking Economy Society Interactions*, (Hart Publishing), 2015, co-edited with Bettina Lange and Dania Thomas. Her major current research projects include an analysis of how to hold multinational corporations accountable for human rights abuse, the social impact of coal seam gas exploration and rethinking regulation in an ecologically constrained world. In 2018, she received International Award of the US Law and Society Association for significant contributions to the advancement of knowledge in the field of law and society.



Professor Jane Hall FASSA, FAAHMS

Jane Hall is Distinguished Professor of Health Economics in the UTS Business School and the Director of Strategy for the Centre. She was the founding Director of Centre for Health Economics Research and Evaluation (CHERE) and held that position until 2012. She is a President-Elect of the Academy of Social Sciences in Australia; and also a Fellow of the Australian Academy of Health and Medical Sciences. She received the National Health and Medical Research Council Outstanding Contribution Award in 2017, and was named as one of Australian Financial Review/Westpac100 Women of Influence in 2016. In 2012 she was recognised with a UTS Vice-Chancellor's Award for Research Excellence in Research Leadership. In 2011 she was awarded the inaugural Professional Award made by the Health Services Research Association of Australia and New Zealand, for her outstanding contributions to research, developing the field and mentoring others.

She has worked across many areas of health economics, including health technology assessment, measurement of quality of life, end of life care, health workforce, the economics of primary care and funding and financing issues. She is involved in health policy issues internationally through her involvement with the Commonwealth Fund International Program in Health Policy and Practice. Jane has been an active member of numerous committees and working parties. She is a member of the Independent Hospital Pricing Authority.



Dr Kath Hall

Dr Kath Hall is Associate Professor, ANU College of Law and an internationally recognised expert on transnational corporate corruption and foreign bribery regulation. She has worked with the International Bar Association Anti-Corruption Committee, the International Standards Association, the UNODC and the International Anti-Corruption Academy in Vienna. She is currently part of a team of academics working on a large research project on Corporate Whistleblowing in Australia. She has also recently advised the United Nations on their Whistleblower policies. Kath has also published extensively on the psychology of corporate misconduct.



Emeritus Professor Leslie Holmes FASSA

Leslie Holmes has been a Professor of Political Science at the University of Melbourne since 1988, and Professor Emeritus there since 2014. He also teaches every year in Warsaw and Beijing, and occasionally at the International Anti-Corruption Academy in Vienna. He has authored or edited 16 books – including *Corruption: A Very Short Introduction* (Oxford University Press, 2015) – and his work has been published in 16 languages. He specialises in post-communism, corruption and organised crime. Professor Holmes has been a consultant on corruption to the World Bank, Transparency International and the Swiss government, and has been a Fellow of the Academy of Social Sciences in Australia since 1995. In 2017, he was given a 'Lifetime Achievement Award' by the Australian Political Studies Association.



Mr Grant King

Grant King was elected President of the Business Council in Australia in November 2016. He was a member of the Business Council Board from November 2011 until November 2015 and chaired the Business Council's Infrastructure and Sustainable Growth Committee from 2010 to 2015.

Grant has extensive experience in the Australian energy industry. He was Managing Director of Origin Energy Limited from February 2000 until November 2016. He was formerly General Manager, AGL Gas Companies where he held a number of management positions over a period of 17 years. In addition to his role at the Business Council, he is the Chairman of Melanoma Institute of Australia, a Director of Great Barrier Reef Foundation, a member of UNSW and runs his own advisory business, GK Advisory Pty Ltd. He is former Director of Envestra Limited and the Australian Petroleum Production and Exploration Association Limited (APPEA). He is former Chairman of Energy Supply Association of Australia (ESAA), Oil Company of Australia and Contact Energy Limited. He is a Fellow of Australian Institute of Company Directors.



Mr Scott Ludlam

Scott Ludlam is an activist and designer, a columnist for *Guardian Australia* and a writer. He served as a Senator for the Australian Greens between 2008 and 2017, as the spokesperson for communications, nuclear issues, foreign affairs, defence, foreign aid and veterans affairs.



Professor Leon Mann AO FASSA

Leon Mann is a Professorial Fellow in the Melbourne School of Psychological Sciences at the University of Melbourne. He is founder and coordinator of the University's Research Leaders Mentoring Program. He taught at Melbourne Business School from 1991 to 2003, where he was Pratt Family Chair of Leadership and Decision Making. He has taught at Harvard University, University of Sydney, and Flinders University and was a Visiting Professor at Stanford University and The Hebrew University of Jerusalem.

Leon is a past President of the Academy of the Social Sciences in Australia (2000–2003) and of the Australian Psychological Society (1987-1988). He is an Honorary Fellow and Life Governor of The Hebrew University of Jerusalem.

He served on the Minister's National Research Priorities Consultative Panel and Expert Advisory Committee 2002-2003, was a member of the CRC Association awards committee for research excellence, and chaired the Business-Higher Education Round Table awards committee for excellence in R&D collaboration.

He is a co-author with Irving Janis of *Decision-making* (1977). His other books include *Social Psychology* (1969), *GOFER* (1988), *Developing Leaders in R&D* (1994), *Leadership, Management and Innovation in R&D Project Teams* (2005) and (with Janet Chan) *Creativity and Innovation in Business and Beyond* (2011).

Leon has held Australian Research Council Linkage Grants in the areas of R&D leadership, knowledge sharing, and collaboration in research organisations. His publications deal with leadership and decision making; team climate, creativity and innovativeness; leadership and trust in research teams; and research collaboration between universities and industry.



Dr Adam Masters

Adam Masters lectures in criminology for the Centre for Social Research and Methods and is the Deputy-Director Governance at the Transnational Research Institute on Corruption (TRIC) at the Australian National University. Adam convenes and teaches courses on corruption, organised crime and genocide. He came to the Australian National University following a 24-year career with the Australian government, which included time at the Department of Defence, the Australian Taxation Office, and 18 years with the Australian Federal Police. Dr Masters' research focuses on organised crime, corruption and anti-corruption in unions and sport; public values; political rhetoric; and the influence of culture on international organisations. He co-authored *Leadership Performance and Rhetoric* (2017) with Professor John Uhr. His latest book *Cultural Influences on Public-Private Partnerships in Global Governance* was published in 2019.



Emeritus Professor John McMillan AO

John has held the statutory positions of Commonwealth Ombudsman (2003–10), Integrity Commissioner (Acting) for the Australian Commission for Law Enforcement Integrity (2007), Australian Information Commissioner (2010–15), NSW Ombudsman (Acting) (2015–17), and member of the Australian Copyright Tribunal (2015–18). John is an Emeritus Professor at the Australian National University, where he taught administrative and constitutional law from 1983–2003. He is a co-author of *Control of Government Action: Text, Cases and Commentary* (2019, 5th ed). John is a National Fellow of the Institute of Public Administration Australia, a Fellow of the Australian Academy of Law, an honorary life member of the Australian Institute of Administrative Law, and a recipient of a Lifetime Achievement Award from the Society of Consumer Affairs Professionals. He was made an Officer of the Order of Australia (AO) in the Australia Day Honours List 2010 for his work as Ombudsman, academic and in professional societies.



Professor Stephen Parker AO

Professor Stephen Parker AO is a partner in KPMG Australia, where he is the National Education Sector Leader. Prior to joining the firm in February 2017, he served over nine years as the Vice-Chancellor and President of the University of Canberra.

His previous roles include Senior Deputy Vice-Chancellor at Monash University, Dean of Law at Monash University, Professor of Law at Griffith University and Reader in Law at the Australian National University. He began his career as a practising solicitor, while also lecturing at University College Cardiff.

Stephen moved to Australia from the UK in 1988. He graduated with honours in Law from the University of Newcastle upon Tyne and with a Doctor of Philosophy from the University of Wales. He is admitted to legal practice in England and Wales, the ACT and Queensland.

Stephen has published books, monographs and articles on the court system, legal ethics, family law and children's rights. He is also the co-author of a textbook called *Law in Context*, designed to introduce law students to the way that other disciplines view law.

He has held various major research grants for projects on lawyers' tactics, lawyers' values, discretionary rules, family law, judicial independence and reform of civil procedure. In 2012 he was elected a Fellow of the Australian Academy of Law.

He was an academic auditor for the Australian Universities Quality Agency (AUQA), a member of the Humanities and Creative Arts Panel of the Australian Research Council (ARC) and a member of the Australian Qualifications Framework Council.

Stephen was made an Officer of the Order of Australia (AO) as part of the Australia Day Honours in January 2014 for his distinguished service to tertiary education through administrative, academic and representational roles, and as a leader in the growth and development of the University of Canberra.



Professor Janet Ransley

Janet Ransley is a Professor in Criminology and Criminal Justice at Griffith University, and Director of the Griffith Criminology Institute. She researches on policing, regulatory approaches to crime reduction, crime and justice policy, and integrity in criminal justice, law and politics. She was formerly Head of the School of Criminology and Criminal Justice and before entering academia held senior policy and research positions with the Queensland Government, and was in private legal practice. She has co-authored or edited five books and collections and around 70 research articles and chapters, along with numerous reports, op-eds and policy briefings.



Professor Naomi Soderstrom FASSA

Professor Soderstrom is a Deputy Head of Department at the University of Melbourne and is a Fellow of the Academy of Social Sciences in Australia. She received her PhD in Accounting and Information Systems from Northwestern University. Her primary research areas are management accounting and sustainability accounting. Professor Soderstrom's work has appeared in major journals including *Journal of Accounting and Economics*, *Journal of Accounting Research*, *The Accounting Review*, *Journal of the American Medical Association*, *Review of Accounting Studies*, *Contemporary Accounting Research*, *Journal of Management Accounting Research*, *Journal of Accounting, Auditing, and Finance*, and *Journal of Accounting and Public Policy* in the U.S. and *Accounting Organizations and Society* and *European Accounting Review* in Europe. She is Editor of *Journal of Management Accounting Research* (2016–2018) and *Journal of Accounting and Public Policy* (2018–2021) and serves on the editorial boards of several journals. Prior to joining the University of Melbourne, Professor Soderstrom taught at the University of Washington and the University of Colorado. She has been a Visiting Professor at IE (Madrid, Spain), ISB (Mohali, India), University of Mannheim (Mannheim, Germany), and the University of Maastricht (Maastricht, Netherlands). Professor Soderstrom is Past President the Management Accounting Section of the American Accounting Association.



Professor Glenn Withers AO FASSA

Professor Glenn Withers AO is Professor of Economics at the Australian National University and President of the Academy of Social Sciences in Australia. He has chaired various public Inquiries and has headed bodies such as the Economic Planning Advisory Commission and the National Population Council. He was chair of the Expert Working Group for Australia's Comparative Advantage, a report for the Australian Council of Learned Academies.

He was founding CEO of Universities Australia. Prior to that, he was Professor of Public Policy at ANU and the Australia and New Zealand School of Government. He is a Monash and Harvard graduate and has held academic posts in Australia and overseas including at Harvard, Cambridge, La Trobe and Macquarie Universities.

He has produced a significant number of books, academic papers and government and consultancy reports. He has worked in and for government, including as chair of various Australian government bodies such as the National Population Council and the Economic Planning Advisory Commission, and he has chaired public inquiries regarding population issues, immigration, and infrastructure financing and was a member of the Faulkner inquiry into childcare and Co-Commissioner of the Productivity Commission's Stocktake of Micro-economic Reform. He is a Board member of CEDA and Chair of CEDA's Council on Economic Policy.

Professor Withers helped to establish the Productivity Commission, the Crawford School, ANZSOG and Universities Australia. He has been an adviser to private sector and community sector organisations in Australia and overseas, ranging from the North West Shelf Consortium and the Business Council of Australia to the OECD and UNDP. Professor Withers was awarded an Order of Australia for services to applied economics, including for design of the Australian immigration points system.

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