

AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT SCHOOLS

PRESS RELEASE 567#

FORMER TREASURY SECRETARY - KEN HENRY SAYS

THE C18 MERCANTILIST NARRATIVE HAS OUTLIVED ITS USEFULNESS

The Educational policies of both Christopher Pyne at the Federal level and Martin Dixon at the Victorian State level are based upon an outdated concept of 'competitiveness' spiced with peculiar religious dogmas. Even in the area of economics they have a dangerously wrong narrative dangerously.

If our political ideologues went back to Adam Smith and his *Wealth of Nations* they would discover a strong public education system open to all children was a cornerstone in his thinking. It made economic sense in his *Wealth of Nations*. The current extreme, economic policies espoused by Conservative governments were not only rejected, but criticised by Adam Smith.

In an address to the ANU Crawford School of Public Policy on Tuesday 16 September, former Treasury secretary, Ken Henry, slammed current obsessions with an outdated concept of "international competitiveness" pervading Australia's policymaking circles. Read more: <https://crawford.anu.edu.au/news/4655/reform-narrative> ; <http://www.smh.com.au/federal-politics/political-news/ken-henry-slams-australian-economic-mercantilism-20140916-10hv2o.html#ixzz3Dc9o7bxq>. Video: Watch the video of Ken Henry's ANU Public Policy Week talk at <http://canberralive.act.gov.au/events/event/anu-policy-outlook-2014-keyn...>

Dr Henry says this outdated narrative – which he calls "Australian mercantilism", has been used to support Australia's major economic policy reforms for the past 30 years. This is now "*crippling serious attempts to deal with some of our biggest challenges*". An edited extract of his address was published in the *Australian Financial Review* of Wednesday 17 September, 2014. He argued that governments do not always 'pick winners' in terms of products and industries **BUT** government do have a responsibility for **building national endowments**. Our Conservative Government have 'picked winners' by flooding wealthy private schools with taxpayer dollars. But our public Education systems are one of our most precious national endowments. They need protection from extremist ideologues pursuing an outmoded eighteenth century 'mercantilism' alongside mediaeval religious dogmas. Our politicians are concentrating on exporting anything with a price tag on it – including our childrens' educational inheritance.

The economic ideologues have failed. The OECD has written in its interim 2014 global growth forecast this week: '*economic slack has persisted, potential growth has slowed, and inequality has risen.*' Yet our Conservative governments are refusing to acknowledge gross inequalities in our education system and starve our public education systems of public funds.

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