

Revisiting the Role of Rhetoric in Economics

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A review of Helen Hughes' book, *Lands of Shame: Aboriginal and Torres Strait Islander 'Homelands' in Transition*, Centre for Independent Studies, 2007, \$38 pp.237.¹

Helen Hughes was the 2004 Distinguished Fellow of the Economic Society of Australia, and has a long history of making robust contributions to public debate. Her book *Lands of Shame* is, by any measure, an extraordinary work that has already influenced government policy. As the title implies, it is not a balanced account but rather a passionate and angry interpretation of recent Indigenous policy.

Hughes' rather polemical version of history goes something like this. Aboriginal 'homelands' (a term that she never adequately defines) are the product of a socialist model devised by economist Nugget Coombs. Hughes presents a considerable body of evidence from other sources to document the undeniably dire circumstances facing Indigenous people in remote areas.

The blame for ongoing Indigenous disadvantage in 'homelands' is squarely placed on the 'exceptionalist', self-determination policies that were implemented in such areas. Hughes pursues a set of reforms foreshadowed in her earlier publications including: privatising and individualising housing and enterprise; moving people to mainstream employment in mining, pastoralism and fruit picking away from their ancestral lands; compulsory compliance with mainstream education standards; private, rather than community, housing; a health audit for all with results provided to families so that they take responsibility; one law for all; better trained Indigenous police; alcohol and kava management; and more. Much of this resembles the measures incorporated in the Federal government's recent 'national emergency' response to child sex abuse in the Northern Territory.

Hughes book works best at an iconoclastic level—indeed, she has a go at almost anyone who is not a resolute supporter of current federal government policy. For example, she criticises the Productivity Commission Reports on *Overcoming Indigenous Disadvantage* for their failure to analyse the crisis in remote 'homelands' (pp.168–9). However, there is effectively no existing data for the suggested study of these extremely remote areas.

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1. This review was published by the Economic Society of Australia and Wiley-Blackwell as Hunter, B.H. 'Revisiting the Role of Rhetoric in Economics', A book review of *Lands of Shame: Aboriginal and Torres Strait Islander 'Homelands' in Transition*, by Helen Hughes, *The Economic Record*, 84(265) 279–81. This is the version that was submitted to the *Economic Record* and interested readers are referred to the journal for the final published version.

This is an important point, as Hughes analysis is not based on a clear, consistent and definable set of evidence. Rather it is a hotch potch of partial evidence based on a highly selective reading of other peoples' research that themselves employed primary and secondary data sources. The scholarship of the book is further brought into question by an excessive reliance on journalism—for example, there are nearly 200 references to newspaper articles, mainly from *The Australian*.

How did this crisis happen? Indigenous disadvantage has not arisen suddenly like a tsunami—rather poor outcomes for Indigenous people appear to have cumulated over many generations throughout Australia. While the Howard government and supporters of its new approach in Indigenous affairs such as Hughes rightly point to historical factors driving Indigenous disadvantage, their historical focus seems to be rather narrowly confined to the period between the early 1970s and the mid 1990s. The quality of the data was not really credible before 1981, but census data indicate that there has been steady although not spectacular improvements in certain socioeconomic outcomes since the 1970s (Altman, Biddle & Hunter 2005). This may seem counterintuitive, but those who try to construct a narrative of failure in a particular set of Indigenous policies do not contest the national statistics on which these results are based. Rather, they claim that the failure is mostly manifest in remote outstations and 'homelands'. In a recent *Economic Papers* article, I have shown that trends in indigenous socioeconomic status are similar in both remote and non-remote Australia (2007a). This is not to say that indigenous progress is adequate in the presence of substantial macroeconomic growth; rather, that the extreme claims of failure should be tempered.

Not only does Hughes provide an inadequate account of history that ignores the fact that Indigenous socioeconomic outcomes were coming from an exceptionally low base in the 1970s, there are also obvious revisionist tendencies. The attacks on Nugget Coombs are ahistorical, linking initiatives in self-determination to a book published in 1983, despite the fact that the concept of self-determination had been around for many years before that (e.g., former US President Richard Nixon is associated with the *Indian Self-Determination and Education Assistance Act 1970*).

At this point I should acknowledge that my earlier criticism of Hughes' use of rhetorical devices seems to have motivated Chapter 12, provocatively titled, 'Hyperbole or reality' (Hunter 2007a). That chapter misrepresents my arguments—I do not claim that Hughes deliberately exaggerates the statistics she quotes. Indeed, many of those statistics used were derived by myself or colleagues at the Centre for Aboriginal Economic Policy Research. Rather Hughes' interpretation is less than balanced and imposes an unnecessarily ideological reading of the statistics.

My main criticism of Hughes' analysis continues to be that she has created the space in public debate where the use of hyperbole is acceptable and indeed endorsed. I maintain that her use of the word 'apartheid' in describing the permit and land rights system is inappropriate and categorically wrong. The debate over the NT intervention seems to indicate that the vast majority of community residents support the right to control who enters their group-owned property. If respected people engage in emotional debates using rhetorical devices, then this sets a public standard whereby exaggeration and categorical errors become a legitimate form of public discourse. *The Australian* has published many articles that repeat and expand on this invalid analogy with 'apartheid'.

Hughes' book is a direct appeal to the shame that Australians should feel. Shame may not be entirely inappropriate response to the situation, but potentially it is a debilitating response that can circumscribe public debate. The heat of the current debate has intimidated many people who have positive contributions to make. For example, a colleague recently presented a paper at an Indigenous policy conference held in Alice Springs. Despite the direct relationship to the conference theme, the intervention into Northern Territory Indigenous affairs was barely mentioned. Is it possible that the claims that anyone who criticises an earnest attempt to address child abuse is a 'nay-sayer' (or worse, supports child abuse) left people

morally vulnerable and reluctant to contribute to public debate? The over-simplification of the issues has led to an extremity of language and arguments that mitigates a reasoned evaluative analysis of policy options.

In the *Rhetoric of Economics*, Donald (now known as Deirdre) McCloskey argued that most economists are 'tendentious', assuming that they know already, and concentrating on a high-standard of mathematical proof rather than a 'scholarly' accumulation of relevant, documented facts about the real world (1983). This is one of her seminal contributions which made many economists critically reflect on both their methodology and how their insights are explained in the public debate. The book *Lands of Shame* displays an adept use of the art of rhetoric, but it reminds us why this art has a poor reputation among social sciences—such devices tend to elevate the form of the argument over the substance. That is, excessive use of rhetoric promotes the winning of a debate to being more important than the 'truth' or effectiveness of the policy being discussed.

Some aspects of the Northern Territory intervention, and hence Hughes' analysis, can be rationalised by existing evidence—this may reflect the manifestly inadequate nature of extant data rather than the validity of Hughes' perspectives (Hunter 2007b). The main problem is that the intervention is profoundly illiberal and does not involve meaningful consultation with either Indigenous communities or relevant bureaucracies (Territory or Federal government). Indigenous policy is the most complex area facing governments as it involves many issues that do not exist for other Australians: amongst other things, a dynamic and changing cultural life and social norms, native title, and intergenerational transmission of disadvantage arising from historical government interventions (i.e. the 'stolen generation'). Unless the conflicting views of stakeholders are taken into account, it is unlikely that the necessary behavioural change will take place.

I will finish with an ironic observation that is hopefully both entertaining and pertinent. In an 1989 episode of Geoffrey Robertson's *Hypotheticals* called 'Beggars Thy Neighbour', Hughes played the part of a child who takes up prostitution to get away from entrenched poverty and a loathsome chief, who was rather ironically played by prominent Indigenous academic Gary Foley (Robertson 1991: 189–190). While some participants in the hypothetical had reservations about the (often immoral) power relationships that prostitutes endure, I personally admire the lack of sentimentality with which Hughes pursued the ideas in the role she chose to play. The selective use of shame employed by Hughes is obviously not consistent—however, I highlight the issue merely to point to the dangers of confusing the economic argument by selectively combining positive and normative statements. Politicians necessarily combine positive and normative statements as a matter of course, and use rhetorical devices to win the public debates, but economists should be cautious about doing the same.

The rhetorical excesses and the naked moralising tone of *Lands of Shame* detract from the substance of the claims and analysis made in the book. The ultimate incentive to refrain from the immoderate use of rhetoric is that reasonable people will question why one is attacking the form of the argument rather than the substance of the policy being promoted.

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