Malcolm Fraser’s life and legacy: experts respond

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Abstract
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... restored economically responsible government while recognising social change.

The Fraser government came to office after the constitutional crisis of 1975 triggered by the sacking of the Whitlam Labor government. In his time in office, Fraser oversaw the acceptance of southeast Asian refugees and the emergence of a multicultural Australia, but environmental battles were a factor in his government’s defeat in 1983. He also led economic and social welfare reforms.

In his later years as an eminent public figure, Fraser grew distant from the Liberal Party, particularly over its asylum seeker policies. In 2010, he resigned his party membership, citing its shift to the right of politics.

The Conversation spoke to a number of experts to get a sense of Fraser’s achievements and legacies in key policy areas.

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Malcolm Fraser, Liberal prime minister between 1975 and 1983, passed away on Friday morning at the age of 84 after a brief illness. In a statement, Prime Minister Tony Abbott paid tribute to Fraser’s achievements in government, saying he:

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**Multiculturalism and immigration**
Andrew Jakubowicz, Professor of Sociology and Co-director of Cosmopolitan Civil Societies Research Centre at University of Technology, Sydney

Malcolm Fraser brought to the whole area of immigration and cultural diversity a “small l” liberal approach to the world wrapped around a quite conservative concern for social order and social cohesion. It was the unique combination of these – as well as his personal history – that helped him reorient the way in which Australian society has come to think about this.

While multiculturalism had been in a sense kicked off by Al Grassby in the Labor period, it was really Fraser who became its product champion. There was a story that Gough Whitlam had been programmed to speak to a big Greek community rally in Melbourne in a park. But then Whitlam was out, Fraser was in, and Fraser turned up with a stack of notes from the department. Fraser just threw away the notes.

The Greek community was incredibly hostile – but Fraser had an adviser, Petro Georgiou, who helped steer him. Fraser just spoke to that audience about his commitment to their inclusion in the Australian narrative in ways that won them over not necessarily in terms of partisan voting, but in terms of their willingness to give him a go.

From that point on, Fraser was the first prime minister – and probably the last prime minister – who was a real product champion of multiculturalism. Fraser said and recognised that Australia’s future would depend on having everybody at the table, rather than a hierarchy of which his own patrician class would sit at the apex. Much of Fraser’s struggle was against neoliberals and the arch-conservatives in the Liberal Party.

It was Fraser, with a small group including Michael MacKellar and Ian Macphee, who put together an immigration program that was really quite innovative. He was also the person who forced the broker age of the Indo-Chinese refugee story. There was total chaos; there were boat people; things were totally dreadful after the end of the Vietnam War. Fraser had been minister for army during the Vietnam War, so he was part of the cause of the problem.

Fraser was approached by a number of people to try and bring out more refugees. One of them, Robert Manne, said to me that they went to see Fraser and said we’d really like you to bring a couple of thousand people in under some sort of orderly scheme. Fraser basically said that we’re going to bring in 10,000 per year; we’re going to do this on a regional basis; we’re going to get everyone co-operating and even though a few years ago we were shooting at each other, we actually have to get the Vietnamese government onside.

And so, through a series of quite interesting strategic perspectives – looking at one decision after the next – Fraser managed to bring that together. He also, with MacKellar, tried to sort out the mess that was the consequence of the Lebanese civil war. He was quite actively involved in shaping the way in which Australia took refugees from Lebanon on a non-racial basis.

Some people, particularly in the right-wing Christian side of the Lebanese community, have been very critical of Fraser for that because they believe he let the Muslims in. But, in a sense, he set the ground rules in a most difficult situation where people would be admitted on the basis of need – not on the basis of creed. That was a sterling breakthrough in a period which was just after the end of the White Australia policy. It had barely been turned off by the Whitlam government and things could very easily have gone a very different sort of way.
Fraser was clearly the instigator of what became the Galbally report on post-settlement services for immigrants and their families. That’s the blueprint that we live with today: it has been amended and modified a bit, but that framework – which was again incredibly innovative – has shaped our capacity to respond to migration. It has made Australia’s settlement process probably the most successful one in the world.

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**Foreign affairs**

**Mark Beeson, Professor of International Politics at University of Western Australia**

Malcolm Fraser was a member of a small but growing club: political leaders who become far more radical in retirement than they ever were while in office. Fraser’s standard explanation for this was that the Liberal Party had left him rather than vice versa. While there’s something in this, it was a bit disingenuous and self-serving. The truth was actually more interesting.

To be sure, the Liberals – and the Labor Party, for that matter – moved to the right, but Fraser shifted too. While he may have been an early, prominent and consistent supporter of the rights of asylum seekers, his position on other key policy issues of his time in government underwent a profound shift.

Nowhere was this clearer than in the change in his thinking about relations with the US. It’s important to remember that Fraser actually oversaw much of Australia’s involvement in the conflict in Vietnam, during which he expressed no misgivings about close ties with the Americans. But as the title of his recent book Dangerous Allies makes clear, his views about security policy became decidedly unconventional in later life.

Despite mainstream strategic thinkers in Australia and elsewhere dismissing his ideas as being out of touch with geopolitical reality, I think it was entirely to his credit that he thought seriously about some of the most important foreign policy questions facing Australia at a time when such debates were characterised primarily by a remarkable uniformity of opinion.

True, it is always easier to have principles when they are unlikely to be tested by either actual events or – even more pertinently, perhaps – the constraints of party discipline. But leaders with principles of any sort, other than political survival and expediency, are a bit thin on the ground these days.

Fraser’s supporters might claim that even his role in The Dismissal was, in part at least, driven by principles as much as by political opportunism. While that will continue to be debated, what is less in doubt is that, for all his flaws, Fraser was a unique figure in Australian political life and one who arguably improved with age.

*Editor’s note: you can read Mark Beeson’s review of Malcolm Fraser’s 2014 book Dangerous Allies [here](#).*
Personal reflections

David Penington, Emeritus Professor at the University of Melbourne

It is inevitably sad to suddenly lose a contemporary with whom one had some association, albeit intermittent, over many years. Malcolm and I arrived as “freshmen” at Magdalen College in the same week in October 1950. One thing I clearly recall was his great interest in Africa as a continent with huge potential.

Malcolm interested me in a monthly newsletter about Africa, which I read for several years. I learned about such developments as the multi-racial Makerere medical school in Kampala, Uganda. Several years later I even contemplated a career there, but by that time Uganda was falling apart.

Malcolm’s passion for Africa persisted throughout his political career, as a vocal opponent of apartheid. Later, after ceasing to be prime minister, he served as a member of the Eminent Persons Group to intervene in African disputes.

It is for others to comment on the events of 1975 and Malcolm’s term as prime minister. However, in recent years he has been outspoken as a critic of the political leadership of the Liberal Party as it has come to be progressively preoccupied with “interparty warfare” and fails to articulate a guiding view of reform and development fitting for a unified multicultural nation, which should be characterised by a principle of fairness to all. The disquiet culminated in his resignation from the party.

It was very much Malcolm’s vision that led to Australia accepting the flood of refugees in boats from Vietnam after the disastrous war there and ensuring that our immigration policies remained open to people of varied races, religions and colour of skin, including accepting refugees to be embraced as future citizens.

Higher education

Hannah Forsyth, Lecturer in History at Australian Catholic University

After the Whitlam government’s dismissal, the incoming Coalition government of Malcolm Fraser sought a new set of reforms for tertiary education that would more firmly link university funding to economic goals. The education minister, John Carrick, commissioned a review conducted by University of Sydney vice-chancellor and academic economist Bruce Williams.

Williams took his time, not reporting until 1979. It was a report that aligned to the values of the Liberal Party. While it did not advocate radical change, the bulky, two-volume review was nevertheless influential for reinforcing much of the 1965 Martin report.

The Williams report marked a real change in the ways that the government was assessing the need for education. Before this, education was assumed to be a right possessed by the
individual citizen, based on merit. Now it was a question of economic and demographic trends.

This tightening of the connection between higher education and the economy launched a new type of public debate about universities. Politicians began to argue that higher education had two primary purposes: workforce planning and economic growth. The older idea, held by Menzies, Beazley (senior) and Ian Clunies Ross, that universities were intended to uphold culture and civilisation, was being discarded.

At the same time as the connections between universities and economic growth were being conceptualised, investment in university education was offset by the desire to save money. From this perspective, some believed there were now too many universities. Griffith, Murdoch and Deakin universities should never have been established, they thought. Williams pointed out that there had been no way of knowing that, soon after they were built, both the economy and student demand would collapse.

Australia might have too many universities right now, Williams argued, but with projected growth in student participation in the 1980s and 1990s they would soon be required.

However, growth needed to be balanced against other issues. Williams was concerned that the combination of high unemployment and the growing number of university graduates was leading to “credentialism”: jobs that really did not need tertiary qualifications now required them. This contrasted with the alternative position that an influx of university graduates would modernise the global economy.

But with less public money on hand, such change now seemed wasteful. Free education should be made more sparingly available. Students, Williams argued, should receive only the education workplaces really needed, not the “surplus” education possible in times of affluence. Fraser’s strategy was to plan for constrained growth, using Menzies’ binary framework to this end.

The critical question, given the overall budget situation, was how to fund even small increases in enrolments. Fraser intended to offset that expansion, to the dismay of many members of the public, by reintroducing student fees and cutting funding. Reducing costs and adding student fees would allow for the modest expansion the Williams report predicted without tapping Treasury.

The government duly reduced recurrent funding and restructured the Colleges of Advanced Education, forcing many to amalgamate in the belief that a smaller number of larger institutions would be more efficient.

*Editor’s note: this is an edited excerpt from Hannah Forsyth’s book, *A History of the Modern Australian University* published by NewSouth, republished with the author’s permission.*

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**The economy**

Simon Ville, Professor of Economic and Business History at University of Wollongong
Malcolm Fraser’s economic perspectives were shaped by the personal experiences of his family’s pastoral properties and the intellectual influences of studying politics, philosophy and economics at Oxford. He was an economic realist who occupied a middle ground between the expansionism of the Whitlam government and the growing influence of “economic rationalism” within the Coalition.

Fraser’s government served during challenging economic times for many nations trapped by “stagflation” – stimulating the economy caused further inflation but putting the brakes on raised unemployment to high levels. His attempts to rein in the deficit, the so-called “razor gang”, succeeded but inflation and unemployment both remained unacceptably high at the end of his time in office.

Interposed between the reforming Labor governments of Whitlam and Hawke, Fraser’s administrations contributed to the deregulation and modernisation of the Australian economy and the social values underlying economic progress. The Campbell Commission set the groundwork for many of the subsequent reforms that freed up a highly regulated monetary system. His government reduced tariffs, eased into place with subsidies, and reformed competition law.

Fraser’s support for ending the White Australia policy was reflected in the large refugee influx after Vietnam and his subsequent opinion pieces. The labour market benefits of more open immigration remind us that economic progress and human justice can go hand-in-hand – a philosophy that Fraser appreciated.

Alex Millmow, Senior Lecturer in Economics at Federation University Australia

Malcolm Fraser’s economic record was patchy. He was a Keynesian in the closet but he never applied it in office.

The Treasury was very strong, while the Reserve Bank was weak – not having the power it has today to control and manipulate interest rates. The Treasury spooked his government. The mantra was that inflationary expectations had to be ground out of the country by a policy of austerity. That led to year-on-year, very tight budgets – even more than we have now under the Abbott government.

The 1970s was a miserable period in Australian economic history, and Fraser never embarked on any microeconomic reform. He recently said that was a missed opportunity. His government did commission the Campbell report (into financial services) but then never acted on it. The other prevalent policy was to reduce real wages, which was then seen as the prevailing cause of unemployment.

He lost office because there was a resources boom that never came to pass, wages went up, there was a drought, and the world economy was also a bit wonky. He left office with the country in recession. And when Hawke and Keating came into office, they discovered the deficit was much larger than they’d been told.

Arts and culture
Joanna Mendelssohn, Associate Professor, Art & Design at UNSW Australia

As well as a great deal of hostility from the arts community who really admired Whitlam, when Fraser seized power there was an expectation that the new government would return to the bad old days of neglect.

The opening of the 1976 Biennale of Sydney took place on November 11 – an unfortunate anniversary, especially as Fraser was opening it. There were demonstrations outside and an ostentatious walk-out by artists and others when he stood to speak.

But life is never so simple. Arts policy in the Fraser years was less ostentatious than the Whitlam years. One great innovation was the creation of Artbank – based on Canada’s Artbank, but now completely transformed. It has evolved into one of the best cost-effective ways of both bringing art into everyday life and supporting artists – at no cost to government coffers.

The other innovation of the Fraser years, which from memory probably had a great deal to do with his wife Tamie, was the creation of the Australiana Fund to replace the furnishings and decoration of official residences with works by Australian artists, furniture makers and designers.

The Australian National Gallery (the NGA, as it then was) had been a victim of Liberal Party attacks in the Whitlam years, so there was considerable angst about its funding under Fraser. The main problem (and a legacy of the attacks on Whitlam) was the requirement that major purchases had to be cleared at a political level. This led to Australia losing Braque’s Grand Nu as it was deemed too expensive and controversial.

This also led to a concentration of purchases by the NGA in the Australian market. The presence of the National Gallery’s purchasing power led to a distortion of the Australian market as small galleries and private purchasers could not compete. Art dealers were happy, though.

Towards the end of Fraser’s career as prime minister there was the recession, and his last budgets hit the arts hard – along with everyone else. However, the “arm’s length” nature of the Australia Council funding was maintained, and the National Gallery was opened by the Queen with great pomp and ceremony.

Jo Caust, Associate Professor, Cultural Policy and Arts Leadership at University of Melbourne

Malcolm Fraser’s attitude to the arts was a little different to his predecessor Gough Whitlam. While Whitlam argued passionately for the role of the arts in the nation’s development and profile, Fraser wanted to ensure that the newly created Australia Council became more efficient in its practices and was less wasteful in its approach to administration and grant-making.

In addition, Fraser’s government argued for decentralisation and devolution of funding, implying a less pivotal role for the Australia Council as the sole national arbiter of arts taste and funding. Several actions of the Fraser government can be seen to support a less elitist and
more accessible approach to arts funding as well as rejecting an industrial framing of the arts by government.

In 1976, the Australia Council Act was amended to give the council the formal role of the government’s advisory agency on all matters falling within its area of responsibility – that is, to advise the government on all matters related to the arts. This was a significant change from just being an arts funding body; this meant it also took on a formal advisory and policy-making role.

Under Fraser’s government, a major structural and in a sense philosophical change also occurred at the Australia Council with the establishment of the Community Arts Board in September 1977. This intervention in particular implied that arts practices could be seen as more accessible, challenging the notion of what was seen as “excellence” by many within the Australia Council.

Historically, there is enormous significance to the specific rejection of the following recommendation of the Industries Assistance Commission (IAC) inquiry into Assistance to the Performing Arts that:

Adjustment assistance should be provided to the presently subsidised companies by maintaining assistance which contributes to their operating costs at approximately the level in 1976-77 for a period of three years, that level of assistance to be phased out over the following five years.

So while the government-appointed commission recommended that government funding for performing arts companies be gradually phased out, Fraser’s government rejected that notion and reaffirmed a commitment to ongoing subsidy of arts practice. Essentially this was a rejection also of an industrial framing of the arts at that time.

Two other major contributions of the Fraser government to the arts and cultural sector in 1981 were the establishment of the National Museum and the introduction of a Taxation Incentives for the Arts Scheme, both of which continue to exist today.

Vincent O’Donnell, Honorary Research Associate of the School of Media and Communication at RMIT University

Malcolm Fraser had the misfortune of serving as prime minister in the umbra of the brief but eventful term of the Whitlam government – especially when it comes to Australian arts and culture.

To his credit, Fraser left in place – to the largest extent – the policy and ideological innovations in the arts of the Whitlam government, despite the tuneful sounds of his razor gang polishing their blades.

One Whitlam initiative largely forgotten now and continued under Fraser was a reference to the Industries Assistance Commission to report on:

Whether assistance should be accorded the performing arts in Australia and if so what should be the nature and extent of such assistance.
When commissioners Boyer and Robinson circulated a draft response in October 1976, media response was immediate: “Govt. urged to phase out opera, ballet aid” was the headline in The Sydney Morning Herald, while “Slash grants to arts says IAC” was The Australian’s take.

By October 13, the report was politically dead.

Fraser told federal parliament that the government would not be adopting the IAC’s recommendations, thus confirming political bipartisanship in the support of Australian arts and culture.

One might observe, too, that the term of the Fraser government saw the creation of all but one of our state film corporations. Make of that what you will.

In the field of public broadcasting, SBS radio, and then SBS television, emerged under Fraser’s prime ministership. This brought a more European face of public service broadcasting to the Australian mix of British and US broadcasting models.

**Liz Giuffre, Lecturer of Media, Music and Cultural Studies at Macquarie University**

Despite the doomsayers’ predictions, the arts were not killed after November 11, 1975, when Malcolm Fraser took office. Fraser was in government from 1975 to 1983 – more than enough time to “undo” reforms if that had been his aim. Instead cultural institutions established by Whitlam continued and more were developed.

Fraser was fundamental in developing SBS, the Special Broadcasting Service that remains internationally unique in its scope and output. The Australian media would be much poorer without the contributions that SBS makes in terms of new commissions and bringing international content to our market.

The specialist news and programming is important – and so are cultural events such as Eurovision. The European Broadcasting Union praised the broadcaster repeatedly in its announcement that Australia had a spot at Eurovision. Jokes about taste, costumes and tunes aside, it is the decades of SBS coverage that has earned us this odd honour.

Fraser continued to champion SBS as distinct from the ABC, criticising challenges to its resources by appealing to those currently looking after its care. In 2014, he said:

These people [in current government] looking for efficiencies have no understanding that governments have to do things you can’t put a dollar on.

That stuff you “can’t put a dollar on” is beautifully but necessarily vague – and also pioneering. Fraser continued to participate in the media and arts during and after his time in office. He played along with the ascension of institutions like Countdown – famously opening the show in 1979, perhaps as the only man in a “straight” suit ever to appear on the program.

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**Social policy**
In 1976, the Fraser government abolished income tax concessions (rebates) and introduced the Family Allowance. This helped families with lower incomes who could not benefit from the tax concessions, as well as those on benefits. But these were then not regularly indexed. And in the 1982 budget a new payment – the Family Income Supplement – was introduced for families in low-paid work.

These two initiatives provide the basis for Australia’s current system of Family Tax Benefits, which is one of the most effective and efficient systems of family payments in the OECD in reducing child poverty. However, these were later significantly increased by the Hawke government in the late 1980s and early 1990s and by the Howard government after 1996.

In 1976, pension indexation became automatic for the first time (that is, in legislation) and also for unemployment payments. In 1977, the Supporting Parents Benefit replaced the Supporting Mothers Benefit. This extended assistance to men on the same basis as women bringing up children alone.

In 1976, the assets test on pensions was replaced by a test on income alone. Throughout the life of the Fraser government, there was significant tightening at different times of conditions for receiving the Unemployment Benefit. In 1978, the Maternity Allowance – like the baby bonus – which had existed since 1912, was abolished in Treasurer John Howard’s first budget.

At a number of times, there was a suspension or delay of indexation of pensions, benefits and family payments. Inflation was very high in this period – averaging nearly 10% per year – with the result that real payments, particularly for the unemployed and pensioner families with children, fell significantly. This led to concerns about child poverty that needed to be addressed by subsequent governments.

In 1981, the Fraser government ended the Medibank scheme introduced by the Whitlam government. It became one of the few governments that abolished an existing universal health insurance.

Between 1982 and 1983 (the last year of the Fraser government), the unemployment rate rose from 6.7% to 9.9%, compared to 4.7% at the end of the Whitlam government. There was a particularly large increase in unemployment among families with children. This exacerbated the child poverty problem.

The combination of high unemployment and high inflation has been labelled as “stagflation”. This experience was common to many governments around the world at the time. Other contemporary leaders – Carter in the US, Heath and Wilson in the UK, Giscard D’Estaing and Mitterand in France – were also viewed very critically in terms of their economic credentials.

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**Health**
Malcolm Fraser’s legacy in health is not as strong as it is in other areas. During his term in government, Fraser made a series of major changes to health insurance policy that ultimately ended with the abolition of Medibank, Australia’s first universal health insurance scheme. While his critics – at the time and later – claim that he abolished universal health care for ideological reasons, there is very little evidence to support this claim.

As part of my research I have conducted extensive analysis of government archives from the Fraser period and found no evidence that Fraser himself intended to get rid of Medibank after being elected in 1975.

There is evidence showing that some of Fraser’s cabinet colleagues, his staff and senior bureaucrats all wanted to abolish Medibank as soon as possible after being elected. They argued that it was too expensive and that restoring economic growth and dealing with the extremely challenging circumstances at the time were the highest-order priorities. They also argued that governments shouldn’t be involved to such an extent in financing health care and that individuals should take a greater responsibility for paying for their own health-care costs.

Fraser had been a long-time critic of Medibank during the Whitlam years and, along with his Liberal Party colleagues, objected to it on ideological grounds. But Fraser changed his mind about Medibank during the 1975 election campaign – not for ideological reasons but for pragmatic ones.

In an interview for a current affairs program in May 1976, Fraser explained why it was his intention to maintain Medibank. He said:

> Look, time marches on. Circumstances change and you deal with circumstances as they are. Medibank was introduced. Among many people it was plainly popular. It would have been destructive and unreasonable to attempt to break it.

As the years went on, Fraser struggled to find a way of keeping his promise to maintain Medibank and manage the economy effectively. The outworking of this struggle was a series of confusing and ill-thought-out changes to health insurance between 1976 and 1981.

As far as health policy-making goes, the Fraser government is not a model to follow. As a person and a leader, however, there is much to admire about Fraser and the way he dealt with the challenge of Medibank.

Once he recognised how popular Medibank was, Fraser jettisoned his previous strongly held ideological position on it and he made a commitment to the electorate that he would keep it. He didn’t succeed, but this was largely because he was unable to find an economically sustainable way of financing a universal health insurance system, Medibank, alongside the pre-existing private health insurance system.

The solution Fraser ultimately chose – abolishing Medibank – was not a good one. But in fairness to Fraser, no government since has managed to find a long-term solution either.
Stephen Leeder, Emeritus Professor of Public Health and Community Medicine, Menzies Centre for Health Policy and School of Public Health at the University of Sydney

Malcolm Fraser’s approach to Medibank was interesting, because whatever his personal ambivalence about it, he undertook to maintain it as an election promise. He did not yield to pressure from colleagues and factions in the medical profession to abolish it when elected to office. Instead, he sought – in the middle of serious economic downturn – to alter it in ways that he believed would sustain it.

Variations on the idea that Medibank should be seen only as a safety net, and not – as it was originally designed to be – a universal social benefit, manifested themselves in the series of reinventions that he created. The confusion in the community as to what Medibank covered or did not was not profound. It was hard for anyone, let alone consumers, to keep up. In the end, he gave up – and so did we.

Fraser, like Jimmy Carter, saved his best for when he was no longer prime minister (or president). When we saw Fraser Unleashed in his latter years, campaigning for human rights, caring, humane, global in his concern and commitment – what a wonder it was. A giant indeed and a source of refreshment to those who feared this country had entirely lost its soul.