

We have a problem with democracy

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The UK [Reform](#) Party, whose President is Nigel Farage, is campaigning for a referendum on 'Net Zero'. However, YouGov polling has 71 per cent of all voters (63 per cent of Conservatives) supporting the overall Net Zero target. The majority vote is conditioned by agitprop claiming catastrophic global warming is occurring due to the burning of fossil fuels, that a consensus of nations is taking action to prevent this, and that the cost of doing so is trivial.

None of this is true.

Although mediocre scientists are on the global warming cart, the giants – think Richard Lindzen, Willie Soon, Will Happer, Ole Humlum – have no such misconceptions and state their case persuasively in *Climate: the Movie*. And while many activists and self-interested proponents claim wind and solar is cost-effective, after 25 years of subsidies, nowhere in the world do these renewable sources prevail against coal, gas, or nuclear without such support, which in Australia amounts to some \$16 billion a year.

Moreover, as many industrialists are now cautiously advising a government adamantly in favour of killing coal and promoting renewables, a renewable-based electricity system will not work. In Australia, such notions were most forcefully argued by a group of independent scientists. It took a prominent maverick, Dick Smith, irked by being falsely portrayed as ignorant, to take on the establishment. The ABC apologised to Dick Smith over a ludicrous fact check which contested his claim that a system totally dependent on renewable energy won't work. An EU Impact Report also shows decarbonisation is impossible.

Climate and energy may be the most pernicious issue about which the electorate appears to be blindingly wrong, but it is not the only one. Political parties gain office by proffering the voters part of the income that the rich (and increasingly just the better off) have created.

As Joakim Book reminds us, 'Despite a (US) income tax system that's already almost unbelievably progressive, with the 20 per cent of highest-income households paying 81 per cent of all income taxes, talking points about millionaires and billionaires shirking their fiscal responsibilities are still prevalent.' But eating the rich basically means undermining the income enhancing system that has created all our wealth.

Moreover, there are other distortions. Joel Kotkin points out:

‘The greatest threat to Western Civilisation comes not from China, Russia, or Islamists, but from the very people who rank among its greatest beneficiaries. In virtually every field, the midwives of our demise are not working-class radicals or far-right agitators, but ... the well-credentialed and the technologically and scientifically adept.’

He notes that, ‘Virtually every ideology that’s undermining the West has its patrons in these ruling cognitive elites. This includes everything from the purveyors of critical race theory and Black Lives Matter to transgender activists and, perhaps most egregiously, campaigners for the climate jihad.’ Many formerly conservative institutions have now become green left funders (as have the Myer and [Ramsey](#) foundations, the latter having splashed \$7 million on the Indigenous Voice campaign).

Kotkin is hopeful that the leadership of the new aristocrats will be overturned. This does not seem likely to happen soon and, even if it did, politics will remain conditioned by the ability of the state to redistribute income and thereby dampen individuals’ creation of it.

[Lord Keynes](#), the populariser of government intervention, thought that the limit to government intervention was reached at some 23 per cent of GDP. Such an intrusive scope of government 70 years ago was considered to be incompatible with a market economy. The fact that we have more than passed that level without impoverishment (Australian governments spend 40 per cent of GDP and in some other Western countries it is greater) is a testament to the resilience of market capitalism. That said, there is clearly a limit and many studies already point to a strong correlation of economic growth with smaller government.

In Ancient Athens, one way of reversing ill-considered decisions of the democratic assembly was exemplified in the case of its vote, following

a revolt by the [Mytileneans](#), to execute all men and enslave all women and children. The authorities sent a slow boat with orders to carry out the decision, then persuaded the assembly to have it reversed and sent a fast ship to countermand the original decision.

While effective in that case, the procedure exemplifies problems with democratic decisions, problems that Constitutional restraints were designed to alleviate.

Australian governments, like those of other countries, have constraints on their own intrusiveness, both informally (with expenditures) and more formally in the case regulations. However, there is no sign of real concern, as illustrated by yesterday's decision to appoint as Governor-General a former ALP staffer, climate change and gender equity advocate.

Perhaps concern will only manifest itself by adverse outcomes bringing threats to sovereignty. There is certainly no lack of evidence as seen in many nations to Australia's north about the beneficial outcomes of a diminished presence of government in the economic theatre.

With democratic institutions, as they stand, we expect too much sophistication from voters who see more to gain in benefits than they stand to lose in costs, while for the super-rich the virtue signalling benefits far surpass any losses they may feel. The solution is far stricter restraints on takings in terms of taxes, regulations, and the powers of government to use community assets for their own promotion. But how do we get there?