

## **SUBMISSION TO THE PRODUCTIVITY COMMISSION**

**My Submission consists of the address below, delivered on the occasion of the announcement of the Miles Franklin Shortlist, at the Australian Booksellers' Association Conference, May 29, 2016.**

We are gathered here today to celebrate the life of Australian literature.

The Miles Franklin Literary Award is Australia's most prestigious literary prize. Even as a child I knew that the books which got the gold stickers joined a pantheon of the gods of literature: Patrick White, Jessica Anderson, Tim Winton and others. These books tapped into something profound about both humanity and this country. This prize recognises the noble art of making a beautiful world out of language, a world that shows us things about life which are wonderful or terrible or funny, and which life itself can't tell us. A world that shows us who we are.

Though I was far away when my book *All That I Am* won in 2012, I felt that the love I have for my country had been somehow, mysteriously, reciprocated. Writers, too, have a home team, and our home team is our nation. I have toured in many countries, and they all have writers of their own whom they honour and enjoy, who reflect the nation back to itself, from the inside.

We are, all of us, of a nation, in the same way that we are of our parents: inevitably, eternally, in DNA and psyche, shaped by both.

Miles Franklin said: 'Without an indigenous literature, people can remain alien in their own soil.'

Without writers, our inner lives, as well as the inner life of the nation, would remain alien to us. We would not know who we had come from and we would not know who we are. Much as Watson and Crick discovered the helix inside us, writers reveal our cultural, our national, DNA.

Miles Franklin herself scrimped and saved to give this money to good Australian writers 'so as to advance and improve Australian literature'. She had to save hard,

because she received only a small export royalty from her British publisher for books sold in her own country.

Miles was living in an era when it was felt that Australian literature could be 'advanced' and 'improved'. This would not have been said about the literature of England, which was allowed just to be, in the full expectation that every generation would throw up a crop of talented, and occasionally truly gifted, writers. We have come a long way from the day when we needed 'advancing' or 'improving'. There are many writers at work in Australia, many very good ones. Australian literature is 'advanced', it is sophisticated and globally celebrated.

It may also be doomed.

People ask me which is easier to write, non-fiction or fiction. Sometimes the question is whether I am ever tempted to tweak reality to produce a better story. The answer is: never. Reality, looked at closely, far outstrips what is credible in fiction. To take a current, dystopian example:

The government is considering a proposal from its Productivity Commission that would decimate Australian publishing by allowing overseas publishers to flood the market with their works, and their editions of Australian writers' works: the so-called parallel imports. Let me tell you what this means, with reference to two of my books.

*Stasiland* and *All That I Am* are published in 20 countries around the world, including several English-language ones. If the government's proposal is adopted, Australian booksellers would be legally able to import editions of these books from the US, the UK, Canada, or wherever. For those imports, I would receive what is known as an export royalty. This is much lower than the domestic royalty, which itself, at best, amounts to just over \$2 a book. Most often, because overseas publishers are allowed to calculate a royalty after all their costs have been taken out, writers receive nothing at all for these imports.

This means that for my next book, which will likely be published overseas as well as here, my Australian publisher will be unable to offer me an advance of any decent

amount because they will know the domestic market has been destroyed and they will not recoup their outlay. This in turn means that I will have to publish first overseas, most likely in the UK, and a UK publisher will make money instead of an Australian one. This is a disaster for me, for my publisher, and for readers. **It means Australia is once more a colony, exporting but not profiting from our own product.**

I am now asking myself whether I really want to—indeed can — write a book primarily for a UK publisher. And do they really want the book about Australia I am currently working on? A book which is close to my heart and which, rather ironically it seems now, investigates where our sense of fair play comes from. Perhaps I will not be able to write about my own country and make enough to live on.

Another proposal has been floated by the Productivity Commission: to gut the copyright of authors. This would be to take away my ownership of my work after just 15 years. Copyright currently endures for my lifetime plus 70 years, for my children and theirs. The government's proposal would mean that *Stasiland*, a book which won the most prestigious prize for non-fiction in the world, a book which is studied in universities and schools in many countries, would from *next year* no longer be mine, nor a property for my children. Educational institutions, filmmakers, and publishers in any country could just use and reproduce it however they liked and not pay me a cent.

If I borrowed money to buy land and build a block of apartments, I would expect to own them until I sold them, to get a return from rent, and to be able, if I wished, to bequeath them to my children. I would expect my risk, work and intelligence to be rewarded. I would not expect the government to expropriate my property at the end of 15 years. If this copyright proposal seems like a proposal for theft to you, that is because it is. I borrowed money and took a personal and financial risk over many years and I built a world of words, for everyone to enjoy. Now, the Productivity Commission is seriously proposing to expropriate it from me and my family, for no just recompense. This proposal is in fact so bizarre, and would be so damaging to creativity and innovation, that it is beyond the pale of international law. Treaties covering international intellectual property prohibit Australia, for the moment, from making such outrageous changes. The government has wisely recognized this and, I believe, dropped it. But it is very important for us to have a clear understanding of the

kinds of damaging policy recommendations that the Productivity Commission is proposing.

It is important to tell a story from as many points of view as possible. In *Stasiland* I worked hard to understand the points of view of some fairly unsympathetic people, the Stasi men. I work hard to understand monsters, and monstrous things, because I want to write works not only of beauty, but also of witness and of warning. Witness and warning are necessary now, because reality beggars belief. It feels like my country, or at least its government, hates me and all my kind. It feels like our leaders do not want people to see themselves or their country in the variety of ways that literature allows.

**This is the forced closure of the Australian mind. It is a fire sale of our intellectual property and our national pride.** So, who benefits? The only argument that seems to have been put is that book prices will be cheaper.

There is absolutely no evidence that this is true.

And an \$8.7billion industry which takes no subsidy, makes money, pays tax, and employs 25,000 people will be destroyed. To say nothing of the national culture.

Markets, as any economist will tell you, are created. Sometimes this requires legislation, sometimes choices are made to subsidize them. The Australian government subsidizes many markets: car manufacture for years; submarines (each submarine worker is subsidized to the tune of \$17million *each* year); and now some \$580million in proposed subsidies to the milk industry. The banking industry benefits to the tune of some \$4billion because of government regulation and guarantee. There are myriad other examples. Why would the government be seeking to destroy an industry that is completely unsubsidized? An industry that is profitable and flourishing? Certainly publishers, economists and others in the UK and the US are looking on in horrified bewilderment.

What we have here is 'economic rationalists' behaving irrationally. Seeking to close down a profitable industry and so diminish economic productivity in our country.

There are industries where ‘global competition’ may benefit the consumer: book publishing is not one of them. Neither publishing houses, booksellers nor consumers stand to benefit. I would argue that **‘global competition’ is better served when we have a national literature which can produce writers of a calibre to win global prizes and then global markets.**

As I said, the closer you look, the more reality is not credible. It is possible that these reasons, which make neither economic nor cultural sense, are all there is. But we must keep asking the question, in case the answers — and the effects of the proposed changes— are not clear even to those who are making them.

So: who would benefit from the flooding of our market with cheap overseas content? And who would benefit from the erosion of copyright for Australian creators?

The only beneficiaries of the proposed change to parallel imports are overseas publishers. Meanwhile, Australian writers, and a democratic Australian culture, will be further impoverished.

The only beneficiary of the proposed copyright change is the Googlesphere, to which would be delivered ‘free’ content – that is to say, my and all other Australian authors’ expropriated property. Google’s business model requires ‘free’ (ie. stolen, or unpaid for) content to be made available so that it can sell ads. Manufacturers such as Apple would also like this ‘free’ content to sell with their devices. It seems extraordinary that a government-funded commission could seriously propose legislating to allow this theft. Legislating to hand over our cultural property to the Googlesphere for free, and so discourage future Australian innovators from creating anything. And we need to ask, of course, what will, or does, Google and the tech companies give back to the government in return? These are questions which must be explored elsewhere, by people more qualified than I.

But what I can tell you is this. We live in a fast age. We have information at our fingertips, the apparent answers to all the questions of the universe, of history, of local navigation in our computers available at a click. I am all in favour of this new, instant world. But the Googlesphere is also a world of spinning, unattributed facts and

factoids, a world without authors, a humming hive of unsourced information and unseen, controlling algorithms. I found this out, rather hilariously, when I was barred from correcting the Wikipedia entry on my own life – what authority did I have? Not enough, apparently.

This is a world in which almost every aspect of your person – from your blood pressure to your book choices, your keystrokes, the sites you visit, your email, where you eat and where you sleep – can be known. Eric Schmidt of Google says: ‘We don’t need you to type at all. We know where you are. We know where you’ve been. We can more or less know what you’re thinking about.’ Google claims this tracking is done so that every time you do a search, what you already want will instantly come back to you. Here is the world made smaller, just for you.

This is also a world in which the governing trope is the selfie. Narcissus sends out pictures of himself, ‘liking’ others only so as to be ‘liked’ back. This is a fatal world of mirrors, disguised in the language of consumer choice.

**Literature is the opposite of this selfie world, because in literature your self is not reflected back to you. Instead, you see yourself in *others*.** This is the basis of compassion, and it works, rather magically, to expand your inner universe. Rather than being tailored to what you already ‘like’, literature might take you, excitingly, into realms you never knew you needed.

Now, and even more in the future, we need to read books written by independent authors published by Australian publishers. We need to read our way out of the hive.

This is a clever country, a country that has earned its identity, and its self-knowledge, in no small part due to its writers. **Let’s not outsource our minds to the narcissism of the global algorithm.** Instead, let us celebrate the creativity, innovation and brilliance of Australian authors. We wish them long and happy and financially viable careers doing the vital work of making ourselves known to ourselves and the world.

We celebrate by holding up our mirror – all our disparate mirrors – not to ourselves but to this world; to its beauty, its mysteries, its cruelties:

To babies who besot us and one-armed bandits who fleece us,

To fat mining magnates and rotating prime ministers,

To floor-crossers and cross-dressers,

To Papuan High Court justice.

To photographers and pornographers,

To street people and shock jocks;

To footballers – and bogan billionaires;

To stolen children and newly discovered planets;

To Pygmy people and human mules;

To Chinese Government curriculum in NSW schools.

To cloud-seeding, to coke-snorting racehorses;

To islands drowning and children being born;

To being left, to being found;

To stopping time.

Writing is work of ingenious empathy. It is work of compassion as holy as any we are likely to find. **We can't afford *not* to have it, or we won't know who we are.**

**ANNA FUNDER**