

**COMMUTING THE 'DEATH SENTENCE':
THE ROLE OF EDITORS IN THE AUSTRALIAN
ECONOMY**

**Keynote Address to the
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by

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Thank you for the opportunity to talk, for the first time this week, about something other than the size of the Budget surplus, the contribution which 'parameter variations' and 'policy decisions' have made to changes in the surplus since the publication of the MYEFO last December, the extent to which changes in MITRs might induce an increase in the LFPR, or the impact which other decisions announced in Tuesday's Budget might have on GDP, GNI, the CPI, the CAD, or the value of the AUD against the USD or on the TWI.

If that opening sentence hasn't been enough to make the organizers of this conference wonder whether they might not have made a mistake in inviting me to speak to you this morning, perhaps it is also appropriate for me to confess that I don't score too well on the 'obsessiveness' scale devised by your convenor Robyn Coleman¹. Of her 27 questions I was able to answer 'yes' (truthfully) to a mere 7, and most of those related to my laundry habits (yes I do hang socks, shirts, tea-towels etc. out together; yes I do hang them in pairs; and yes I do use an iron more often than 'rarely' or 'almost never'), rather than to how I arrange my desk, whether I clean my eraser or how often I back up files on my PC - although I will admit to putting books by the same author in my library shelved in (rough) order of publication.

So I speak to you today as one who appreciates the tasks which you undertake rather than as one who is qualified to undertake them – by this assessment at least.

In the 'brief' which she prepared for my talk to you today, Robyn Colman referred to what she described as "the problem of the 'blue pencil' image – the editor as the little pedant woman in the corner who fixes the apostrophes and nags about split infinitives – and the need for editors to be seen as useful, constructive, proactive and ingenious, their work worthwhile beyond fixing the commas and the apostrophes".

Actually I feel compelled to say that I regard this as an important task; and to say – with some regret – a task which is becoming more important rather than less. While I know enough about the etymology of the English language not to obsess about split infinitives, and while I recognize that its capacity for change and adaptation is one of the English language's great strengths, I do worry about the proliferation of the so-called green-grocer's apostrophe and other grammatical abominations.

There is a part of me which empathizes with Lynne Truss, for whom "the sight of the plural word "Book's" with an apostrophe in it will trigger a ghastly private emotional process ... First there is shock. Within seconds, shock gives way to disbelief, disbelief to pain, and pain to anger. Finally ... anger gives way to a righteous urge to perpetrate an act of criminal damage with the aim of a permanent marker"². The point is not so much that I am a rigid conformist when it comes to the rules of grammar, but rather that, as Sir Ernest Gowers put it nearly sixty years ago, "lapses from what for the time being is regarded as correct irritate the educated reader, and distract his [sic] attention, and so make him the less likely to be affected precisely as you wish"³.

¹ Robyn Colman, 'Are You Obsessive Enough to be an Editor', *Writing and Editing Blog* (29 January 2006 (<http://www.emendediting.com/blog/>)).

² Lynne Truss, *Eats, Shoots & Leaves* (Profile Books, London, 2003), p. 2.

³ Sir Ernest Gowers, *The Complete Plain Words* (Pelican, Harmondsworth, 1962), p. 11.

That is, when I read a newspaper article in which an apostrophe appears in the word "*it's*" in a context where the writer clearly means 'something belonging to it' rather than 'it is' (as I do almost weekly), my respect for the writer's competence is diminished just a fraction (unless I have some reason to suspect that English may not be his or her first language); as is my regard for the newspaper itself (if their editors or sub-editors can't be bothered correcting basic errors of grammar how can I be sure that they are checking for accuracy?). As the London *Financial Times*' Michael Skapinker has written, 'a communicator who does not know where an apostrophe goes is like a racing driver who does not know what a dipstick is'⁴.

I have the same reaction to the inappropriate use of reflexive pronouns (as in "please respond to my assistant or to *myself* by the end of next week"), because people no longer know when to use 'I' and when to use 'me'; the use of third person plurals as a gender-neutral substitute for singulars (as in "if *an* employee feels that *they* have been harassed *they* should talk to *their* manager")⁵; the over-use of phrases such as *in terms of* or *the reality is*; ignorance of the rule that *each, every, either, neither* and *any* take the singular, not the plural; and the inability to distinguish (in written, as opposed to spoken, English) between *less* and *fewer*, or between homonyms such as *complement* and *compliment*, *you're* and *your*, or *there, their* and *they're*.

As someone who has been an avid reader for more than forty years I have no doubt that these and other lapses are becoming more commonplace. Regrettable though it may be, therefore, this aspect of your professional role is becoming more important, not less.

But there is of course, as I'm sure you'll be relieved to hear me acknowledge, more to your role than this. Again to quote Sir Ernest Gowers, "one can no more write good English than one can compose good music, merely by keeping the rules"⁶. One can comply with all of the rules of spelling, punctuation and grammar and still be more or less incomprehensible to all but a tiny fraction of the audience one is hoping to reach.

The field of economics in which I work, like other professions, has its own vocabulary which is often incomprehensible to those not trained in it.

Whilst at university I needed to master that vocabulary in order to convince my lecturers and tutors that I had also absorbed the concepts and techniques that are the essence of the discipline of economics. I still need to maintain a reasonable degree of comprehension of that vocabulary so as to be able to access the academic economics literature, and thereby to keep a semblance of familiarity with new developments in the discipline.

But I rarely write or speak in that specialized language in the course of discharging my responsibilities as an economist working for a major financial institution.

⁴ Michael Skapinker, 'Rebalancing the executive linguistic continuum', *Financial Times* (10 December 2003).

⁵ Please note that I'm not against the use of more inclusive language: just that it doesn't need to be at the expense of good English. In this particular context, for example, why not say "he or she should talk to his or her manager"; or, if that sounds too complex, why not put the whole sentence in the plural, as in "employees who feel they have been harassed should talk to their manager".

⁶ Gowers, *op. cit.*, p.11.

Most of my time is spent writing for, or speaking to – directly, or indirectly through the print and electronic media – audiences for whom the language of university-level economics might just as well be Swahili for all that they would comprehend it.

For while a part of my discipline is analytical or mathematical – dealing in measurable quantities such as the number of job advertisements or the deficit on the balance of payments, rates of change such as the increase in retail sales over a given interval, or relative values such as the exchange rate between the Australian dollar and some other currency – for the most part economists in positions such as mine are actually trafficking in ideas.

And that is true whether we are seeking to persuade our employer's customers to think about the possibility that interest rates could rise in the next twelve months, or whether we are responding to questions from journalists about what should be (or should have been) in this year's Federal Budget.

When, as one of the largest employers of economists outside of the public sector (which is not to say that I employ a lot of economists!), I am approached by economics students seeking advice as to how they should pursue their careers, I usually respond by encouraging them to begin in an agency such as the Treasury (as I did), the Reserve Bank or the Productivity Commission.

That is only partly because those agencies have excellent graduate training programs, and because they give those who work for them the best possible insights into how economic policy is formulated and implemented, something which economists working in positions such as mine in the private sector devote much time to anticipating and explaining.

It is also because those agencies teach young economists how to write and speak about economics to people who are not economists.

This is not a skill which is imparted in the economics departments of universities. In order to pass their exams and obtain their degrees, economics students need to write about economics in the language of their lecturers and professors (as I needed to when I was a student).

But unless they plan to pursue an academic career themselves, economics students, once they have completed their degrees, may never need to write that way again. Instead, they have to develop the capacity to use economic concepts and analysis to influence the thinking of others who are not trained in economics, including Ministers.

The Secretary to the Treasury, Ken Henry, put this very well in a speech earlier this year which attracted widespread attention for other reasons:

“Analytical rigour and economy-wide thinking gets us to the table, but it's not enough. If we are not effective in communicating these messages to our ministers and stakeholders and influencing their thinking, we will fail in our mission Influence demands effective interpersonal engagement – through teamwork and collaboration, using clarity of argument, with persistence, perseverance and with respect”⁷.

⁷ Ken Henry, *Treasury's Effectiveness in the Current Environment*, Address to Staff at the Hyatt Hotel (Canberra, 14 March 2007), pp. 20-21.

Effective communication is also critical to the success of other economic policy agencies. For example the efficacy of the Reserve Bank's monetary policy in keeping inflation within the 2-3% target range stipulated by the Government at the lowest short-term cost depends importantly on its 'credibility' with those in the economy who make decisions about prices and costs, and with those in the financial markets whose judgements and expectations determine interest rates other than the official cash rate.

That is, the 'cost' - in terms of employment or economic growth foregone - of keeping inflation low and stable will be lower if businesses and employees believe that the Reserve Bank will do 'whatever it takes' to keep inflation low and stable, and are thus more likely to make decisions (about their own prices or wage claims) which are consistent with inflation remaining low and stable (so that it 'takes' less to achieve that objective), than if they don't understand the Bank's objectives or don't believe that the Bank means what it says.

Similarly, if the financial markets believe that the Reserve Bank will do whatever is necessary to keep inflation low and stable, the premium that they will demand for investing in interest-bearing securities (measured by the difference between the interest rates on those securities and the official cash rate set by the Reserve Bank) will be lower than if they have reason to doubt the Bank's sincerity, effectiveness, or capacity to interpret and predict economic conditions.

Thus the Reserve Bank now devotes considerable attention to the task of effectively communicating its objectives, and its reading of current and prospective economic conditions, to the financial markets and to the broader community through its quarterly Statements on Monetary Policy, the semi-annual appearances of the Governor before the House of Representatives Standing Committee on Economics, Finance and Public Administration, and other speeches and statements by its senior officials.

This is in stark contrast to its practice prior to the 1990s when it did not even announce changes in interest rates until long afterwards, let alone give a clear account of the reasons for making those changes or the framework within which such changes were made.

Another agency which devotes a lot of effort to the way in which it communicates is the Productivity Commission. With origins dating back to the Tariff Board established in 1922, having morphed into the Industries Assistance Commission under the Whitlam Government, the Productivity Commission is the Commonwealth Government's principal review and advisory body on microeconomic policy (that is, policies affecting what is produced, by whom, how, where, for sale to whom and at what price) and regulation. It is a uniquely Australian institution with no counterpart in any other country.

As the Commission notes on its website, 'As an advisory body its influence depends on the power of its arguments and the efficacy of its public processes'⁸. Among other things, the Productivity Commission's processes have ensured that the arguments of 'vested interests' - those who benefit from tariffs, or from anti-competitive regulations, at the expense of consumers or other industries who are often too disorganized or simply unaware of the costs which they are indirectly bearing as a result of privileges conferred by governments on particular sectors of the economy - are subjected to rigorous scrutiny, weakening their influence if they don't hold up.

⁸ Productivity Commission, <http://www.pc.gov.au/commission/index.html>.

The Commission's reports have also been used by governments to make the case for reforms (such as lowering tariffs or national competition policy), or to resist pressures to introduce policies that would be costly nationally⁹.

The role played by the Productivity Commission and its predecessors vividly illustrates the proposition put by John Maynard Keynes in the closing sentences of *The General Theory of Employment, Interest and Money* that:

"the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas ... Soon[er] or late[r], it is ideas, not vested interests, which are dangerous for good or evil"¹⁰.

Keynes himself was of course a brilliant essayist, a frequent contributor to newspapers and magazines as well as to the academic literature, with an almost unsurpassed capacity to explain economic concepts to a non-technical audience. Milton Friedman, who ranks with Keynes as the most influential economist of the twentieth century, was similarly gifted.

In Australia the economics editors of the major newspapers – Ross Gittins of the *Sydney Morning Herald*, Tim Colebatch of the *Melbourne Age*, Alan Wood and David Uren in *The Australian* and Alan Mitchell of the *Financial Review* – each in his own way does a great job in communicating economic ideas to a broader audience, helping to build a more widespread understanding of economic issues.

As the former Governor of the Reserve Bank (and now ANZ Director), Ian Macfarlane, observed last year, the greater awareness of economic issues on the part of the Australian public has "probably contributed to making economic reform easier in Australia"¹¹.

Messrs Gittins, Colebatch et al are of course also trained and experienced journalists as well as economists, so perhaps clear writing comes more naturally to them than to others without that kind of experience. Nonetheless there are a number of private sector economists who are also very effective in presenting economic analysis in ways that are readily comprehended by the reasonably informed lay person, such as Access Economics' Chris Richardson, HSBC's John Edwards, and BT's Chris Caton.

I do not know whether the Treasury, the Reserve Bank or the Productivity Commission use (or have ever used) professional editors in the preparation of their reports.

However I am able to share with you my personal experience of a circumstance in which the preparation of a report to government was materially aided by the assistance of a professional editor. That was the 1993 Report of the Victorian Commission of Audit, of which I was the Chief Executive Officer¹².

⁹ Gary Banks (Chairman), 'Structural Reform Australian-Style: Lessons for Others', Presentations to the IMF, World Bank and OECD (Washington DC and Paris, 26-27 and 31 May 2005), <http://www.pc.gov.au/speeches/cs20050601/cs20050601.pdf>, pp. 19-20.

¹⁰ JM Keynes, *The General Theory of Employment, Interest and Money* (Macmillan, London, 1936), pp. 383-4.

¹¹ Ian Macfarlane, 'Economic News: Do We Get Too Much of It', Talk to the *Australian Financial Review* Leaders' Luncheon (Sydney, 28 April 2006), http://www.rba.gov.au/Speeches/2006/sp_gov_280406.html.

¹² *Report of the Victorian Commission of Audit* (2 volumes) (Melbourne, April 1993).

The Audit Commission was set up by the Kennett Government upon its election in 1992 to 'investigate and report upon the condition of Victorian State public finances' and to recommend (among other things) 'policies and reforms to improve efficiency, effectiveness and the State's financial position'. Its Report contained 13 chapters drafted by 12 staff, supported at different times by nine consultants, each of whom had his or her own writing style. And we had four Commissioners, who were ultimately responsible for the content of the Report and its recommendations, and each of whom had his own particular view of what ought to be said, and how.

Given that one of the reasons for the establishment of the Audit Commission was the incoming Government's desire that the Victorian community have an understanding of the extent of the State's economic problems and of the kind of measures that might be required to deal with them, it was clearly vital that the Commission's Report set out its analysis, conclusions and recommendations in a way that lent themselves to being easily comprehended by the general public.

To that end the Commission sought the assistance of a professional editor in completing its Report. She played an invaluable role in ensuring that the analysis and recommendations were clearly stated in terms that were understandable to an informed but not specialized reader; that we provided an easily accessible glossary of the technical terms and acronyms that we could not avoid using; and that it was no longer obvious that most of the chapters were drafted by different authors.

I have no doubt that we could not have achieved these objectives without her assistance; and I although I can no longer remember, almost 15 years later, how much it cost the Commission, I have no doubt that it was money very well spent.

Given that most of the economists who do play a role in the public discussion of economic issues go to some lengths to express themselves in terms that are intelligible to the informed lay person, I am often surprised at the frequency with which economists are blamed for what Don Watson has passionately described as 'the decay of public language' to "an ugly, sub-literate universal form with a fraction of the richness that living English has"¹³.

His book *Death Sentence* attributes this largely to the spread of business and, to a lesser extent, military terminology words and phrases into "places that were never businesses [such as] universities, libraries, galleries and museums ... and welfare agencies" as well as "all levels of government including the very local"¹⁴.

I have some sympathy with Watson's view. I too cringe at the over-use of words or phrases such as *world's best practice*, *seamless delivery*, *thinking outside the square* (or *box*), *paradigm shift*, *going forward* and *accountable*. Just last month I was asked to review a job description for a position in a public sector agency (which I won't name) which, in the space of less than four pages, used the words 'strategic' or 'strategy' twenty times.

But I don't accept Watson's argument that a good deal of the blame for the ills he discerns in our public language can be sheeted home to 'economic rationalism' or to the growing influence of economists in our public conversations.

¹³ Don Watson, *Death Sentence* (Knopf, Sydney, 2003), p. 12.

¹⁴ *Ibid.*, p. 13.

For one thing, I would dispute the contention that the influence of economists has grown as much as is sometimes suggested. One only has to consider the number of times that one hears a politician about to announce something of the sort that Treasury Secretary Ken Henry had in mind when he referred (in the speech which I quoted from earlier) to the greater than usual risk during an election year of proposals that are ‘frankly, bad’¹⁵ and he feels the need to proclaim that he is ‘not a hairy-chested economic rationalist’ or ‘a zealot’ to appreciate that the influence of economists on public policy has its bounds¹⁶.

Second, the suggestion that economists are exercising a disproportionate influence on public discourse is not exactly new.

Indeed, in the final paragraph of the *General Theory* from which I quoted earlier, Maynard Keynes also said:

“The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist”¹⁷.

And that was 71 years ago.

If any individual profession is to be blamed for the trends which Watson decries, it is probably that of management consulting. Of the countless number of jokes about economists there is one which says that economics must be the world’s oldest profession, because only economists could have caused the chaos out of which God created the world. My response is that the world’s oldest profession is actually management consulting, because who else but a management consultant could have persuaded Eve to go for the ‘low-hanging fruit’.

More seriously, it has been management consultants, more than any other group of people, who have taken the language of businesses into spaces where some people find it alien. Often that’s been at the request of those ultimately responsible for hospitals, universities, art galleries or sporting bodies who for one reason or another have felt it necessary to become more ‘commercial’ in their outlook or operations.

Since management consulting is, in its essence, a process by which consultants take things which they have learned from other companies or industries to whom they have previously consulted, and transfer them to the next client, it’s almost inevitable – especially given management consultants’ penchant for reducing everything to a series of triangles, squares and flow-chart symbols on Powerpoint slides – that the litany of clichés and buzz-words gets transferred from client to client too.

Maybe this problem would be reduced if management consulting firms employed the services of editors who could help to eliminate jargon, and tailor the language used in consultants’ reports to something more appropriate to the specific context.

¹⁵ Ken Henry, op. cit., p. 13.

¹⁶ See, for example, the Prime Minister defending the construction of the Alice Springs-Darwin Railway: Hon John Howard MP, Address to the Country-Liberal Party Dinner (Darwin, 26 February 1988), at <http://www.pm.gov.au/media/speech/1998/darwin.cfm>.

¹⁷ JM Keynes, op. cit., pp. 383.

Perhaps your Society needs to be more active in 'marketing' what you do, and in spelling out the tangible benefits which can accrue to government agencies, corporations and other organizations from clear and understandable communications.

In her brief to me for this talk Robyn Coleman also asked me to address the question of whether editors are paid enough, or too much, for what they do. I note that Pamela Hewitt of Emend Editing conducted a national survey of freelance editors in 2005 which suggested that they earned on average \$61 per hour. By way of comparison, average earnings for full-time adult employees in 2005 were \$27 per hour for men and \$24 per hour for women, which multiplied by average hours worked and then by 52 is equivalent to an annual salary of about \$59,300 for men and just under \$48,000 for women.

I accept that the \$61 per hour figure is intended to cover a variety of costs (including presumably GST, electricity, printer cartridge ink and so forth) and so is not directly comparable with an employee's wage or salary; and that many of you work part-time, so that it would be misleading to multiply the figure of \$61 per hour by (say) 40 hours per week and then by (say) 46 weeks per year (that is, allowing for four weeks annual leave plus ten days' public holidays) to arrive at a gross annual equivalent of \$120,000. It's also true, of course, that this average says nothing about the dispersion of figures around it; and, as Pamela Hewitt points out, some editors have been working for as little as \$20-25 per hour which, as she says, is unsustainable for a professional business.

The Australian economy, and indeed our society more broadly, is made up of millions of people who do what they do, often for money, sometimes just for the love of it or for the love of others. Each of us – nearly all of us – makes a contribution, large or small, in some way. You are making a contribution to enabling people who have something to say to say it more clearly, more concisely, and more effectively. That's a necessary and valuable contribution, and it is one which I hope continues to be rewarding for you financially and in other ways.