



Australian Adam Smith Club (Melbourne)

President: Timothy Warner, Editor: Mannie Gross, P.O. Box 48, Sandringham, 3191

The theory that can absorb the greatest number of facts, and persist in doing so,
generation after generation, through all changes of opinion and detail,
is the one that must rule all observation.

- *Adam Smith*

Richard Morgan on **ADAM SMITH** and his Real World Economics

**The Adam Smith Club will host a meeting on Tuesday the 11th of July, 2017 at
Boheme Restaurant Bar, 368 Bridge Road, Richmond.**

Richard Morgan has a long interest in the work and philosophy of Adam Smith – his book “Lessons from the Global Financial Crisis – The relevance of Adam Smith on morality and free markets” (Connor Court 2009), was a very clear insight into the lessons to be drawn from the master. This address goes further and looks at the world of Trump and modern China.

Richard Morgan AM is Chairman of BPC Holdings Pty Limited, a private company with interests in Australian agri-business, New Zealand forestry and venture capital. He had a career in industry and was most recently General Manager of the Fertilizer Division of WMC Limited, Deputy Chairman of Queensland Phosphate Limited and Chairman of Hi Fert Pty Limited.

He is also past National Chairman of the Australian Red Cross Society and a member of The Australian Red Cross Blood Service Board. He has degrees in Agricultural Science and Commerce and has been a tutor of Banking and Finance at The Faculty of Business and Economics, The University of Melbourne.

BOOKING

Attendance is open to both members and non-members. Those desiring to attend should visit Trybooking (see below) no later than the 7th of July, 2017. Tickets will not be sent. Those attending should arrive at 6:30pm for dinner at 7:00pm. The cost is \$45.00 per head for members and \$50.00 per head for non-members. *For those who wish to pay by cash or cheque - please ring or email.*

**Enquiries to Hon. Secretary, mob. 0403 933 786
or email: asmith@adamsmithclub.org**

online booking at -

www.trybooking.com/QTRS

by Friday 7th July 2017

Laissez Faire

Newsletter of the Australian Adam Smith Club (Melbourne), No 120, June 2017



IT'S HARD TO KEEP A GOOD STATE DOWN

It's not news that Western Australia (WA) has been hit hard by the end of the mining boom, but the State is rebounding. Major construction projects tied to China's seemingly insatiable hunger for iron ore are tapering off, but other resources, such as lithium and graphite - not to forget WA's old standby, gold - are leading the mining sector's resurgence.

The Labor government, led by Premier Mark McGowan, is desperately short of cash. It has been dreaming up new methods of raising revenue, such as having the major miners prepaying levies on iron ore, which are not supported by the mining industry, as you will be unsurprised to learn.

The former profligate Liberal government has landed the State with some unnecessary multibillion-dollar projects, such as Elizabeth Quay, an artificial inlet dug in the Swan River foreshore near the centre of Perth. The new billion-dollar Stadium, built for AFL football, has failed to attract interest from either of the State's two AFL football teams, the West Coast Eagles or the Fremantle Dockers.

Northbridge, Perth's nightlife area, seems to be bubbling along but the rest of the city is deserted after dark, as always. Several innovative projects, such as the Blue Room Theatre in the Cultural Precinct, show that there is a spark of life in the Perth entertainment industry.

The WA Liberals, led by Colin Barnett and abetted by Brendon Grylls' National Party, saw the greatest minerals boon in a century as a chance to do many things that WA had never had the money for.

Unfortunately, WA only received 30 percent of the GST revenue collected in the State, leaving it \$40 billion in debt.

Many people made a lot of money from the mining boom, as the mansions lining every vantage point of the Swan River attest. It would be wrong to think that WA is going backwards. In fact, after a period of retrenchment, the State is rebounding.

The Liberals have a hard row to hoe as the Opposition to the ALP in the WA State Parliament. The ALP has 41 seats, up from 21, while the Liberals have 15 and the Nationals 5 seats. It is hard not to feel some sympathy for the Nationals, whose Royalties for Regions returned money to regional communities that had been scandalously neglected by governments of all descriptions. Unfortunately, much of the money was seen as being wasted. New Leader of the Opposition, former Director of the Institute of Public Affairs in Melbourne, Mike Nahan, is softening his image. His comments sympathetic to former Premier Colin Barnett's adjustment difficulties were widely seen as giving this rather stiff and doctrinaire man a considerate dimension.

The Liberals are not popular in WA, and this may affect the results in the upcoming Federal poll. One Nation leader Pauline Hanson blamed the party's preference deal with the Liberals for the party's poor showing, saying that the electorate just wanted to get rid of them. JRB

NEW BOOKING & ADMIN ARRANGEMENTS

We are slowly moving into the 21st century – we have our website adamsmithclub.org – our Facebook page at web.facebook.com/AdamSmithClubOfMelbourne/ and we are moving to a new PO Box at PO Box 48, Sandringham 3191.

As of the July 2017 Dinner we will be using TryBooking as our principal booking place – special dietary needs or booking queries can be emailed (asmith@adamsmithclub.org) or phoned (m. 0403 933 786) to our Hon Secretary.

The Dinner in July will be at Boheme Restaurant in the private room on the 1st Floor. Drinks at bar prices and no BYO. We hope these arrangements do not cause inconvenience and we welcome feedback. We must provide final numbers on Friday 7th – so please ensure your booking prior to this.