

## 2024 Royal Society of New South Wales and Learned Academies Forum: “Threats to Democracy”

### Panel Session 1: Global challenges to democracy<sup>1</sup>

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#### Peter Varghese

Good morning to all and welcome to our first panel session of the Forum. my name is Peter Varghese. I'm the Chancellor of the University of Queensland. This morning we've had two very thought-provoking presentations: a contemporary analysis from the Governor and then a very erudite scene-setter from Professor Philip Pettit on the what, the why, and the how of democracy. You could well ask, between the two of them what more is there to discuss about democracy?

In this session we want to take the broad framing that our two speakers this morning provided and apply it to the global challenges to democracy. We have a very eminent panel to help us do that. Their biographies are in the program notes. Let me briefly introduce them. First is Professor Hugh White, who's the Emeritus Professor of Strategic Studies at the Australian National University, a former senior Defence Department official, prime ministerial advisor, and

an old friend and colleague. Next is Professor Deborah Cobb-Clark, who is Professor of Economics at the University of Sydney. Finally, Professor Quentin Grafton who's Professor of Economics and an ARC Laureate Fellow at ANU.

The discussion in this panel will focus on three broad topics: Hugh will address the geopolitical big picture, including, I hope, whether we face a contest between an alliance of democracies and an axis of autocracy, about which we're hearing more and more; Deborah will explore democracy and inequality, including inequality and intergenerational fairness; and Quentin will focus on democracy, the environment, and sustainability. All of them, I hope, will not just admire the problem but also canvas some steps that we can take to strengthen democracy.

In locating democracy in a global context, I think it is humbling to note, as the Governor did and as our program notes do, that less than 8% of the world's population live in

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<sup>1</sup> This is an edited transcript of the session, which can be viewed at <https://www.youtube.com/watch?v=FSSsCYfZdqQ>

what could be described as full democracies. And I think it's also the case that, while most people in this room think of democracy in terms of secular liberal democratic tradition, which has essentially shaped the Australian experience and the anglosphere experience as well, globally, democracy comes in many guises, including illiberal democracies and elected autocracies. As we've seen in many

countries there's no guarantee that, once established, liberal democracies stay that way.

The format of our discussion will be that each of our panel members will speak sequentially for no more than ten minutes, and then we will open it up for questions, and wrap up just short of one hour. so I'm going to ask Hugh to kick off our discussion.

### Global challenges to democracy Hugh White

Donald Trump's remarkable victory in the US election last week compels attention in any conversation about the threats to democracy around the world. But today it might be helpful to take a wider view, and explore how the current crisis in global order affects the future of democracy globally, and here at home. It is widely accepted now that there is a crisis in global order, reflected in acute challenges to what is called the "Rules-Based Order," by which people mean the US-led order that evolved in the West after 1945 and appeared, for a time, set to take over the world after the Cold War ended with the collapse of the Soviet Union in 1991. This crisis of global order is seen as a crisis for democracy too, because it is generally seen as arising from a contest between the democratic ideals that underpin the old US-led order and the authoritarian ideology espoused by the powers that challenge it.

This perception is understandable, and it is far from entirely wrong. Since democracies first emerged — even as far back as Fifth Century Athens — there has always been a sense that democratic political institutions are inherently fragile and hence vulnerable to subversion or destruction by authoritarian forces. There was thus always a concern

about whether democracy can flourish anywhere if it does not flourish everywhere. Hence the perceived need for democracies to dominate the international system (in Woodrow Wilson's famous phrase), "to make the world safe for democracy."

This goal seemed at last to have been achieved at the end of the Cold War when we looked forward to a new global order framed by liberal democracy, accepted by all the world's major powers, led by America and upheld by America's seemingly unchallengeable power. And it wasn't all an illusion: democracy did indeed make great strides for a while — in Indonesia, South Korea, Taiwan, and of course throughout Eastern Europe. The future of democracy seemed safer and more certain than it had ever been before. "The End of History" indeed.

Of course these hopes have now been dashed because the "Rules-Based" post-Cold War global order is in deep trouble. It is clear that many powerful countries do not after all embrace democratic values, nor do they accept their subordination to global US leadership. Two of the world's strongest states — China and Russia — now overtly challenge the post-Cold War status quo, aiming to replace it with a new and very different global order. Many other rising

powers — India, Indonesia, South Africa among them — seem tacitly to support this challenge, or at least appear reluctant to oppose it.

As a result the old post-Cold War order faces a major challenge, creating the biggest general crisis of global order since the dawn of the Cold War in the late 1940s. History, in the form of old-fashioned great power rivalry, is back. We in the West fear that if this challenge is not defeated the Rules-Based Order will be replaced by a global authoritarian order. Such an order, we believe, would promote and impose authoritarian values around the world, including in our own countries. Not so long ago we expected that our global democratic order would promote and impose democracy around the world, and now we fear the tables will be turned on us. That fear drives the determination among governments and policy elites in the West to defeat the authoritarian challenge and preserve the Rules-Based Order at almost any cost — including, if necessary, by going to war. Comparisons with the 1930s abound, and any suggestion that we might take a different approach is dismissed as Chamberlainesque appeasement.

Is this right? It is an important question. Let's start by acknowledging that the challenge to the post-Cold War order really is very serious, and it is important to understand why. It is because it springs from profound shifts in the global distribution of wealth and power, which constitutes the deepest foundation of global order. In the 1990s the post-Cold War vision of a US-led global order seemed credible because America appeared set to enjoy for decades to come an overwhelming unchallengeable superiority in every dimension of national power — economic, technological, military

and ideological. But that is not the way things have turned out. The rise of China and India, especially, constitutes the biggest and fastest shift in the global distribution of wealth in history. Technological and military power have shifted too. America remains an immensely powerful country, but today it faces in China a “peer competitor” which is economically more powerful relative to America itself than the Soviet Union ever was in the Cold War.

There is another factor, too. In the 1990s it seemed that people around the world were happy to accept US global leadership, not just because they were embracing the ideals of liberal democracy, but also because they believed that their own countries and societies could flourish and fulfil their destinies under America's benevolent and protective wing. In particular, it seemed that strong states around the world would, like the former great powers of Western Europe, be content to forgo their aspirations to great power status and accept US leadership. That meant they had no reason to bear the costs and risks of challenging the US-led order. Again, this is not how things have turned out. China and Russia — and India too — are determined to assert their place as great powers, not subordinate to America but equal to it. Their resolve is strong and they are willing to accept high costs and risks to achieve their goals.

Together, these factors mean that the costs and risk to America of upholding the Rules-Based Order against determined and powerful challengers is very high. It has become increasingly clear that, in order to do so, Washington must convincingly threaten to go to war against the challengers to preserve its post-Cold War global leadership, because only such a threat will deter their

challenge. Ukraine has shown how hard that is to achieve. Against nuclear-armed rivals, that means being able to convince them that America is willing to fight a nuclear war, and there is scant evidence so far that it can or will do this.

Ultimately that is because the stakes for America (and its allies like Australia) in perpetuating the post-Cold War order are not high enough to justify the appalling costs of nuclear war. And that in turn is because the new order that would take its place would not be as bad as most in the West now assume. There is very little danger that the unipolar US-led order would be replaced by a unipolar authoritarian-led order, for the simple reason that there are too many powerful states eager to assert their own place as great powers. We are much more likely to see the emergence of a multipolar global order in which a number of great powers would successfully assert equal places at the “top table.” As things stand, the likely candidates for this status include America, Europe, Russia, India and China. None of these powers would be strong enough to impose their ideologies on one another or on the world at large, so the world would remain ideologically diverse. That means we in the West have no compelling reason to fear that the passing of the post-Cold War unipolar order would make the world “unsafe for democracy,” which in turn means that we would not be justified on going to war to preserve it — especially as we have every reason to believe that a major war to defend the Rules-Based Order would end up destroying it anyway. Democracy did after all survive and flourish in the ideologically-diverse multipolar global orders of the 19<sup>th</sup> and 20<sup>th</sup> Centuries, and this conception of

global order is precisely what was envisaged at the foundation of the UN in 1945.

Of course a new multipolar global order would be more difficult and more dangerous for countries like Australia to navigate than the near-to-ideal situation that seemed to be offered by the post-Cold War order. It would create immense new challenges for us, because the emergence of a new multipolar global order would have profound implications for the regional order in Asia. The rise of China and India mean that America will not remain our region’s leading power, and it is most likely that it will cease to play any significant strategic role in Asia at all. Instead, China and India will dominate Asia strategically, probably dividing the region into respective spheres of influence. For the first time since European settlement, Australia will have to make it in an Asia that is not dominated and made safe for us by preponderant British or American power. This will be among the biggest, if not the biggest, transformation in our international circumstances since European settlement, and navigating it successfully will be an immense challenge — perhaps the most demanding foreign policy challenge in our history so far.

In the process we should expect our society to change, as it has changed before in response to new circumstances — such as when we welcomed non-English-speaking migrants in the 1950s, and later when we abandoned White Australia. But we have no reason to fear for the future of our democracy in navigating a new global and regional order. On the contrary, the bigger threat to our democracy would arise from the mistaken conviction that we should be willing to go to war to preserve US global leadership and perpetuate US strategic primacy

in Asia — which is the implicit policy that underlies all the talk of “deterrence” from both sides of politics today.

As we reflect on the health of our democracy, it is important to note how utterly inadequate has been the public and political debate about the present crisis in global order and how we should respond to it. For democracy to flourish and even survive it has to work, and to work it has to deliver

both good leaders and good policies. The fact that both sides of politics, and most of the commentariat, believe that we need go no further in our analysis of the biggest shift in our international circumstances than to express our determination to support whatever Washington decides to do suggests that on this vital issue, at least, democracy in Australia today is not working. That should give us pause.

### **Inequality, intergenerational fairness, and the social contract** **Deborah Cobb-Clark**

#### **Introduction**

Moral philosophers and social scientists have debated the implications of inequality for the way societies govern themselves for centuries. The concern is that inequality — particularly when it is extreme or seen as unfair — threatens democracy by undermining support for the social contract.

In this paper I will begin by discussing the conceptual links between economic inequality and the support for democracy, focusing on four key issues: i) economic opportunity; ii) notions of fairness; iii) support for redistribution; and iv) the generational divide in social cohesion. I then focus on a particularly salient issue in the current Australian debate — housing security — and consider the potential for better policy to reduce inequality and enhance social cohesion.

#### **Economic opportunity**

There is a direct link between inequality and economic opportunity. Rising inequality pulls the rungs of the socioeconomic ladder further apart, reducing social mobility by making it harder for poor children to avoid becoming poor adults. A lack of social and economic mobility is, in turn,

costly for society. Constraints on mobility at the bottom of the distribution mean that many people’s talents are squandered, undermining productivity and economic growth (OECD, 2017). At the same time, limited mobility at the top of the distribution “may translate into persistent rents for a few at the expense of many, due to unequal access to educational, economic or financial opportunities” also resulting in inefficiencies (OECD, 2018, p.13).

Perceptions also matter. Some studies suggest that people’s beliefs about inequality and where they fit in the distribution are more important for individual wellbeing than are objective measures of how resources are distributed (Buttrick et al., 2017). The prospects for upward mobility have been linked to greater life satisfaction and improved wellbeing, while pessimism about social mobility can undermine social cohesion and the democratic process (OECD, 2018). Research has found, for example, that economic inequality, measured by the Gini coefficient, drives down people’s support for democracy (see Huang, 2023 for a review). Currently, 68 per cent of people worldwide believe that economic inequality is the big-

gest threat to democracy at home (Alliance of Democracies, 2024).

It's little wonder that US President Barack Obama has called restoring economic opportunity "the defining challenge of our time" (Obama, 2013).

### What's fair?

Inequality is also linked to the social contract and democratic support through societal perceptions of what is fair inequality and what is not. Martinez et al. (2017, p. 380) describe the distinction in the following way:

Fair inequality emerges as a result of meritocratic societies rewarding people who are skilled and work harder while unfair inequality is driven by differences in the lottery of birth where the choices available to people are already constrained by the circumstances that they were born into. In the economic literature, the fair kind is called inequality of outcomes, while the unfair type is known as inequality of opportunities.

Promoting equality of opportunity can be thought of as reducing unfair inequality — that is, "seeking to offset differences in outcomes attributable to luck, but not those differences in outcomes for which individuals are responsible" (Roemer and Trannoy, 2016, p. 1289).

Greater economic inequality tends to foster democratic beliefs in autocracies and erode democratic support in democratic regimes (Reutzel, 2024). Much of this overall association appears to be the result of what is perceived to be unfair inequality, i.e. contexts in which economic opportunity is not shared equally, and inequality is driven by poor governance (Saxton, 2021) or other factors beyond people's control

(Reutzel 2024). Importantly, there is also evidence that unfair inequality deters economic growth, while fair equality enhances growth (e.g. Marrero and Rodríguez, 2013, 2023; Bradbury and Triest, 2016; Aiyar and Ebeke, 2020), raising the possibility that the fairness — or not — of inequality is linked to democratic support through overall living standards.

### Support for redistribution

Social and political theorists often argue that the poor will be relatively more supportive of redistribution policies (e.g. Romer, 1975; Meltzer and Richard, 1981; Benabou and Ok, 2001; Piketty, 1995). Empirical evidence, however, indicates that income is a surprisingly poor predictor of beliefs about redistribution. Those at the bottom of the distribution can be reluctant to support redistribution despite benefiting more from such policies (e.g. Fong, 2001; Hoy and Mager, 2021; Cavaillé, 2023). This apparent incongruence is sometimes hypothesised to be the result of the poor being overly optimistic about their own — or their children's — prospects for upward economic mobility (see Benabou and Ok, 2001). Hoy and Mager (2021) also note that this is consistent with the poor using their own situations as a benchmark for what is acceptable for others. Either way, support for redistribution is difficult to understand using a simple socio-economic status lens.

The evidence is clear, in contrast, that people's support for redistribution is closely related to their beliefs about the relative importance of luck vs. effort in getting ahead — the same yardstick people use when deciding whether inequality is fair. Those who believe that getting ahead in life is

largely influenced by hard work and merit are less supportive of redistribution, while those who believe opportunities are unequal are more supportive (Alesina and Angeletos, 2005; Alesina and La Ferrara, 2005; Alesina and Giuliana, 2011; Almås et al., 2020). Researchers have demonstrated that this holds not only in observational data across a number of countries, but also in controlled laboratory experiments designed to uncover causal mechanisms (see Cappelen et al., 2022; Mengel and Weidenholzer, 2022; and Lobeck, 2023 for comprehensive reviews).

This makes it important to understand how societal views of the importance of luck vs. effort in getting ahead are formed. Researchers studying the issue have found, for example, that people often exhibit attribution bias — attributing their own successes to effort and their failures to luck. Moreover, these beliefs about the relative importance of luck and effort may be “motivated” in the sense that people may distort their beliefs about the true relationship between effort and success so that they can achieve a specific goal or justify a certain behaviour. Studying this issue in an experimental setting, Lobeck (2023) concludes that people’s luck-effort beliefs depend on the past or current events that tell them about the true relationship between the two, but also the reward structure they expect to face in the future.

The consequence is that, in many countries, rising inequality does not result in egalitarian policy responses (see Cavaillé, 2023 for a review). One explanation for why this might be the case is provided by Alesina and Angeletos (2005, p. 960):

Different beliefs about the fairness of social competition and what determines income inequality influence the redis-

tributive policy chosen in a society. But the composition of income in equilibrium depends on tax policies. ... If a society believes that individual effort determines income, and that all have a right to enjoy the fruits of their effort, it will choose low redistribution and low taxes. In equilibrium, effort will be high and the role of luck will be limited, in which case market outcomes will be relatively fair and social beliefs will be self-fulfilled. If, instead, a society believes that luck, birth, connections, and/or corruption determine wealth, it will levy high taxes, thus distorting allocations and making these beliefs self-sustained as well. These insights may help explain the cross-country variation in perceptions about income inequality and choices of redistributive policies.

### **Australia’s generational divide in social cohesion**

Globally, the nature of inequality has changed over the past four decades. In 1980, more than half of worldwide inequality (57 per cent) was attributable to disparities between countries; over the next decade this fell to less than a third (32 per cent) (Chancel and Piketty, 2021). Inequality is increasingly being felt within, rather than between societies. What was once a disparity between “us” and “them” is increasingly a disparity between “us” and “us.”

It is also the case, that no single measure can capture all aspects of societal inequality. Often the debate centres on economic inequality — as measured by income or wealth inequality — however, disparities in health, life expectancy, social connections, political influence, and future aspirations are equally important in understanding people’s well-being. Inequality in one domain can bleed

into other domains, of course. Importantly, “economic inequality translates into political inequality” (Stiglitz, 2014, p. 11) which may directly shape the democratic process.

In Australia, the picture on economic inequality is mixed with estimates of the level of and trend in both income and wealth inequality depending on the data source, measure, and time periods considered. Income inequality today is higher than it was in the 1980s, though there appears to have been little change since the mid-2000s (see ABS, 2019; Whiteford, 2015; Wilkins, 2014, 2015). In the lead-up to the pandemic, income inequality was stable; inequality declined at the start of the COVID-19 pandemic, then subsequently increased as the economy recovered. “It is inconclusive whether post-pandemic income inequality is higher or lower than pre-pandemic levels” (Productivity Commission 2024, p.11).

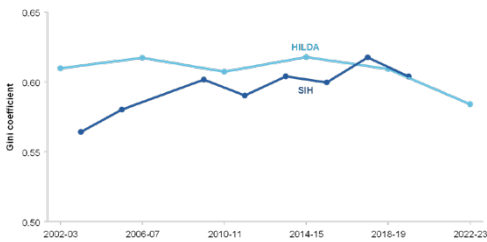


Figure 1: Wealth inequality was stable but declined recently. Gini coefficients for equivalised household wealth, 2002–03 to 2022–23. Source: Productivity Commission (2024)

The Productivity Commission (2024) has also recently concluded that, since the turn of the 21<sup>st</sup> Century, Australian wealth inequality has been relatively stable, likely declining in the aftermath of the COVID pandemic (see Figure 1). Property and superannuation are the two most important forms of wealth held by Australian

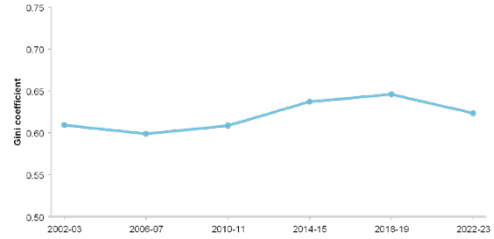


Figure 2: Housing wealth has become more equally distributed in recent years. Gini coefficients for equivalised owner-occupied housing wealth, 2002–03 to 2022–23. Source: Productivity Commission (2024)

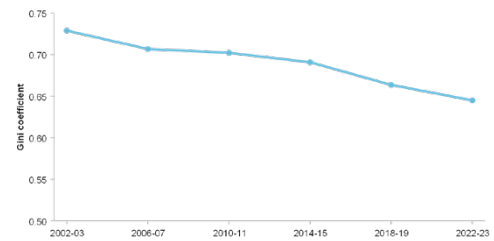


Figure 3: Superannuation inequality has been declining. Gini coefficients for equivalised superannuation wealth, 2002–03 to 2022–23. Source: Productivity Commission (2024)

households (ABS 2019), but the Productivity Commission estimates that inequality in both superannuation and housing wealth has declined as well (see Figures 2 and 3). On balance, there is little evidence of a major shift in economic inequality in Australia.

Despite this, there is a growing perception that intergenerational economic opportunity is lacking. In 2022, 72 per cent of Australians reported being pessimistic about the prospects of future generations, saying that they believe that children born today will be worse off than their parents (Clancy et al., 2022). This represented an extraordinary 14 percentage point increase in the degree of pessimism — the largest amongst all 15 countries surveyed — over the previous year. We can only speculate

about the possible catalyst for the sudden lack of confidence in intergenerational progress — perhaps it is the result of COVID-19 lockdowns or general economic uncertainty — but whatever the cause, it does not seem to be the result of a dramatic shift in economic inequality.

There also is a growing generational divide in social cohesion. Younger cohorts are now less likely than older cohorts to agree that “Australia is a land of economic opportunity where in the long run, hard work brings a better life” — an age disparity that was not evidence in 2013 (O’Donnell, 2023). The sense of belonging in Australia is falling, particularly among young people and those who do not feel financially secure (O’Donnell, 2023).

It is hard to escape the conclusion that many people — specifically, many young people — are increasingly feeling left behind despite the stable trend in income and wealth inequality.

If the apparent unravelling of Australia’s social fabric is not the result of a major shift in economic inequality, why is it happening? No doubt, there are many complex, nuanced answers to this question. Here I shine a light on one issue — housing — that is at the heart of the current Australian debate around inequality and intergenerational fairness.

International law has recognised adequate housing as a basic human right for nearly three generations.<sup>2</sup> Australia signed and ratified the various treaties that recognise the right to adequate living standards more than half a century ago. Yet today, 40 per cent of young Australians feel that they might not have a comfortable place to live in the next 12 months (Walsh et al., 2023). Former President of the Australian Human Rights Commission, Rosalind Croucher, has called on governments at all levels to urgently respond to housing vulnerability not only as a social issue, but also as a social justice issue (Croucher, 2022).<sup>3</sup>

Housing is important for many reasons, not the least of which is that housing is a core social determinant of health. Recent research in the UK, for example, indicates that there is a link between housing tenure and biological ageing.<sup>4</sup> Specifically, Clair et al. (2024) conclude that living in a privately rented home is associated with faster biological ageing relative to owning one’s home outright. Crucially, despite the enormous wealth disparities and potential stigma associated with social housing, biological ageing for those living in social housing was found to be the same as for those who owned their homes outright — an outcome which the authors posit may result from the additional security provided to those in social housing.

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2 Adequate housing was recognised as a component of the right to an adequate standard of living in both the 1948 Universal Declaration of Human Rights and the 1966 International Covenant on Economic, Social and Cultural Rights (UN, 2009). Australia signed the ICESCR in 1973 and ratified it without reservations in 1975 (Croucher, 2022).

3 The Australian Bureau of Statistics has adopted a broad definition of homelessness that corresponds to being without a home, rather than a narrow definition consistent with being without a roof over one’s head. In essence, “homelessness” is therefore a lack of one or more of the elements that represent “home” including housing stability (ABS, 2012).

4 Biological ageing — measured through DNA methylation — has been proposed as a way of understanding how environmental conditions, such as socioeconomic status and stress, can have lasting biological impacts that influence outcomes, including health (Neu, 2022).

### **Addressing the elephant in the room: is policy the problem?**

Inequality is shaped not only by economic conditions, including the pace of economic growth, but also by social and economic policy (see Rice et al., 2021). This leaves us with some uncomfortable questions. Does the decline in Australia's social cohesion stem not from a belief that inequality itself is increasing, but rather the growing perception that the public policy is exacerbating inequality? Are the policies adopted by Australian governments fuelling a widening generational divide? What is fair in an intergenerational sense? Openly debating these questions — rather than treating them like the elephant in the room — is crucial because the answers go to people's notions of fairness, support for redistribution, and, ultimately, the willingness to support and participate in the democratic process.

Housing accessibility, stability, and quality, for example, all contribute to the degree of security that people have in their housing. Each is driven by numerous policy decisions at all levels of government and there is ample room for Australia to do better. While the national policy debate has largely focused on strategies to stem the fall in homeownership rates, for many people the more immediate issue is likely to be how to navigate a rental market that is increasingly precarious. One clear policy option would be to increase the availability of social housing. Over the past 20 years, the social housing stock has remained stagnant despite the Australian population growing by a third; the consequence is that between 1991 and 2021 the percentage of social housing in the national housing stock almost halved (Croucher, 2022).

Numerous other policies to provide more stability to renters in the private market should — at the very least — be on the table for discussion. These include long-term leases, rent control, limitations on evictions, rights around pet ownership, as well as “build-to-rent” schemes and other policies that incentivise the development of housing that is both stable and affordable. Not all these ideas will pass the pub test. Nor will all attract the political leadership and bipartisanship necessary to turn good ideas into good public policy. But, surely, they must at least be debated.

More generally, there is a need for serious consideration of reforms to the nation's tax and transfer system. Tax breaks for superannuation and housing investments are at the heart of a gap in wealth that leaves Australians at the top of the distribution owning 90 times the wealth of those at the bottom (Anglicare Australia, 2024). Former Treasury Secretary, Ken Henry, believes that Australia's present tax system “amounts to a conspiracy against future generations” (Henry 2024). Resolving this makes for an excellent starting point.

### **Looking forward**

Nobel Laureate Joseph Stiglitz (2014, p. 1) reminds us:

Inequality is not inevitable: it is a result of policies and politics. There are policies that would simultaneously reduce inequality, heal some of the divides in our society, and strengthen our economies.

This leaves us with a glass that is at least half full. The good news is that there is a pathway forward. If policy has brought us to where we are today, then surely there are better policies that would reduce inequality, bridge the generational divide,

and mend the social fabric. Completely filling the glass, however, requires that our democratic institutions are robust, inclusive, and civil enough to serve up the political leadership necessary to identify and enact those policies. This, of course, remains to be seen; it is not a matter to be taken for granted. Ben Rhodes — Deputy National Security Adviser under President Barack Obama — writing in the *New York Times* after the 2024 US election puts it this way (Rhodes Nov. 8, 2024):

Democrats understandably have a hard time fathoming why Americans would put our democracy at risk, but we miss the reality that our democracy is part of what angers them. Many voters have come to associate democracy with globalization, corruption, financial capitalism, migration, forever wars and elites (like me) who talk about it as an end in itself rather than a means to redressing inequality, rein-ing in capitalist systems that *are* rigged, responding to global conflict and fostering a sense of shared national identity.

In the end, the greatest threat to democracy is the possibility that our democratic institutions are failing — or are perceived to be failing — a large share of society. Can democracy really survive if it has left people pessimistic about their children's futures? Or if it has left people feeling that hard work is not the pathway to getting ahead? Or if increasing numbers of people feel they are being excluded and left behind?

Tackling inequality — broadly defined and within as well as across generations — is crucial to righting the ship and strengthening the faith in our democratic institutions.

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## Confronting the “Democracy Deficit” and long-term environmental threats R. Quentin Grafton

### Abstract

The world faces multiple long-term environmental threats that include: i) climate change; ii) biodiversity loss; and iii) water insecurities. Effective responses are hindered by the “democracy deficit,” deficiencies in democracy and the influence of powerful interests that undermine actions favoured by a majority of voters. Confronting the democracy deficit requires more active (deliberative and participatory) democracy to redistribute power and influence to citizens from privileged interests — the “push back” triangle of: i) the Climatoocracy (climate change), ii) the Biodiversocracy (biodiversity loss) and iii) the Hydrocracy (water insecurity). More active democracy requires but is not limited to: i) high-quality public education that allows most people to engage with complex problems; ii) effective and widely-available civic education; iii) fact-checking of publicly available information; iv) a diverse and free press; v) participatory processes around decisions of key public interest; and vi) transparent mechanisms that hold decision-makers fully accountable for their actions.

### Introduction

The modern representative democracy was the best form of government that mid-18<sup>th</sup>-century technology could conceive of. The 21<sup>st</sup> century is a different place scientifically, technically and socially. — B. Schneier (2023)

The World Economic Forum’s Global Risks Report 2024 named three key environmental issues as critical threats: extreme weather events, biodiversity loss, and ecosystem collapse (World Economic Forum, 2024). Given the risks of catastrophic climate change, a possible anthropogenic mass extinction event, and severe and irreversible climate tipping points (Tollefson, 2023), a precautionary approach to reducing the drivers (e.g. GHG emissions, habitat loss) is urgently required.

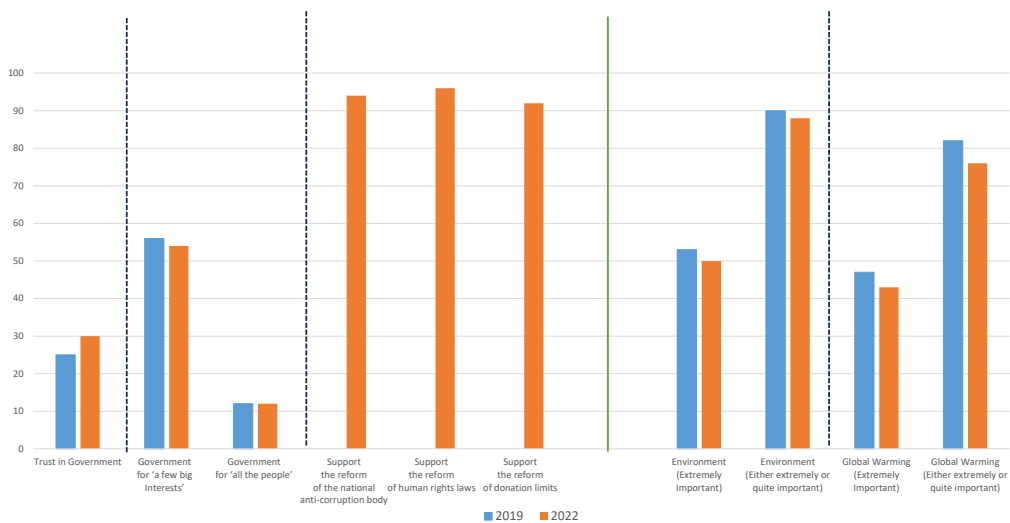
Effective responses to global environmental threats that have local impacts require trust in institutions and cooperation across communities, nationally and globally. Yet more than half of respondents in the EU and North America are *not* “satisfied with democracy.” Importantly, dissatisfaction with democracy appears to be increasing at a faster rate among the young and in some of the larger democracies (Nigeria, Spain, the United Kingdom, and the USA) (Foa et al., 2020). The decline in satisfaction with democracy is contemporaneous with declines in democratic performance in almost half of monitored countries in relation to: i) Credible Elections; ii) Effective Parliament; iii) Economic Equality; and iv) Freedom of Expression and Freedom of the Press over the period 2018–2023 (IDEA, 2024).

In Australia, 70% of voters in the 2022 Australian Electoral Study were satisfied with democracy but this proportion has declined from its peak in 2007 (Cameron & McAllister, 2022). Nevertheless, an increasing proportion of voters are not satisfied with democracy characterised as “business as usual,” as evidenced by a continuing decline in the proportion of those voting for the two major parties at federal elections (Cameron et al., 2022).

Over the past few decades there has been a decline in trust in governments, media, or trust in other people in several key democracies. For example, in the USA, trust in the national government declined from 73% in the 1950s to 24% in 2021. Across 62 high- and middle-income countries, the proportion of people expressing “Trust in Government” peaked in the early 2000s at one half, and had declined to about one-third by 2019

(United Nations Dept. of Economic and Social Affairs, 2021). By comparison, in Australia only 30% of respondents in the 2022 Australian Electoral Study believed that governments “... can be trusted to the do the right thing nearly all the time” (see Figure 1). Further, 54% of Australians in 2022 believed that “government” is run for “a few big interests,” while just 12% believed that government is run for “all the people” (Cameron & McAllister, 2022).

Multiple reasons can be attributed to increasing dissatisfaction with democracy and declining levels of trust in government. In large measure their proximate cause is a perceived (or actual) failure to deliver to citizens what they want (e.g. secure employment, affordable housing, effective climate change mitigation, etc.) and this perspective appears to be held in a greater proportion by younger adults.



Data sourced from Cameron and McAllister (2022)

Figure 1: Australian Electoral Study 2022

### Global environmental threats

Three key global environmental threats are: climate change, biodiversity loss, and water insecurity. Much of the burden of these threats falls primarily on those with the fewest resources to mitigate their own risks (Gupta et al., 2023). By contrast, those who are the most well-off, typically, have the greatest individual environmental impacts (Alestig et al., 2024).

In 2023, global anthropogenic carbon-dioxide emissions from fossil fuel use and industry (not including land use change) were 38 billion tons, a six-fold increase from 1950, and are currently rising at about 1% per year (IEA, 2024). This has resulted in an atmospheric concentration of carbon dioxide increasing by half from its pre-industrial level to over 420 ppm in 2024. CO<sub>2</sub> concentrations are currently higher than they have been for 800,000 years and this is the primary reason why 2023 was the hottest on recorded: about 1.5°C warmer than the 1850–1900 global average (Berkeley Earth, 2024). Compared to the global average, Australia's temperature has warmed by about 1.6°C (range: 1.4–1.6°C) relative to 1850–1900 (BOM and CSIRO, 2024).

On the current trajectory of greenhouse gas (GHG) emissions, the world is expected to warm by about 2°C by 2050 and by 3.1°C by 2100 (range: 1.9–3.8°C) noting that the chance of limiting warming to 1.5°C is now virtually zero (UNEP, 2024). Global Net Zero by 2050 from 2024 requires, at a minimum, a reduction in global energy-related CO<sub>2</sub> emissions of 34% by 2030 and 84% by 2050 (IEA, 2024). By comparison, global CO<sub>2</sub> emissions fell by 1.4% in 2009, with the global financial crisis (Peters et al., 2011) and fell by 5.8% in 2020 with the COVID-

19 pandemic, and then rebounded by 6% in 2021 (IEA, 2021).

In 2023, CO<sub>2</sub> global emissions rose 1.3% relative to 2022 and in 2024 are estimated to have risen 0.8% relative to 2023 (Friedlingstein et al. 2024). Of critical importance is that net-zero policies [at 2050] will *not* keep warming within 1.5°C (Dyke et al., 2024). That is, even if Net Zero were achieved between 2030–2060 globally, because of lagged effects including deep-ocean warming, the *additional* global surface temperature in the coming centuries could be as much as 2.6°C, or more than 4°C warming relative to pre-industrial levels (King et al., 2024).

Biodiversity, if defined as average species abundance, has been in decline for centuries but appears to have accelerated since 1950. One estimate is that, directly or indirectly, humans have been responsible for the extinction of 7.5–13% of the 2 million known species since 1500 (Cowie et al., 2022). In terms of the measured wildlife populations (mammals, birds, amphibians, reptiles and fish), there has been a 69% decline in abundance since 1970 (WWF, 2022). Overlaying species extinction is the loss of ecosystem diversity from deforestation and increasing land use for agriculture and urban areas (Beyer & Manica, 2020). Of critical concern is that three important 2030 global conservation targets to reduce biodiversity loss will almost certainly not be achieved: i) halting deforestation (Chu et al., 2023); ii) ensuring “... at least 30 per cent of terrestrial and inland water areas, and of marine and coastal areas, especially areas of particular importance for biodiversity and ecosystem functions and services, are effectively conserved and managed” (Convention on Biological Diversity, 2022 Target 3); and iii) restoring 350 M ha. of degraded

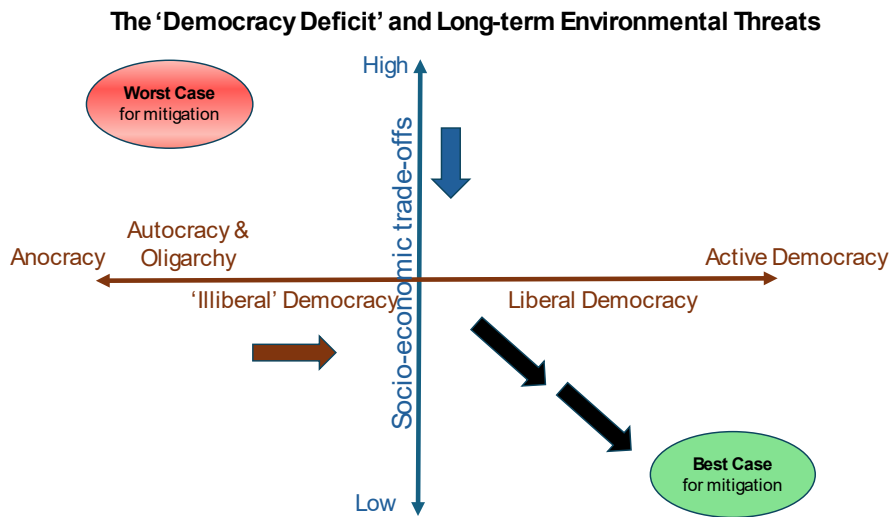


Figure 2: The “Democracy Deficit” and socio-economic trade-offs

and deforested land by 2030 (Palomo et al., 2024).

Water insecurity exists at multiple levels: individual, household, catchment, national and global (Grafton et al., 2024). Despite improvements in the proportion of people with access to safe water and sanitation, unsafe water sources still result in 1.7 million annual deaths worldwide and create disabilities that affect more than 80 million people annually (Grafton & Fanaian, 2023) while as many as 4.4 billion people lack safe drinking water (Greenwood et al., 2024). Importantly, none of the key Sustainable Development Targets for water will be achieved by 2030 (Grafton et al., 2023). Further, the global area in wetlands is in decline (Fluet-Choinard et al., 2023), groundwater is diminishing in many key food-producing regions, and there are projected to be substantial streamflow declines globally (Jasecho et al., 2024).

### The “democracy deficit”

In democracies where governments face genuine competition for power there should be incentives to spend on non-exclusive public goods, such as environmental remediation. By contrast, in autocracies and oligarchies key decision-makers are more likely to be incentivised to provide benefits to the most powerful and influential (Deacon, 2009) and there are more constraints on citizens to express their views (Acheampong et al., 2022).

The effectiveness of democracies to respond to environmental threats depends on multiple factors (Figure 2): first, the strength of environmental non-governmental organisations (Binder & Neumayer, 2005), civil society (Læg Reid & Povitkina, 2018), and green parties (Bernauer & Koubi, 2009); second, broad indicators of levels of education and income equality (Farzin & Bond, 2007); third, the visibility, ease and the speed of responding to environmental degradation, such as urban air pollution

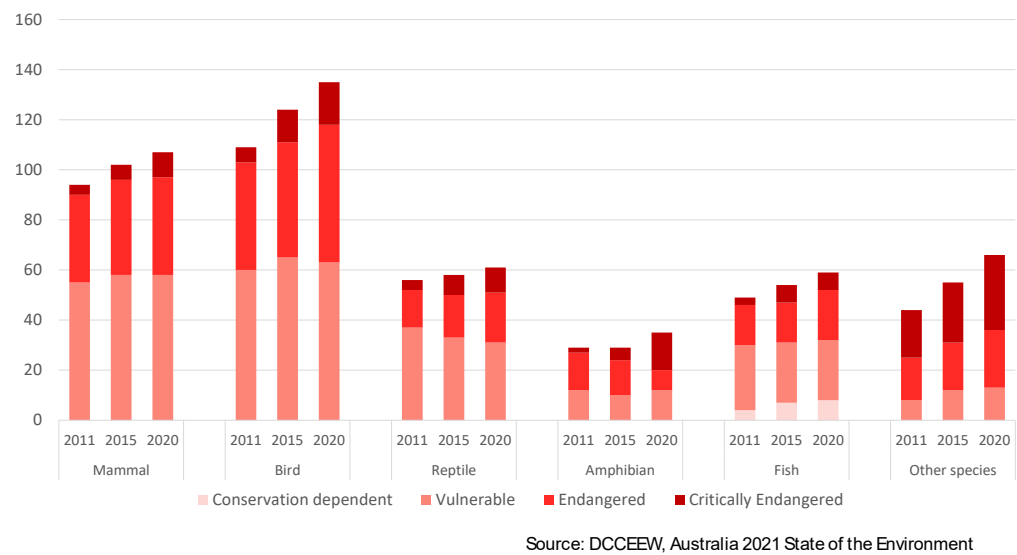


Figure 3: Australian “endangered” species list

(Winslow, 2007) versus climate change; and, fourth, the quality of democratic institutions, such as freedom of the press (Riti et al., 2021), lack of corruption (Wilson & Damania, 2005) and “good government” (Læg Reid & Povitkina, 2018; Young, 2013).

The democracy and the environment literature suggests that: i) democracies are not the same (Wolf, 2023) such that countries with liberal democracies (e.g. rule of law respected, protection of individual rights, dispersal of power, independent judiciary) and with elements of active democracy (e.g. well-informed and engaged citizens, participatory, transparent and accountable decision-making) are more effective at responding to environmental degradation or global environmental threats; and ii) environmental degradation and threats that require a long-term focus (e.g. climate change mitigation) do not fit well into a single-election cycle. That is, long-term environmental threats are subject to much

greater “push back” from privileged and influential interests (e.g. fossil-fuel interests and their lobbyists) (Stoddard et al., 2021) over multiple election cycles (Lindvall, 2022). Together, deficiencies in democracy and powerful interests that undermine environmental actions favoured by voters result in the *democracy deficit*. This deficit impedes, or may even prevent, effective environmental actions even if they are a priority for most voters.

Overlaying the effects of the democracy deficit are social and economic trade-offs of pollution mitigation (Shen et al., 2024), including who are the winners and losers. These trade-offs matter in terms of both their scale — who are affected — and their magnitude. Irrespective of the size of the democracy deficit, the greater the socio-economic trade-offs to long-term environmental threats, the less likely there will be an effective government response, all else equal (Figure 2).

Important issues for Australian voters in the 2022 federal election were the *Environment* (see Figure 1), with 88% considering it either “Extremely Important” or “Quite Important” in their voting decision, and *Climate Change*, with 76% considering it either “Extremely Important” or “Quite Important” in their voting decision (Cameron & McAllister, 2022). In 2024, 95% of Australian respondents wanted a “better budget for Nature.” while 63% wanted a mandatory assessment and consideration of carbon emissions on major projects through national environmental law (Biodiversity Council, 2024).

Notwithstanding Australian voter preferences about the environment, the responses by Australian governments are, relative to the scale of the challenges, inadequate. A summary of the key interventions in relation to climate change, biodiversity loss and water insecurity in Australia are: i) Net Zero by 2050 which allows for carbon offsets to compensate for GHG emissions (DCCEE, 2024a); ii) Nature Positive for which the Australian Government has committed by 2030 to protect 30% of Australia’s land and water consistent with the Kunming-Montreal Global Diversity Framework, achieve effective restoration of 30% of Australia’s degraded ecosystems, and ensure zero new extinctions; and iii) implementation of the 2004 National Water Initiative that included the commitment by Australian governments “... to ensure the health of river and groundwater systems by establishing clear pathways to return all systems to environmentally sustainable levels of extraction” (Council of Australian Governments, 2004).

The success of these interventions can be judged in terms of their likelihood of achiev-

ing their stated goals. In terms of Net Zero by 2050 target, Australia’s CO<sub>2</sub> fuel-related emissions in 2022 of 355 Mt (about 80% of total Australian CO<sub>2</sub> emissions) were 9% lower than their peak in 2010 and 2% lower than their level in 2005 (IEA, 2023); total CO<sub>2</sub> emissions, however, were virtually unchanged between 2022 and 2023 and decreased by only 0.6% from end of March 2023 to end of March 2024 (DCCEE, 2024b).

In terms of Australia delivering Nature Positive by 2030, the number of mammal, bird, reptile, amphibian, fish and other species listed as endangered (likelihood of extinction is 20% over the next 20 years) or critically endangered (likelihood of extinction is 50% over the next 10 years) increased from the period 2011 to 2015, and again from the period 2015 to 2020 (see Figure 3). Further, many Australian ecosystems, because of cumulative pressures and business as usual environmental policies and regulation, are suffering from important function losses (DCCEE, 2022).

In terms of water insecurity, for the period ending 2022, most environmental water requirements in the Murray-Darling Basin (MDB) have not been achieved (Sheldon et al., 2024) and 18 of 20 Indigenous, environmental, social and compliance indicator targets in relation to the MDB have not been met (Colloff et al., 2024). This is despite the expenditure to date of A\$ 7.7 bn on water recovery for the environment (Wheeler, 2024), a Basin Plan that was legislated in 2012, and a commitment in 2007 by Prime Minister John Howard: “... to confront head on and in a comprehensive way, the over-allocation of water in the Murray-Darling Basin.” (Howard, 2007).

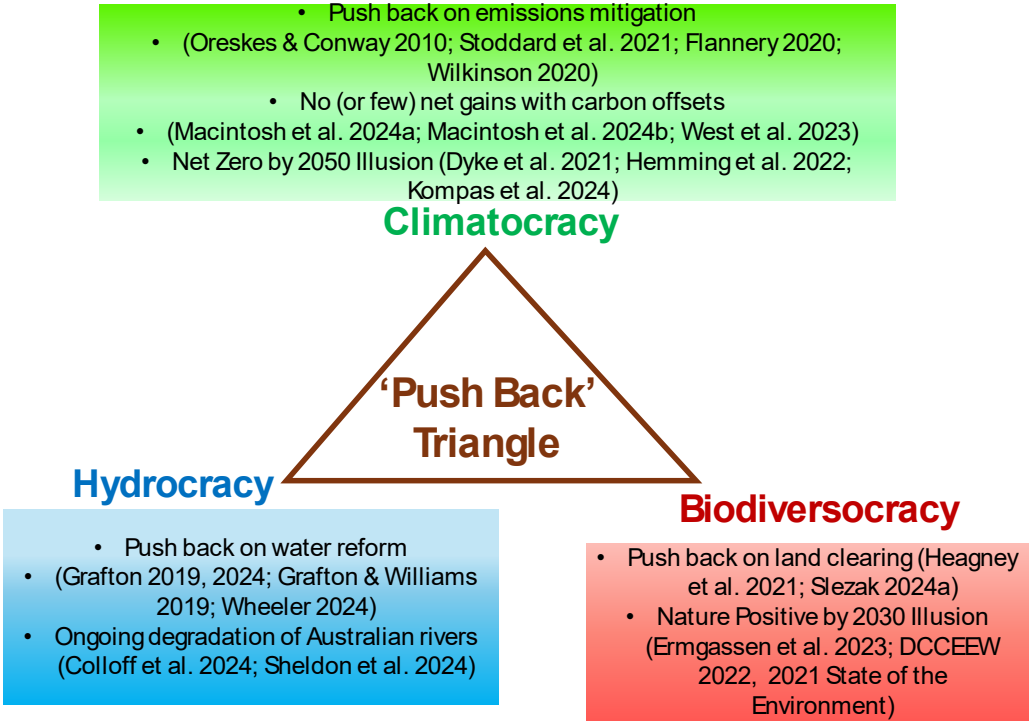


Figure 4: The “Push Back” triangle

### Confronting the democracy deficit

Confronting the democracy deficit is based on three inter-linked hypotheses (H<sub>1</sub>, H<sub>2</sub> and H<sub>3</sub>).

**H<sub>1</sub>:** Decline in trust in government and satisfaction with democracy is explained, primarily, by a decline in the ability (or willingness) of democratic governments to deliver what citizens want, including mitigation of long-term environmental problems.

**H<sub>2</sub>:** The nature of democracy (e.g. illiberal versus liberal democracy) matters, including the levels of regulatory capture (Grafton & Williams, 2020) by privileged and influential interests (private and public), the degree of political competition (Wilson & Damania,

2005), and the time frame to deliver effective mitigation responses (e.g. whether it requires multiple election cycles or not).

**H<sub>3</sub>:** Greater active democracy, especially within liberal democracies (Wolf, 2023), would mitigate the effects of “push back” by privileged interests (Gilens & Page, 2014) to slow or halt effective responses to long-term environmental threats, typically mediated through the political process of party donations (Thompson, 1993). These privileged interests, in the context of climate change, biodiversity loss and water insecurity are, respectively, labelled the “Push Back Triangle” consisting of the *Climatocracy* (Evans & Stevens, 2009), the *Biodiversocracy* and the *Hydrocracy* (Wester et al., 2009) (Figure 4).

The most well-known privileged interests with climate change are those enterprises and organisations that oppose or hinder effective climate change mitigation. Strategies of the Climatocracy include: i) denying anthropogenic climate change; ii) creating doubts and uncertainty around projected climate change (Oreskes & Conway, 2010) and, most recently; iii) highlighting that climate change mitigation is “sorted” with Net Zero targets. All these approaches have the same goal — to slow down or halt meaningful mitigation, or at least mitigation imposed on the Climatocracy. In Australia, the principal focus of privileged interests wanting to slow down or halt effective climate mitigation has been to influence key decisions, especially within governments (Flannery, 2020; Wilkinson, 2020).

As the evidence for global warming has become irrefutable, the fossil fuel producers and their lobbyists have adopted what is called “greenwashing.” In the context of climate change, greenwashing is the pretence of, or an exaggerated claim about, effective climate change mitigation. Greenwashing is especially widespread in terms of voluntary mitigation commitments by large emitters and with the verification of carbon offsets (Lowe, 2024).

A 2023 United Nations report<sup>5</sup> identified that “...net zero is entirely incompatible with continued investment in fossil fuels. Similarly, deforestation and other environmentally destructive activities are disqualifying... actors cannot buy cheap credits that often lack integrity instead of immediately cutting their own emissions across their value chain.” There also is increasing economic evidence that, at a

global scale, Net Zero by 2050 is impossible at current economic growth trajectories (Kompas et al., 2024). The major beneficiary of carbon greenwashing is the Climatocracy, the large emitters of GHG emissions.

Given asymmetries in land and ocean CO<sub>2</sub> uptake, one ton of CO<sub>2</sub> emissions is more effective at raising atmospheric CO<sub>2</sub> concentrations than a one-ton removal of CO<sub>2</sub> from the atmosphere, or what is called a “negative emission.” And this difference increases the larger the magnitude of emissions and their removal. Thus, even *if* every ton of CO<sub>2</sub> removed from the atmosphere were fully verifiable and of high integrity (MSCI Carbon Markets, 2024), permanently sequestered (Brunner et al. 2024), and the timescale of emissions and sequestration perfectly matched (Fankhauser et al., 2022; Johannessen & Christian, 2023) — none of which is true — its impact on climate change would still be *less* effective than a ton of emissions reductions (Zickfeld et al., 2021).

West et al. (2023), in an analysis of 26 carbon offsets projects in six countries, concluded that most of the projects had failed to result in “additionality,” that is additional carbon sequestration from reduced deforestation. Where additionally was identified, the actual benefits were lower than claimed. Notwithstanding possible co-benefits (e.g. biodiversity, soil health, ecosystem resilience) of carbon offsets (Milne et al., 2024) and the potential of Nature-based solutions to restore ecosystems with Indigenous land practices (Russell-Smith et al., 2024), exaggerated or false claims about the effectiveness of carbon credits used as offsets poses an important challenge for

<sup>5</sup> United Nations’ High-Level Expert Group on the Net Zero Emissions Commitments of Non-State Entities, 2023: 7.

Australia to genuinely achieve Net Zero by 2050. In Australia, notwithstanding “creative accounting” around base years and land-use changes not attributable to climate mitigation policies (Merzian & Hemming 2021), current reductions in national energy-related CO<sub>2</sub> emissions are grossly inadequate to meet Net Zero, *without* heroically assuming large negative future emissions which includes wide-spread use of carbon credits to offset emissions (Hemming et al., 2022).

One of the key challenges with Net Zero targets, and negative emissions, is that the world’s voluntary carbon markets may only generate a small fraction of the claimed real emissions reductions (Probst et al., 2023). In Australia, Macintosh et al. (2024a) found, in an assessment of 143 carbon offset projects (80% of the total projects), that there was either zero or negative change in woody cover, yet they generated 22.9 million carbon credits. In their assessment of 3.4 M ha. of the carbon credited area in Australia, the authors found evidence of increased woody cover in only 28,155 ha (0.8% of the total area). In a related study of Human Induced Regeneration projects that generate Australian Carbon Credit Units (ACCU), MacIntosh et al. (2024b) found that: i) most projects were non-compliant; ii) projects had very limited effect on woody vegetation; and iii) there were major failures with respect to Australia’s carbon credit scheme. The major beneficiaries of carbon credits that do not sequester carbon are landowners who receive a payment for credits and large emitters who do not reduce their GHG emissions by the amount of the purchased credits that offset their emissions.

The increased use of biodiversity offsets and other economic instruments are

highlighted as a key part of Nature Repair Markets intended to deliver Nature Positive. Nevertheless, there are identified weaknesses with biodiversity offsets in England (Mancini et al., 2024; Rampling et al., 2023), while Ermgassen et al. (2023) investigated the effects of biodiversity offsets under Victoria’s Native Vegetation Framework (2002–2013). Ermgassen et al. (2023) concluded that what gains that did occur in Victoria would have happened in the absence of the biodiversity offsets program. In neighbouring New South Wales, its Biodiversity Offsets Scheme has been described by the Wentworth Group of Concerned Scientists (2024a, p. 2) to: “... not align with international best practice for biodiversity offsetting, it provides for significant variation to like-for-like rules which undermines the ability to genuinely offset impacts on affected species and places, the mitigation hierarchy is not consistently or rigorously applied, the scheme allows proponents to make a payment into a fund for impacts that are not offsettable...”

Notwithstanding the problems with biodiversity offsets, and especially the challenge of like-for-like comparisons, there is still potential for Nature Repair in Australia to directly fund Traditional Owners, but not as offsets, for their custodianship of their Country (Russell-Smith et al., 2024). The scale of the Nature Repair payments in Australia has been estimated by the Wentworth Group of Concerned Scientists (2024b, pp. 6–7) at \$7.3 billion per annum (in 2022 \$) over 30 years. Notably, the Wentworth Group of Concerned Scientists recommends that some of this multibillion-dollar funding be spent on: “... public investment for stewardship programs, Indigenous land managers and threatened species recovery”.

Land clearing has a major and negative impact on threatened species. Consequently, the pretence that regulation of land clearing is effective, when it is not, is a form of greenwashing concerning biodiversity and habitat loss. Despite multiple reviews since land clearing regulations first became regulated in New South Wales in 1990, the evidence is that state regulations have “... played only a minor role in limiting land clearing rates” (Heagney et al., 2021: 10). Heagney et al. (2021) show that, in contrast to policy and regulations around land clearing, high commodity prices for agricultural products have had a major impact on land clearing. Nevertheless, when the New South Wales Native Vegetation Act was managed by regional catchment authorities, from 2004–2012, the rate of land clearing (ha/year) halved (Heagney et al., 2021, Fig. 3).

In Northern Australia, there is evidence that much of the land cleared where there is threatened species habitat has been undertaken without the approvals required under the federal Environmental Protection and Conservation (EPBC) Act (Slezak, 2024a). The major beneficiaries of land clearing and ineffective or unenforced regulations are the Biodiversocracy; primarily large dryland and cattle enterprises (Slezak, 2024b).

In the context of water reform, there is substantial evidence that reform has slowed, in some cases even halted needed change and contrary to the stated intentions of decision-makers. For example, Prime Minister John Howard (Howard, 2007) had wanted to: i) spend almost \$6 billion in water infrastructure subsidies and grants in the 2007 National Plan for Water Security, to save more than 3,000 billion litres of water, but the actual increases in stream flows might have been as little as 10% of this

target ; ii) spend \$3 billion on buybacks of tradeable water rights from willing sellers to increase stream flows but the actual amount spent was less because the volume of water allowed to be recovered for the environment was capped by the federal parliament at 1,500 billion litres in 2015; iii) spend \$225 million for irrigation water meters to stop water theft, yet in 2017 an independent review of the Northern Murray-Darling Basin found that between half to three-quarters of water diversions were unmetered (Grafton, 2024a).

A consequence of misdirected water reform in Australia has been: “Explicit environmental protections in existing water management legislation are neither enforced nor reflected in current policy and operations.” (New South Wales Office of the Chief Scientist and Engineer, 2023: 3). The major beneficiaries of failing water reform (Grafton, 2019) in the public interest (Grafton, 2024b) are the Hydrocracy, primarily irrigators who own most of the water rights in Australia, worth some \$26 billion in 2020 (Productivity Commission, 2021), and who were initially allocated these rights gratis.

### **Towards active democracy**

In many countries without compulsory voting, there has been a decline in the proportion of the voting-age population voting. Across 173 countries it fell from, on average, 65% in 2008 to 55% in 2023 (IDEA, 2024). While Australia has compulsory voting, its voters are increasingly shifting their votes from the major political parties towards independents (Cameron et al., 2022). In Australia, voters have also signalled their preference for an alternative to business-as-usual democracy; more than 90% of voters in the 2022 Australian Electoral Survey wanted

a national anti-corruption body, limits on donations, and legal protections for human rights (Cameron et al., 2022).

Democracy reform is about reimagining how democracies operate and what they deliver to citizens to become “government of the people, by the people, and for the people” (Lincoln, 1863). That is, reform is about promoting good governance that ensures people have a genuine voice in decision-making. Such reform should adapt the best practices of deliberation from Athenian democracy some 2,500 years ago (Jones, 1960). For example, in the digital age (Spinney, 2024) citizens can communicate among themselves and with decision-makers at very low cost. This, in turn, allows for the possibility of much greater inputs by citizens into government decision-making than in the person-to-person meetings of the Agora in Ancient Athens (IDEA, 2024).

A shift to greater deliberative democracy involves more citizen engagement in democracy processes that goes well beyond the basic responsibility of voting in elections. The literature on deliberation shows that: i) if well-informed, then citizens are capable of deliberation with respect to complex policies and decisions; ii) deliberation reduces polarisation of views; and iii) citizens will engage in decision-making processes if the deliberation is meaningful (Dryzek et al., 2019). At a national scale, Klein (2023) contends that deliberation is about i) improving the solutions available; ii) evaluating the possible solutions; and iii) selecting the best solutions.

An example of how citizen-based deliberations could work includes citizen assemblies and “mini-publics” (Riedy & Kent, 2017), where members are randomly selected from a representative sample of the

population. Those selected as members are charged with providing recommendations on key decisions. Another deliberative approach is the use of facilitated online platforms, such as a *Delibratorium*, in which participating citizens, through a transparent process, arrive at a series of collective decisions (Klein, 2006). In terms of furthering active democracy, there must also be effective ways to transfer understanding, recommendations, and solutions from the public space to the empowered space where decisions of public importance get made (Riedy & Kent, 2017).

Going beyond deliberation is active democracy that includes participatory approaches for meaningful citizen engagement in democracy. A key benefit of active democracy is to balance the particular interest of the privileged few (e.g. Climacocracy, Biodiversocracy, Hydrocracy) with the public interest, such that the citizenry has a greater influence than they would otherwise in matters of public importance (local, regional, national and global). In Australia, there are successful examples, such as catchment management authorities in New South Wales, that between 2004–2012 brought together communities in planning and managing their landscapes and water allocations (Williams, 2011). The success of local, catchment or regional decision-making, however, requires multi-level governance (Thom & Steinfeld, 2024) including accountability and ownership of the decision-making outcomes, good and bad, and independent audits and oversight.

Active democracy requires reform at multiple levels of government. Actions to support active democracy include but are not limited to: i) ensuring public education is to a standard such that most citizens

can capably engage with complex problems (e.g. climate change) (Sabarwal et al., 2024); ii) “fact-checked” publicly available information analogous to “truth in advertising” — this fact checking requires adequate monitoring, compliance and enforcement to militate against public misinformation and falsehoods with respect to incontrovertible scientific and historical facts along with the empowerment of citizens to help them make well-informed judgements even in the presence of misinformation (Ecker et al., 2024); iii) civic education, participation and connection (Strengthening Democracy Taskforce, 2024) such that citizens can more effectively engage with decision-makers and among themselves; iv) diversity of ownership and views for all media and freedom of the press (Bennett, 2021); v) transparent participatory processes and dialogues (Russmann & Lane, 2020) on matters of key public interest (e.g. water insecurity); and vi) transparent mechanisms (e.g. effective public integrity commission) to hold decision-makers, and those that influence them, to account for their decisions (The Centre for Public Integrity, 2021).

### Conclusion

Many democracies, including Australia’s, face substantial and long-term environmental threats for which voters want meaningful actions. Effective solutions to these threats require actions over multiple election cycles and, thus, are vulnerable to “push back” that either slows or halts reform by vested interests; the Climatocracy (climate change), Biodiversocracy (biodiversity loss), and the Hydrocracy (water insecurity).

The remedy to the “push back” by the privileged few against the wishes of many voters, which is contrary to the public inter-

est, requires a change in how democracy is currently practised in Australia and many other countries. Using the best practices of deliberation and participatory approaches, Australia needs to move towards a more active (deliberative *and* participatory) democracy. This shift is about redistributing power to the people, away from the privileged few, such that the long-term collective needs of the many are met.

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