

A: Oh, hello Andrew, I didn't know you were back from your trip around the world. How was it?

B: Fascinating, Karena, I learnt so much.

A: I guess it must have been a change from our problems here – low incomes, rising debts, immigration, populism and so on.

B: Indeed it was. At least in some of the countries I visited! Since you mention popular disappointment and disillusion, I have a question for you.

A: Fire away!

B: If I say “rising incomes, low public debt, an affordable welfare state, popular support for mass immigration and, to top it all, a broad consensus on the policies underpinning these things”, what country would you think I'm referring to?

A: No question: Utopia, because I don't think such a country exists.

B: That's where you're wrong. Such a country does exist. It's called Australia.

A: I'm very surprised. How can this remote continent with only 25 million people achieve all the success you just mentioned?

B: Well, first of all, your feeling is due to the fact that, because the country is remote, as you say, from the rest of the western world, it attracts relatively little attention. But its economy turns out to be the most successful in the rich world.

A: How so?

B: Well, it's been growing non-stop for the last 27 years without a recession.

A: That must be a record for a developed country.

B: Yes, imagine: its cumulative growth over that period is, proportionally, almost three times that of Germany. The median income has risen four times faster than in America. And to crown it all, public debt is at 41% of GDP.

A: Wow! I think that's less than half of the British figure.

B: That's right. But luck has had a hand in these remarkable feats.

A: Luck?

B: Yes, Australia has the good fortune to have lots of iron ore and natural gas.

A: And as it is relatively close to China, I imagine it has found an obvious outlet for its natural riches without too much trouble.

B: Quite so. But it seems sound policymaking has helped too. They learnt from their last major economic recession in 1991. The government of the day reformed health-care and the pensions system, requiring the middle class to pay more of its own way, and the result is that the government today spends just half the average of other Western economies on health and pensions, in terms of the percentage of GDP.

A: It sounds a marvelous place to live. I wonder why the whole world is not rushing to Australia.

B: In fact, many people are. There seems to be great enthusiasm for immigration. 29% of Australia's current inhabitants were born in another country.

A: I'd say that's about twice the proportion in the USA.

B: Yes, and half of Australians are either immigrants themselves or children of immigrants. Also, the biggest source of immigrants is Asia, which is fast changing the country's racial mix.

A: I'm tempted to compare that with Britain or Italy, where far smaller inflows have generated hostility among a big portion of the electorate.

B: Yes, but in Australia, both main parties argue that admitting lots of skilled immigrants is essential to the health of the economy.

A: Well, that may be the reason for the reaction of some of the European countries who have to deal with lots of very poor and unskilled immigrants. But Australia also treats those who try to enter the country illegally and without the proper paperwork with unnecessary severity, incarcerating them in offshore islands in the Pacific where even legitimate refugees have been left to rot for years.

B: Isn't that a downside to the rosy picture you've just been painting?

A: It is. I won't argue with that. And I will even add two more negative points to this rosy picture. First, Aboriginal Australians suffer from enormous disadvantages, which many successive governments have failed to address. And secondly, global warming is clearly causing grave damage, with droughts and forest fires among the consequences. Yet Australia has done almost nothing to curb its emission of greenhouse gases.

B: Well, that gives the authorities something to work on in the future.

Outline: A recent visitor to Australia paints a rather rosy picture of the country's economic situation and informs a friend of the many reasons for its successes, among which “rising incomes, low public debt, an affordable welfare state, popular support for mass immigration and ... a broad consensus on the policies unpinning these things” are repeatedly quoted. Yet it seems there are some negative points, including the condition of Aboriginal Australians and the consequences of global warming which, so far, do not seem to be a priority for the authorities.

Questions: Is Australia an appealing destination for emigrants from Europe? Do you think Australia's future will be more connected with Asia than with Europe, and Britain in particular? How does the treatment of aboriginal Australians compare to the treatment of other indigenous peoples by European colonial powers? Why do you think it is that Australians see immigration so positively?