

Submission to:

Aged Care (Accommodation Payment Security) Levy Amendment Bill 2025 and Aged Care and Other Legislation Amendment Bill 2025

8 August 2025

Introduction

ACC (Aged Care Crisis) is an independent group of Australian citizens. Members of our group are engaged with the aged-care sector in a variety of ways – as advocates, health professionals, legal experts, users of services and as volunteers. We note the invitation to *‘share your experiences and ideas’* in your instructions on making a submission¹. We will start this submission by doing so because it graphically illustrates the problems that persist in the current aged care system and need to be addressed by the committee.

In this submission we use our own experience in trying to expose what is happening and press for change over the last 30 years to illustrate what has been happening. We then examine what is happening now and explain why repeated attempts to regulate problem systems have failed so badly. We explain why the Royal Commission and government have made all the same mistakes again and are still doing so. We explain why this Bill still fails to address the problems and then suggest changes that the cross bench could press for that would open the system to real change in the future.

We stress that this is a societal problem and not isolated to aged care and that many sectors are affected. We need to use the failures in these sectors to start addressing the major problems in society. In our Appendix we refer to the numerous studies and criticisms that have been made of these policies and the many warnings that have been ignored over the years. There have been so many more over the last 20 years that we have written about elsewhere that we have not had time to include them here.

¹ Making a Submission https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/How_to_make_a_submission

Brief response to key points of the proposed Bill

Background and ACC member's involvement: One of us (Michael Wynne (MW)) had a long experience of dysfunctional systems and their impact on doctors and the medical system. He had studied the social science that explained these problems but did not complete his degree because he emigrated to Australia. He continued his interest and in the 1990s when a US company, whom he already knew engaged in unethical practices that harmed patients, was welcomed into Australia in December 1991. He worked with state departments and selected politicians to prevent this. He developed a web of contacts in the USA and collected data that confirmed the exploitation of vulnerable patients and the provision of unnecessary care in order to boost profits.

It's failures in care were a consequence of business policies and practices based on the new free market neoliberal ideology. It had been adopted by governments in the USA in the belief that this was the way to reform care. Corporate America embraced these strategies enthusiastically and made huge profits in vulnerable sectors like health and aged care. These were sectors where the necessary conditions for-markets to work successfully for citizens and society did not exist.

These policies had made this company very successful and many others in the USA were emulating it. They saw their profitability as a measure of the quality of care provided. These companies were selling these ideas to politicians in other countries and expanding there. This was its attraction for Australian businessmen and politicians who by the 1990s were moving in the same ideological direction. By 1991 the company's failures were being exposed by the press and by medical whistleblowers in the USA but this was ignored.

Government investigations had already commenced by the time the company was welcomed in Australia in December 1991 but this was ignored. The scandal exploded as investigations were extended to this and other companies across the USA. In 1994 this company pleaded guilty in the USA to criminal conduct, paid a record fine and settled actions by insurers and hundreds of patients for large sums. Other companies reached similar but smaller settlements.

By then, state health departments in Australia had already advised that licenses to operate be rejected, but in states where they already owned facilities, politicians had found ways of preventing this. Adverse publicity and threats of a senate inquiry put increasing pressure on the company and it sold its Australian business in 1995.

To avoid multiple law suits in foreign countries, MW had supplied the data to the World Medical Association. They agreed to make it available to the other countries where the company operated. It sold almost all of its international operations.

It is clear that the leaders of the company could not accept that these successful policies were flawed and nor could governments in the USA. It was a large political donor. It continued to receive support from both major US parties. Senior politicians from both parties joined its board and helped it. There have been many more confronting problems in this company² as well as in the rest of the US health and aged care systems.

² Tenet Healthcare & National Medical Enterprises (NME) http://www.corpmedinfo.com/entry_to_Tenet.html

In Australia the Keating Labor government had wanted to adopt these free market policies in aged care early in the 1990s. They abandoned the idea when their economic advisor, Bob Gregory, warned of the inevitable consequences and the great difficulty in preventing problems.

The Howard government elected in 1996 ignored this advice and all the evidence. It pursued neoliberal free market policies in health and aged care welcoming three large US companies into Australia in 1997. MW warned the department and politicians of the consequences of these new one size fits all free-market policies they were introducing in aged care. He supplied information about the problems in aged care in the USA and more specifically about the conduct of a US based multinational aged care company being welcoming into Australia at the time.

Lynda Saltarelli (LS) started making inquiries about aged care after a personal experience of care in her family. She was alarmed by what she discovered. She contacted others and created Aged Care Crisis (ACC) in 2005. She had worked in technology and for several years set up and maintained online forums and a discussion group in which aged care staff and family members around the country discussed and debated the problems they were having in aged care. She also used her digital skills to research and track down data.

Together with others, LS and MW have collected data and used it to write individual or joint submissions to multiple aged care inquiries since 2005 warning of the consequences of current aged care policies.

Our Submissions: The 2007 Federal Inquiry into Private Equity specifically rejected the warnings we gave them. Only a few weeks later, the *New York Times* published an expose of the impact of private equity ownership on aged care in the USA. It has since become a huge problem in the UK and been a problem in the USA and Australia.

An individual (MW) submission to the 2010-12 Productivity Commission Inquiry '*Caring for Older Australians*' described what was happening and advised structural changes to address these issues similar to those advised by Gerontologist Professor Hal Kendig in his submission. These included decentralising as well as rebuilding local accountability and locally managed services. These recommendations challenged some basic tenets of neoliberal ideology and submissions urging similar strategies were ignored by the Commission.

We have made submissions³ to most of the inquiries into aged care since 2005 including the Royal Commission. We described the problems, analysed them and pressed for structural changes of various sorts that we felt could address the problems created by neoliberal policies in aged care. All have been ignored.

Relevance of this experience

One of the truisms that those who study society have made is that *"It is always good people who do the most harm in the world"*. This is because they believe deeply in something they are doing and the ideas that underpin this. They build their successful lives and identities within this *"order of thinking"* and have no doubts.

Evidence and criticism are very challenging for them and they cannot accept that they are doing is wrong and harmful. They respond defensively and adopt strategies that allow them to ignore evidence and discredit the critics. They often label them as 'socialist' or even 'communist'. We are aware of comments that indicate we have been discounted in this way.

³ Links to our submissions over the years are at <https://www.agedcarecrisis.com/publications>

Social scientists over the last century have described the many strategies we frail humans use in order to avoid challenges to our beliefs. They explain how irrational we can become. If we look at the world around us today, we can see just how true this is and how widespread irrational behaviour can become.

What is happening at present

LS and MW have both been busy as full-time carers for ageing family members and have been unable to actively contribute to aged care inquiries. We had given up hope for real reform. But we are not blind to what is happening and to the problems that have developed particularly in the new home care system since the Royal Commission. It is clear that the public is not happy about what is still happening in the sector seven years since the Royal Commission was announced and four years after its final conflicted report. If anything, the system is getting worse. That does not surprise us as we repeatedly warned the Royal Commission and then government that the real problems in the system were not being addressed. We were not alone in this.

We see that some of those we worked with have now published⁴ a brief but impactful five-minute documentary highlighting the increasing problems in home care. It is competing for the prize at the '2025 Focus on Ability - Short Film Festival'.

Another new documentary titled 'CareLess' investigates the political history of aged care in Australia during its 40-year bipartisan privatisation. We made a small contribution. It has been selected for the Melbourne International Film Festival (MIFF) where it will have its premiere on 16th August. The trailer promoting it is available⁵.

At present it looks as if we will only get real change when the community realises what has happened, revolts and insists on taking charge.

The Regulatory Trap: The full extent of the problem in this Bill is revealed in the draft of the aged care rules that will underpin and drive the implementation of the complex new Bill that government is about to sign off on. Even allowing for many blank spaces, the 600 pages of rules is a graphic illustration of the complexity of this Bill and the extent of the work that will be created for staff and others in meeting the regulatory and reporting requirements. This will create even more pressure on the system.

The Regulatory Trap is a well-recognised problem and Canadians who had experienced this as their aged care system was corporatised explained this in 2013 when warning Scandinavians of the growing dominance of big corporations globally and by then in Scandinavian countries as well⁶.

Understanding the background: The market is driven by shareholder's investment. This creates a huge conflict of interest for corporate providers of care. They have a responsibility to shareholders and their survival depends on continuing support from them. If that support is lost, they will not survive – a matter of corporate life and death.

⁴ 'Keeping Our Lights On At Home' Angus McMillan A & Willcocks Focus on Ability Short Film Festival 2025
<https://www.focusonability.com.au/FOA/films/3711.html>

⁵ 'CareLess' MIFF program 7 to 14 August <https://miff.com.au/program/film/careless>

⁶ See Banerjee A 'The regulatory trap: Reflections on the vicious cycle of regulation in Canadian residential care' Chapter 7 p 203 in:
Marketisation in Nordic eldercare: a research report on legislation, oversight, extent and consequences.
<http://www.diva-portal.org/smash/get/diva2:667185/FULLTEXT01.pdf>

On the other hand, they also have a responsibility to society and its members to provide good care. If they fail to do that it becomes a matter of life and death for citizens. We know how humans behave and how readily they justify their actions. What has happened was predictable and was predicted.

Logic analysts use the term '*necessary conditions*' to explain this situation. The necessary conditions for a market to work for society are knowledgeable and effective customers and a well-structured civil society, which sets the standards of acceptable behaviour. This works for society provided both have the power to put companies who breach their responsibilities and values out of business - so punishing shareholders whose pressure was responsible as well.

We need only examine what has happened in wider society. We have seen failures and the exploitation of workers and citizens in multiple sectors. We have seen failures in almost every sector where there is any vulnerability over the last 30 to 40 years. At the same time, civil society has been progressively eroded and emasculated. It is in a parlous state. Policies that reconstruct sectors to create the necessary conditions for a market to work, directly challenge prevailing political ideology. They are not seen as credible.

Consequences of the Regulatory Trap: Governments have instead tried to regulate and control outcomes centrally and this has resulted in a cycle of repeated failure, none more glaring than in aged care. Instead of confronting belief by addressing the deep problem created by unbalanced corporate power, governments have focussed on regulatory processes that become increasingly complex and burdensome as they try to patch loopholes in the system. This steadily increases the workload for staff. They do not have enough time to care. They find work onerous and what they are forced to do distressing. Good motivated staff vacate the sector. Care deteriorates further resulting in more inquiries. A vicious cycle is created where each failure results in more regulatory efforts with further deterioration - the Regulatory Trap.

In Australia: The Royal Commission's own review of the numerous inquiries since 2000 concluded by asking why, after so many inquiries and reforms, the system had continued to deteriorate to the extent revealed by their Interim report. The Royal Commission ignored the question but the Regulatory Trap is the obvious explanation. They then made the same mistake all over again.

In contrast in Scandinavia in 2013, aged care was already managed by local municipalities. They realised the advantage in doing this maintaining it as the sector was corporatised. They have not had the same problems. The Royal Commission's own investigation of international systems reported that Sweden and Denmark had the best systems in the world because of this and advised that this approach be adopted. They ignored it.

The Royal Commission: As we have explained several times, the Royal Commission was deeply conflicted from the outset as government appointed both Commissioners and the Counsel who advise and work with them. Government appoints those whom they see as credible because they share their ideas and beliefs. The interim report by Justice Tracey described the neglect that was occurring and referred to the deep problems in the system which it promised to address.

After Justice Tracey died, the other Commissioner took over. She had been a public servant and had been deeply involved in governance, a self-regulatory system adopted in 2005 to control the failures because it did not challenge ideology. She oversaw their introduction in Australia. The ongoing market failures since then show that this was not really effective. She did not pursue the deep problems identified and instead started renovating the existing system by engaging with industry and government. Aged Care Crisis saw what was happening and complained about it in our submissions.

When Tracey's replacement Justice Pagone caught up with what was happening, the two disagreed strongly. This was obvious to observers at the time and was confirmed in the lengthy final report where the two wrote separate chapters. Pagone recommended that the system be restructured to make the central management independent of government and for the actual service to be managed by a network of regional centres around the country. This is what the Grattan Institute had recommended. Pagone made it clear that the renovation solution advised by the other Commissioner did not address the problems in the system and that it would not work.

The Grattan institute subsequently consulted with Aged Care Crisis and in its next public report⁷ recommending decentralisation it included the local community advisory committees and central community committee representing them in its model.

The Government response: The Morrison government was faced with a situation where one of three Commissioners advised renovations that were compatible with ideology. The first Judge would not have agreed with this. The second Judge advised restructuring that challenged ideology and made it clear that the renovation model his colleague was advising would not work.

The Morrison government rapidly buried Justice Pagone's criticisms and recommendations for decentralisation, which it clearly did not see as credible. In its publicity it promoted the renovation model as what the Commission had recommended. It then set up an elaborate process to develop the 'reforms' by contracting much of this to market advisory groups like KPMG and PwC. They were represented on Star Ratings, Quality Indicators, and other committees and carried out many of the community consultations. When advocacy groups who were critical met with the department and the minister in Canberra, the meeting was run by another marketplace advisor and not departmental members.

These groups operate within the neoliberal framework and their viability depends on maintaining this. Other discussion groups and community consultations were run by COTA and OPAN. OPAN has been an integral part of the system that failed. COTA worked with industry groups to develop the system that the Gillard government introduced in 2012 and which failed so badly. It has been represented on the Aged Care Sector Committee (and other government committees as well as the National Aged Care Alliance (NACA)). Its policy advisor was appointed by the Abbott government to advise them on aged care. Their policies gutted regulation and increased market pressures dramatically. We have held discussions with them. They are likeable genuine people who believe deeply in what they are doing. We need to understand what is happening and not condemn.

We have ended with a Bill that makes many aspirational claims and creates complex regulatory processes. This has proved to be onerous and confusing. We have now looked at the draft of the new rules which show just how complex and cumbersome this is going to be for providers.

⁷ Reforming aged care A practical plan for a rights-based system Grattan Institute Nov 2020
See pages 35, 51 (Fig4.1), 54, 55, 56, 60
<https://grattan.edu.au/wp-content/uploads/2020/11/Reforming-Aged-Care-Grattan-Report.pdf>

What is now happening

Sections of the industry soon realised what was going to happen and they did not want to be part of this. In a submission in June 2023 about the draft Act⁸, we described how a number of nonprofits as well as local councils, who generally provide good care, were already vacating the sector or selling their operations. Their home care services were contracted to market operators. Soon after we wrote this, we discovered that market advisors, private equity and corporations had also realised that smaller dedicated operators would struggle with the new complexity. They had seen the opportunities.

Estia Healthcare has been acquired by international private equity and is expanding. Other local groups are also looking for acquisitions. We are hearing the same arguments for consolidation that characterised the Abbott era and put so much pressure on care.

We note that in the debate about this Bill on 30th July 2025 it was only National Party Members McCormack and Joyce⁹ who stressed the huge problems these changes were creating for smaller rural nonprofit providers. The increased paperwork and regulatory effort were stressing the system and some were closing so that residential care had to be found in bigger centres far away from families and friends. Stressed staff were abandoning aged care and moving to NDIS providers where conditions were better.

Examining this Bill and related policy decisions

We have examined the available information about this Bill which seeks to make changes to the wording of previous bills including the *Aged Care (Accommodation Payment Security) Levy Act 2006*, and for related Bills, to ensure that they align with the new Act 2024, which is largely unchanged in scope and intent from the draft Act which Stephen Duckett, from the Grattan Institute in January 2024 aptly described¹⁰ as “*still riddled with the old ideology*” and as having “*a Thatcherian individualistic emphasis, founded on a naïve belief in markets*” - - “. He describes those responsible as ‘Zombies’. Amendments to the wording are proposed for the 2024 Aged Care Bill in order to clarify a few clauses. These do not seem to change anything.

If we go back to the 600 pages of the new rules, we see 89 pages of definitions (Ch1) then 52 pages on assessing eligibility and making complex classifications (Ch2). Then 240 pages of rules address provider registration, responsibilities and obligations (Ch 3 to 5). Finally, another 213 pages of rules around funding of aged care by government and individuals shows just how unwieldy and complex it has been made (Ch 7 to 10). The remaining three chapters are shorter.

⁸ Regulatory changes are driving the best providers out of aged care - Appendix H page responding to Consultation Paper No. 2: A new model for regulating aged care.
Download from <https://www.agedcarecrisis.com/opinion/articles/476-new-model-for-regulating-aged-care>

⁹ Second Reading Speeches ,July 2025 Aged Care (Accommodation Payment Security) Levy Amendment Bil 2025
https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result/Second_Reading_Speeches?BillId=r7344

¹⁰ Duckett S ‘Proposed new Aged Care Act leaves gaps in rights’ Pearls and Irritations 12 Jan 2024
<https://johnmenadue.com/proposed-new-aged-care-act-leaves-gaps-in-rights/>

We recall the advantages of the local management of financial allocation and decisions described and advised by Kendig and Duckett in a paper¹¹ they wrote in 2001 and shudder at what has been done instead. In a regionally managed system, local managers in the community could see what was happening and adjust accordingly.

The reform we hope the committee will support

With the Green and Independents holding a balance of power in the senate we are hopeful that a more sensible way of doing this can be introduced. While it is too late to make major changes, we feel there is still time to make adjustments to the present system that would open it to subsequent change. The present Bill shuts and locks that door. We have dared to hope that these groups might be able to force government to open the door to local community and civil society involvement and oversight. They could ensure this, without further disrupting the system by insisting that central structures work closely with local councils and communities and involve them in decision making and oversight.

Ultimately, we will have to rebuild our damaged civil society and encourage local communities to form a central coordinating association so that problem issues are recognised and widely understood, and that successful remedies are quickly adopted. Improvements and successful practices would be recognised and spread rapidly, and not be mired in regulatory processes. This body should appoint representatives to all central and state aged care bodies to ensure we have a robust well integrated resilient system where there is a balance of insights and views, and where damaging ideologies are confronted. This will not be easy as it challenges the ideology that has eroded civil society and undermined our democracy. If politicians and hopefully governments encouraged this, we would not have to endure more failures and the trauma of society finally turning against government.

Additional comment

Aged care is part of a society and a political system that has ignored the lessons of history as well as multiple warnings over many years from those who realised what was happening. Multiple sectors across society are failing (eg child care, disability care, banking and much more) and society itself is breaking down with increased stress. It is not just Neoliberalism but also the managerialism that it has spawned and which operates under its umbrella that is so harmful. It has had a profound impact not only on workplaces but on politics, universities and civil society. These are all places where it has taken control and marginalised those who criticise.

With so many failures we must look at what is behind this. The problem is clearly not aged care, the NDIS, or child care, but the society in which it is forced to operate. Yet we continue to treat each as if it is an isolated phenomenon and carefully avoid looking at what has gone wrong in the society within which it is occurring.

The progressive global erosion of civil society is a critical problem and rebuilding it is essential. Human services like health, aged care, the disability sector and child care affect every person and every family in our community. These sectors provide a unique opportunity to address the problems in our society and we feel there is an obligation on them to do so. The Royal Commission was a huge opportunity to do so. Instead, seven years of effort and vast sums have been squandered.

¹¹ Kendig H and Duckett S Australian directions in aged care: the generation of policies for generations of older people. Australian Health Policy Institute at the University of Sydney 2001 (Available National Library of Australia or ResearchGate)

These are all community services and ideal sectors in which to start rebuilding civil society by giving citizens responsibility and control. By engaging with one another citizens learn to enter into each other's lives, learn from each other's experiences and expand their horizons. In doing this they build social capital, embrace community values and create social selves and identities. Active and involved civil societies embrace issues, educate themselves and create a resilient and responsive world. This is one of the reasons why Aged Care Crisis has been pressing for this sort of reform in aged care for so long. There are already several movements around the world as well as in Australia that are trying to rebuild civil society by empowering the disempowered and by involving citizens in caring services. The Royal Commission ignored submissions explaining this.

We must do this if we are to effectively manage the existential crises we face (eg climate change) and reap the huge benefits of the digital world and artificial intelligence. If we fail to do so we will become victims of their misuse by those exploit these opportunities for personal gain. As we have seen, regulation alone is ineffective in preventing this.

Understanding what has been happening

We live in a complex world in a complex universe and have studied both for centuries. We have used this to send men to the moon and rockets to far off planets to learn how it developed. We are complex animals with complex bodies. We study its structure and function and explore the way it evolved. We learn of its weaknesses and the many diseases. We have used this to improve our health and well-being and extend our lives.

But when it comes to ourselves, our complex behaviour, to the complexities of our society, the many vulnerabilities and an understanding of how all this developed over the centuries we bury our heads in the sand. Many have studied all of these things and there is a large body of knowledge. But this is very challenging not only for believers, but for individuals who are challenged. We look the other way.

It is clear that society is in a mess. It is time to carefully examine the criticisms made by those who were discounted or marginalised in order to discount and ignore their analyses and warnings.

Neoliberalism has for example simply ignored probably 2,500 years of human knowledge and research about the human condition and the argument is that what has happened is a consequence. It is threatened by the insights from social science and it is not a coincidence that it now costs twice as much to study social science when compared with subjects that serve the market.

One Canadian critic commented in 2000 that *"The past -- memory -- is one of the most powerful, practical tools available to a civilized democracy. - - - Without memory, we are a society suffering from advanced Alzheimer's"* and clearly incapable of making rational decisions¹². In 2017 Carmen Lawrence, a past president of the Labor party wrote¹³ *"If we continue to airbrush our past and ignore human psychology in favour of glib sloganeering, how will we ever devise policies that succeed?"*

¹² John Ralston Saul 'How we will make Canada ours again' 2000 (First LaFontaine-Baldwin Lecture, Institute for Canadian Citizenship) (no longer on line)

¹³ Lawrence C 'The denial, the infantilising babble, and the fantasies that permeate politics' The Guardian 30 Jan 2016 <https://www.theguardian.com/commentisfree/2016/jan/30/the-denial-the-infantilising-babble-and-the-fantasies-that-permeate-politics>

We note that the instructions for submissions ask that they be kept short and avoid complexity. We find that disturbing because we live in a complex world and unless our society and the politicians they elect have the knowledge and have developed the critical thinking skills needed to make sensible decisions in our interest, the world will continue on its current trajectory and plunge into more destructive wars. This is what happened at the beginning of the 20th century and for the same reasons. Modern warfare will be much worse.

These complex issues do need to be understood and it is not possible to do that here in the time available, but we are taking the liberty of including an Appendix trying to show how relevant it is but keeping it as brief as we can.

APPENDIX

History

Ancient Greece: About 2500 years ago in ancient Greece, a physician, Hippocrates recognised the conflict of interest created by the selfish competitive selves, and our social selves on the other. Our selfish competitive selves developed over the centuries as we evolved and struggled to survive as is embedded in our DNA. Our Social selves in contrast are acquired. This develops as each generation grows up and interacts with its fellows and predecessors. Our understanding and knowledge of the world, our community values and our sense of responsibility for others develop and are passed from generation to generation and each makes its contributions and modifications. They learn to cooperatively enter into one another's lives and share insights and knowledge. This maintains a stable functioning society but as we will see this becomes a problem when society breaks down and loses its way and does not pass on its knowledge and values.

Hippocrates saw how this played out in health care where an imbalance of power exposed dependent patients to possible financial and sometimes sexual exploitation by doctors when they were not fully constrained by society's values. He recognised the importance of 'objectifying' ethical commitments and the importance of an interacting engaged community of doctors who reinforced those values and exerted control over fellows who were tempted to deviate. He objectified both by devising an oath that every doctor swore. In doing so they 'internalised' these ethical concepts and they became integral to their lives and identity. The World Medical Associations directive to doctors is a modern development built on this history.

This has stood the test of time when valued and supported by society and so tied to a doctor's identity. But doctors are human. They are a part of society and when society embraces beliefs that breach these ethical values some (occasionally many) will justify doing so too and patients will be harmed. Others will resist and fight back. In 1861 a US doctor Oliver Wendell Holmes wrote *"The truth is that medicine, professedly founded on observation, is as sensitive to outside influences, political, religious, philosophical, imaginative, as is the barometer to the changes of atmospheric density ..."*. We have seen this in Communist Russia, in Fascist Germany, in Racist USA, in Apartheid in South Africa and more recently in corporatised health care in the USA.

Greek Philosophers like Socrates, Aristotle and Plato studied the human condition and society. The democratic system that the Greeks developed has been admired and societies have tried to emulate it ever since.

After the dark ages there was a revival and philosophers once again started exploring life's issues. By the 18th century Immanuel Kant and others were exploring themes of reason, individual rights, social contract, and the nature of knowledge, influencing political and social reform movements. They started looking at the way knowledge was constructed. They realized that each person saw the world in the context of their own lives and experience and used the analogy of tinted glasses to explain this. Later Friedrich Nietzsche put it this way *"The more eyes, different eyes, we know how to bring to bear on one and the same matter, that much more complete will our "concept" of this matter, our "objectivity" be"*. It is by entering into each other's lives and seeing through many eyes that we develop a more reliable view of the world together. These ideas are critical for democracy. Dominant ideologies that are not representative of our world and must avoid the eyes of others to survive.

The troubled late 19th and 20th centuries stimulated many thinkers. Emiel Durkheim an early sociologist was one of these. In about 1901 he described what happens when changing times challenge its 'normative order and it no longer worked. Society breaks down, becomes stressed, fragments and loses trust in the world. He described the mental stress and increase in suicides that resulted. Anxious citizens are vulnerable and likely to follow any charismatic leader selling simplistic ideologies that seem to offer stability and meaning. Durkheim called this 'anomie' to contrast this disorder with order or 'nomos'

Philosopher Ludwig Wittgenstein studied the role of language and how we all too often used it to distort and avoid the real world and not use it to develop our knowledge. He realized that we were limited in what we could understand and analyse by language itself.

Existentialist philosopher Jean Paus Sartre explored the human condition and in his book 'Being and Nothingness' he examined how we have no choice but to continuously build our world and our place in it creating an identity and sense of self. He points out that we do so as we do things and experience life. We experience it subjectively and to look and understand it objectively we need to see ourselves as others see us. We develop an imaginary 'other' based on those who have influenced us (ie a social self) and then see and judge ourselves as they would see us. We then claim an identity by acting our role before others and embrace their acceptance. He recognizes what happens when we find ourselves in a social setting where others expect us to behave in ways that conflict with the person we have become. That is stressful. He explains how we then lie to ourselves and then act out and embrace a different self and do different things that are harmful in order to be a part of that community. It is a stressful and uncomfortable situation. We deceive ourselves but deep down we know we are doing that. We even make jokes about it among others doing this. He calls it 'Bad Faith'. If we look at what happened in corporatized health care in the USA we can see how this played out there as doctors built their careers.

Sociologist Peter Berger brought many of the insights from philosophers into the social sciences writing about the 'Social Construction of reality'. He explained the way the world we built and live in is one that we have constructed ourselves and how important its stability is. A number of disciplines in sociology have been built on Berger's insights. J B O'Malley in his 1970s book 'The Sociology of Meaning' extended this by exploring the role of and importance of creating meaning in our lives and how we created it. It gives our lives a sense of direction. In another work Berger explained how religion and religious beliefs shielded us from the stresses of life creating stability. He called it a 'sacred canopy'. Beliefs like this create an order of thinking that is not tied to this world which cannot be easily challenged or disproven. History shows that they can sometimes become ideologies and cause conflict and disruption.

These sociological insights are very challenging to individuals and society and have not been well understood or popular in Australia but are very relevant in understanding what is happening today,

Late 20th century Philosopher Foucault explored the way the powerful control our thinking. He explains the link between power and knowledge – how the powerful control knowledge and how they use this to control the way others in society think. By constraining and suppressing conflicting views they create stability. But that applies equally when ideologists have that power. In 2006 nurse academic used Foucault's insights to explain how neoliberal managerial ideas had impacted on aged care and explained the many failures in care that she encountered in her research. She spoke out and was then attacked by industry who lodged a complaint with her university. Another nurse used it to explain the strong influence of managers on the new ways that nurses were approaching their work that she was studying in health care.

The story of Neoliberalism

The industrial revolution saw the growth of markets. In the late 18th century, the father of Economics Adam Smith published his five Volume 'The wealth of Nations'. He described the way markets worked and their many benefits. He dealt with the complexity and also warned in the later volumes of the problems that could develop stressing the importance of an informed and involved customer. He explained that *"virtue is more to be feared than vice, because its excesses are not subject to conscience"*. He warned that businessmen were *"ad order of men"* whose interests were not those of society stressing that any proposal from this order *"ought never to be adopted, till after having been long and carefully examined ... with the most suspicious attention"*. But in the 18th century all this was ignored as markets started to dominate and a 'laissez faire' hands off approach was adopted.

Karl Polanyi was a Hungarian who fled Europe after Hitler rose to power going first to England and then Canada and America. He studied the development of markets and how they contributed to what happened in his 1944 book 'The Great Transformation' he described how the feudal world changed and markets developed over several hundred years. When change occurs, some are disadvantaged and suffer. But to begin with those in power took steps to counter this and protect them. But this changed as markets gained power in the 19th century and were no longer constrained. The rich got richer and the bulk of the population got poorer and struggled. As a consequence, society started falling apart and became unstable. The absence of regulatory constraint saw the collapse of Wall Street. The Great depression that followed saw citizens grasping for any sort of saviour. Hitler and Mussolini filled the void and World War II was a consequence. Polanyi was very critical of economists von Mises and his pupil Hayek, the founders of neoliberalism.

Hayek's book expounding free market ideas and was also published in 1944. It was essentially a libertarian movement expressed through markets and it saw communities and community movements as a threat to freedom. Hayek misunderstood what had happened and wrote *"in practice every kind of collectivism consistently carried thought must produce the characteristic features which Fascism, Nazism, and Communism have in common. Totalitarianism is nothing but consistent collectivism"*.

The economist John Maynard Keynes was also very critical of what was happening and advocated a far more interventionist and controlling approach to markets. Keynesian economics were adopted by most countries after the Great Depression and as the war brought citizens together, we entered a period of prosperity, equality and more responsible markets in the USA and globally including Australia.

Hayek responded to this by collecting believers together and forming the Mont Pelerin Society in 1947 whose intent was to educate and promote neoliberal ideas. Milton Friedman from the USA was an early convert. The writer and philosopher Ayn Rand, an emigrant from Russia to the USA later promoted selfishness as a virtue and condemned any sort of control over the way we behaved. Both condemned and feared 'the collective'. A critic of Rand wrote *"Hers is an ideology that denounces altruism, elevates individualism into a faith and gives aspirous moral licence to raw selfishness"*.

The movement spawned a number of think tanks and educational foundations globally teaching Hayek and more recently Rand's ideas. They have created a leadership cult and award scholarships to promising students to institutions that teach both. They enter politics and the market. The Atlas Network now boasts about having over 500 subsidiary institutions around the world teaching Hayek and Rand.

Businesses were smarting under Keynesian restraints and this was appealing to them and some politicians. By the 1960s they were becoming influential and influencing policies in the USA and Australia where conservative parties were divided. They became more and more influential and influenced both Donald Reagan and Margaret Thatcher. Analysts at the Rand Corporation later attributed Reagan's successful election to the loss of confidence that followed the defeat in the Vietnam war and then the Watergate scandal involving president Nixon. They called this 'Truth decay' rather than using the word 'anomy'.

Thatcher and Reagan were advised by Hayek and Friedman as they brought in the policies and then pursued the globalization of markets around this model. Neoliberalism and managerialism were spread across the world and gradually took control of markets, politics and society. Those who saw what was happening started writing about this and we got many warnings starting in the 1980s.

In the USA Robert Kuttner wrote about the Limits of markets and pointed out that this would not work. He also wrote about what was happening in Health care. Professor Arnold Relman was bitterly opposed to this happening in Health care. In Canada Colleen Fuller wrote several books describing what was happening. John Ralston Saul described what he called 'The Unconscious Civilisation' about a society (ours) that did not know what was happening Dave Lindorf in 1992 wrote and early expose warning about this.

Stuart Glegg wrote 'Managerialism: Born in the USA' describing its consequences as *"the loss of an ethical compass in the times in which we work"* and its consequences and lobal impact as *"dismal, destructive, and decadent"*.

In Australia Rees and Rodley wrote 'The Human Costs of Managerialism'. Eva Cox was very critical and her ABC lectures 'A Truly Civil Society' was a challenge. She hosted Robert Putnam from the USA to speak about Social Capital.

In the USA Dave Lindorf's 1992 book Marketplace Medicine described what was happening in health care, Donald Barlett and James Steele are two Pulitzer Prize winning *New York Times* Journalists. Their book 'Critical Condition: How Health Care in America Became Big Business & Bad Medicine' is even more damning.

In Australia Peter Arnold, Stephen Leeder and David Weedon all warned about this in health care as did One of us (MW). In 1992 Ron Williams who had been studying in the USA wrote 'Remission Impossible' graphically describing *"--- a huge and depressing departure from the system as they (readers) now know it."* He explained that *"compassion will give way at an increasing ratio to profit. Care for the patient will give way to care for the corporation -----"*. He was simply ignored.

Economist Bob Gregory and Politician Brenda Gibbs and Aged Care Crisis members warned about the consequences for aged care.

Since 2000, those who understand this have become more and more alarmed. Karl Polanyi's book has been republished and attention drawn to it. Members of the Karl Polanyi Institute of Political Economy at Concordia University in Canada have been writing critically.

Robert Kuttner has extensively researched events and in his 2018 book describes the success of President Franklin D. Roosevelt's policies and the sort of America it created. He then takes off from where Polanyi left off describing how neoliberal policies changed all this. How the wealthy became more and more wealthy as the rest became poorer and poorer and how society has now broken down in the same way that it did in the 20th century. He explains how this led to the election of Donald Trump.

Academic economists at the IMF and in Australia and many others are now writing extensively about this criticizing mainstream economists. We have written about these in many recent submissions and have now run out of time so are unable to complete this.