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Statement from Professor Paul Kofman, University of Melbourne

Not surprisingly, Australia's CEOs (like Harvey Norman) have been advocating very strongly for 'buy Australia' but most of their products (like electronics) are in fact manufactured overseas.

This campaign ignores the economic reality about the cost of living and economic hardship. To be persuaded to buy Australian made products, if consumers can even find them, would upset consumers very quickly because they will inevitably be paying much higher prices and get less value for money.

The confection of buying Australian made quickly disappears when your money doesn't stretch as far as it did before the campaign.

As a country we have benefited greatly by specialising on the areas in which we have a strong comparative advantage, for example the wine industry, the education sector, and the mining sector.

Australia has long since abandoned government intervention in retaining industries (like automotive) through targeted investment and loans, in which it lacks comparative advantage. You may not like it, but it's the reality and it's fighting a hopeless battle to pick industries in an attempt to reboot Australia's manufacturing sector.