

## A Heartbeat from the Prime Ministership

*John Hyde*

When John Howard was Treasurer and Paul Keating was in Opposition, Mr Keating professed different views from those he holds today, but he professed them with a similar vigour. I remember a day when he accused the government of being "treasonous donkeys" and provoked Mick Cotter, then the Member for Kalgoorlie: "Point of Order, Mr Speaker, Point of Order".

The Speaker, (exasperated): "The Member for Kalgoorlie."

Cotter: "Mr Speaker I've just seen a dugite (A West Australian snake). And for those who don't know, a dugite has a black head, a yellow belly and a forked tongue".

"Uproar".

Mr Keating's sharp tongue has got him into a lot of trouble since then, and his forked tongue into rather less trouble than it should have, but the Member for Kalgoorlie was wrong about the yellow belly. Paul Keating has since demonstrated that he has the courage to be effective in that part of politics that matters most---policy. He has pushed unpopular policies and said unpopular things and Australia is the better for it.

Keating has brought Australians closer to a belated acceptance of economic reality. That is leadership---as opposed to mere office holding. And now that, to borrow a phrase, Mr Keating is only a heartbeat from being Prime Minister, it is time to judge him by the exceptional standards we should require of Prime Ministers.

Edna Carew's excellent book, "Keating: A Biography", (Allen and Unwin), is a good place from which to start forming an opinion about a Keating Prime Ministership.

In my opinion, Ms Carew is too generous to the Hawke Government. For instance, she too readily accepts the government line that the balance of payments problem was caused by adverse terms of trade. Australia's terms of trade are now higher than they were in 1985; yet we still have the

balance of payments problem. The problem was caused primarily by excessive demand fuelled by four successive bad budgets--- the first of which was Fraser's---and by the failure of The Accord to deliver off-setting wage restraint. That most people think otherwise is a tribute (if that is the right word) to Mr Keating's forked tongue. Keating's reforms, when compared with previous governments', and when the obstacles erected by the Labor Party itself are taken into account, are remarkable. However, Carew does not note that they are, as yet, insufficient---foreign debt still hangs over us like the Damoclean sword.

Carew is less generous to her subject than she is to the government. She portrays Paul Keating fairly as a talented and tenacious leader who really changes things, who understands and cares about his country's prospects, but who has a dangerous arrogance and a vile tongue.

Keating's virtues are needed. Although he is personally ambitious, Keating differs from most of his colleagues in his sophisticated and realistic ambitions for the Australian people---ambitions which he does allow to get in the way of his own preferment. And while more ruthlessly political than I think is proper, or is good for the political system, his short-run politics do not dominate his policy objectives. He wants office, but not at any price. Therefore, he has not much practiced the smarmy consensus-among-the-vested-interests politics which the current Prime Minister paraded as a virtue. Keating is far too close to the ACTU but I believe he would, when plainly necessary, tell even Mr Kelty to get lost.

Like Mr Hawke he craves popularity but he often thinks it more important to be correct. He says and does unpopular things, and then he woos and wins support for his, so-called, tough policies---i.e. he knows how to use office.

Like all Treasurers, after five years he has a formidable catalogue of mistakes, and I don't think he is humble enough to admit them all, but he learns as he fights. The advice emanating from Treasury, Finance, the Reserve Bank and IAC which, though not infallible, tends to be the best available, is getting a better run with the government than it has had for decades. Mr Keating is not the only reason for this, but his rationalist views must be hard to put aside.

Without leadership, Australians probably will not stumble out of their all-too-well-established round of slow growth, poor investment and current account deficits. Moreover, someone must take on the vested interests in the unions, industry and in welfare. Keating would not be a Prime Minister who just warmed the chair---but then neither was Whitlam, and his government was a disaster.

The Whitlam comparison should not be taken far. Whitlam led us into the lolly shop, whereas Keating could lead us out. Whitlam, who dealt in sweeping generalities, left economic argument to others, and his government defied the most

conventional economic principles. Keating's economic nationalist credentials are well established.

If he is so good, why isn't he Prime Minister?

An incident described by Edna Carew illustrates one reason. Following the setting up of new rules for media ownership which were said to have contributed to the losses of the Fairfax press, Keating said to a meeting of Fairfax executives, 'I hurt you more than you hurt me'. The Sydney Morning Herald may have been unfair to him, but the power of the media and the power of Prime Ministers are of a totally different order. Vengeful men should not normally be entrusted with Prime Ministerial power. The episode shows why some people are afraid of Keating.

Another vice is his intolerance of fools. Unfortunately, the votes of fools get counted, even the votes of those caucus fools he referred to as 'fourth graders' at the time of the MX missile debate. He may not always be able to count on the support of his trail of bruised egos when he, and perhaps Australia, needs it most. Finally, an Australia led by Mr Keating might be altogether less civil---even downright bitchy.

Nevertheless, given the nature of Australia's needs and the nature of Mr Keating's abilities, Mr Dawkins' advice to Mr Hawke to make way for his Treasurer was not such a bad idea.

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