

***FOC* Macphee**

John Hyde

The Goldstein pre-selection affair does not merit the attention it is getting. Only in protectionist Victoria could a sitting Liberal MP think of endorsement as personal property. Other States are different. My endorsement for the Federal seat of Moore was challenged twice---that was the price I had to pay for dry opinions, being an unsatisfactory member, or something else.

Mr Macphee's very public campaign should not be doing his cause in the branches any good. Liberal Party rank and file should beware of candidates who confess that they are potential leaders. Pride and arrogance tend to hinder both the proper study of difficult issues and team spirit.

Similarly, a Federal MP---the Prime Minister excepted---who claims that he has a substantial net personal vote should be laughed out of contention. Federal seats have around 75,000 electors. Most constituents, when asked to name their Federal MP, say they don't know, or name the State representative by mistake. Swings tell us little. At one poll, by a not too-outrageous interpretation of the results, I had the second biggest swing in Australia. I was, nevertheless, soundly thrashed in a later election. The differences in the swings within individual seats are caused by the way that issues, such as interest rates, affect different electorates differently, and by changing demography. Finally, selection committees should beware of candidates who claim a monopoly of compassion.

The arguments in Goldstein are real enough and in a healthier party they would be routine. They are not, however, at bottom, about Mr Macphee himself. Nor are they about left-wing and right-wing liberalism. They are about the wet/dry divide and the Liberal attempt to stay on the individualist side of Labor.

The Hawke Government, as governments go, has not been too awful. The principal reason to vote Liberal at the next election is that only the Liberal Party is likely to do anything sensible about the labour market. Mr Macphee's greatest disability is that he has opposed labour market deregulation. If he now loses his endorsement, it will be because of his elitist-collectivist views about the labour market, and about media regulation, multiculturalism and anti-discrimination legislation. It will not be because he crossed the floor on immigration policy.

Neither wets nor dries may claim the goals of justice, economic efficiency and widely-distributed wealth for their own. But they have a very different view of the legal framework which will, in fact, achieve those goals. The fundamental difference between the people who are being called "wet" and those called "dry", is that the wets tend to put faith in the government's ability to define and to order a better society. Dries, on the other hand, tend to see governmentally-imposed solutions to perceived problems as the cause of further injustices and inefficiencies.

The wets see government, particularly if conducted by themselves, as benevolent; whereas the dries expect governments often to pursue their own ends. The wets plainly realise that some politicians are less than philosopher kings. They have been quite critical of racialists, sexists, Philistines, time-servers, venal people and lackeys of countless vested interests in the cabinet and party room. Strangely, they seem not to concede the possibility of such ordinariness among themselves. So set are they upon minding other people's behaviour, that they do not ask who is to mind the minders---the elite---i.e., themselves. Thus, they are ultimately self serving.

It does not seem to occur to them that their regulations and subsidies might have effects that are no part of their intention; that they may have themselves been blinded by self interest or simple and excusable ignorance; or that other's goals may also be legitimate.

The dries, on the other hand, expect governments, even dry governments, to serve vested interests, prejudice or sheer ignorance. Expecting the worst from authority, they more often favour voluntary exchange, imperfect though that also is, instead of the regulatory alternatives. Thus a fundamentally different way of viewing Australia's problems divides wets from dries, and may yet divide Mr Macphee from Goldstein.

The following extracts from Mr Macphee's writings illustrate the extent of the gulf between his approach and that of the modern Liberal Party. They are taken from a list which contains some other items with which most dries would not quarrel. They come from a paper on full employment published in "Liberals Face the Future":

- | "the Federal Government must...widen the power of the Australian Arbitration Commission in order to overcome many of the problems which cause lost production of goods and services and add unnecessarily to Australia's wages bill."

- | "the Federal Government should use its increased industrial power to persuade the tribunal and the parties to its laws to vary patterns of working in accordance with modern economic and social policy."

His paper called for more government and did not even raise the option of achieving full employment by labour-market deregulation.

I believe Mr Macphee wants a better Australia, but then so do his opponents. His difficulty arises from the way he wants to bring it about. He concentrates on outcomes, while the majority of his party concentrate on processes which allow people to seek their own outcomes. Neither he nor the dries holds one of the extreme positions, but he, much more than they, would impose his version of utopia.

Since 1974, when I first knew him, he has not much changed his position, but both the Liberal Party and the Labor Party in Government have dried out---have adopted freer markets. In the case of the labour market, the Liberals have shifted much further than Labor but Mr Macphee has not gone along with them.

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