

## Some heavy losses but the battle continues

By JOHN HYDE, MP

THE "drys" is a nickname by the press on the informal group of politicians who would prefer to see the economy managed more along conventional free enterprise lines.

Over the past two years the cause of rational and conventional economic management has suffered several conspicuous losses: textiles, clothing and footwear; motor cars; general reductions in protection; two airlines and, most recently, a Keynesian budget.

Several press gallery members have asked me when the drys are going to give up. And on budget night I was worked over by a couple of maudlin civil servants who seemed convinced that the drys, disappointed by a "wet" budget, were about to give the game away.

Mr Evans of the MTIA told his members not to worry about me because I was about to lose my seat. In that prediction he could be right, but it is largely irrelevant.

Two years ago some of the people who have since become known as "the drys," sat down together to ruminate upon Australia's relative economic decline and upon what might realistically be done about it. We decided several things that day, some of which have had to be revised. But three conclusions which have not been revised are that, in a very democratic society, rational economic policy will only be achieved by arousing public awareness of the need for it; that the cause of sound economic management would be carried by many different groups; and that although the battle could be won it would take a long time, possibly 20 years.

Australian democracy is as through-going as any in the world. Our politicians are more skilled in the arts of reflecting popular opinion than in leading it and the political decision-making process is prey to the pressures and the blandishments of those concentrated vested interests which have the political skills and leverage to press their cause against that of the more diffuse general good.

Neither are the drys in Parliament the only source of publicly expressed dry argument. We are not even new in Parliament: Bert Kelly was at it long before us and he lost more than a few battles without conceding the war.

Greg Lindsay's Centre for Independent Studies is an entirely independent source of market/libertarian argument. The Treasury, Reserve Bank and IAC within the bureaucracy have long been defenders of economic rectitude. An increasing number of journalists and academics argue for it. David Tonkin's blueprint for South Australia is the most liberal approach to government yet adopted by the Liberal Party. There is enough dry thinking by enough drys all around Australia now, that the loss of one or two of us would be inconsequential.

If people like Mr Evans will insist on arguing for the few against the many, or for the short-term against the long, I predict they will find younger members in safer seats, such as Peter Shack and James Porter, much more formidable opponents than I.

Lord Keynes observed that: "The ideas of econo-

mists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood . . . practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist . . . soon or late, it is ideas, not vested interests, which are dangerous for good or evil."

Ideas, once established, gain a life of their own which rarely depends on any few advocates. I think the market economy in Australia will find increasing numbers of supporters as our poor economic growth is, of necessity, contrasted with that of freer and more open economies. I hesitate to claim, like Marx, that history is our ally but I do think that protectionism and neo-Keynesian economies are already waning.

In part, dry politicians reflect this changing view of how an economy should be run. In part, I think they are merely trying to substitute long-term economic considerations for short-term political considerations. I am sure they have no intention of giving up nor do they expect prompt success.

Although we welcome each and any indication that the Government might adopt more market approaches to economic management, we know that the ultimate appeal must be to public opinion.

Favoured interest groups, correctly judging that their cause is better served by lobbying in private and by emotive advertising, have sometimes been reluctant to rebut publicly, arguments which have the support of most of the sources of conventional economic advice and which defend the majority against the few.

Narrow interests don't, moreover, win every argument — even with the Government. The Government largely rejected the special pleading of BHP and, this time around, refused to prop up the Mt Ivel Copper Mine again. Sneaking of Mt Ivel, the Prime Minister this time said: "The Government cannot chase the fortunes of individual companies and keep them alive if they are not able to find their own markets."

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