The Liberal government's failure was more moral than intellectual. We knew well enough what we had to do, but when put to the test lacked the necessary moral fibre to do it. Determined to hold on to office, we lost sight of all other goals; and from the time of the bringing down of the 1982 budget that hypothetical creature, the fully informed and rational Liberal voter, had nowhere to go; he might just as well sack us and start again.

When Fraser stepped aside, the Liberal Party took the first step to recovery. The four men who now lead the Liberals - Peacock, Howard, Chaney and Durack - all have at some stage, in some way, opposed the opportunist and populist economic management that eventually became our hallmark. All were offended by the head-kicking style we adopted; and Chaney and Howard at least (but I think the other two also) actively opposed one or more of the scapegoat sackings. There is sufficient evidence that the new Liberal leadership, unlike that of 1975, does have the principle and spine to hold the party to its chosen course. At least until there is contrary evidence, they deserve to be given the benefit of any doubt.

The task now, as it was in 1972, is to choose and chart a course; not just as a road to office, but as a guide to government.

The Liberal Party accommodates almost every shade of political thought: liberal, conservative and socialist, idealist and pragmatist, cautious and cavalier. It accommodates apologists for irreconcilable interests. Furthermore the party includes many people who see politics merely in terms of power - the struggle for ideals is not for them. It is good that the Liberal Party can accommodate so many diverse interests but no political course can satisfy them all, nor should the party in exile attempt to satisfy all those diverse demands.

Party allegiance should not, and in the long run cannot, be built upon hatred of one's opponents, but must be built upon allegiance to an ideal. Only from secure moral and intellectual high ground can the battle for ideals be won. Only when they hold morally and intellectually secure ground are a party's apostles likely to be effective.

When in due course the Liberal Party is re-elected, as it will be by people seeking to escape the Labor Party, lack of secure high ground would again leave the party prey to vested interests and again the government would be shaped by events it should control.

The most important task for the new leadership is to establish their secure high ground as Thatcher established hers between 1975 and 1979 while she led the Conservative opposition. She did not run round the U.K. making speeches reinforcing the prejudices of her audiences; instead in speech after speech she put down on the public record a consistent line, whether her audience cared for it or not.
In time, the Centre for Policy Studies put the substantially unedited speeches in a booklet entitled, after one of the speeches, "Let Our Children Grow Tall". If in a few years time it is possible to put all of Andrew Peacock's speeches in one booklet and not have internal inconsistency make the publication ridiculous, then he will be serving the Liberal Party well and in due course will serve Australia well.

It is not necessary that statements made in opposition present detailed policy. In fact it is better that they do not; their task is to show direction. It is not necessary that they contain new ideas (so far as I am aware Thatcher's did not) since they are not intended as academic treatises. It is necessary that they be utterly consistent, to the point of treating interest groups even handedly - a wrong practice remains wrong whether it is practised by the BLF or pharmacists or farmers, the public or private sector, capital or labour.

To be consistent, the statements need to be guided by a comprehensive philosophy; a philosophy that has stood the test of argument over time - that is, the liberal philosophy, since there is no other that Andrew Peacock could conceivably espouse. I am confident that he not only understands it but has a gut liking for it.

A research organisation capable of developing policies, arguments and speeches within the broad liberal framework is vital; but the number of people available for the task looks like being pathetically small. Only some of the politicians are skilled with ideas and only some of the staff available to opposition members can be devoted to policy work. The staff that the Liberal Party secretariat can afford is small. As many as possible however must be employed for developing a consistent broad framework for liberal/Liberal government. The task is infinitely more important than slick advertising, pandering to already well developed egos or scoring a few points playing party games at question time. And the task is only possible if undertaken within an already understood philosophical framework. Appointees should already understand basic liberalism: the rule of law, the market economy, free entrepreneurship and so on.

Thatcher, faced with the same problem, relied heavily on a small but very bright think tank independent of the Conservative Party - the Centre for Policy Studies. A similar arrangement should not be ruled out for the Australian Liberals but I think it more likely that the appropriate body will be found within the Liberal Party organisation. If so then it is important that it be not mucked around with petty tasks or its work referred to large committees of ever changing membership. Gough Whitlam had twenty or thirty policies, each of which seemed attractive but which collectively were a fiscal nightmare. Andrew Peacock needs and deserves one broad and internally consistent policy position covering all aspects of government.

Liberalism offers the Liberal Party its only real hope of moral and intellectual stature. Without stature it will founder.