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What we should expect of the new government?

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Shortly before election day the *Australian Institute for Public Policy* sent a plastic card, which looked like a credit card, to every Federal MP and to the candidates thought to have a chance of winning. AIPP called it "The Credibility Card". It read:

Roger Douglas's ten principles for structural reform

Quality decisions start with quality people. Moving quality people into strategic positions is a prerequisite for success.

Implement reform by quantum leaps. Moving step by step lets vested interests mobilise. Big packages can neutralise them.

Speed is essential. It is impossible to move too fast. Delay will drag you down before you can achieve your success.

Once you start the momentum rolling, never let it stop. Set your own goals and deadlines. Within that framework consult widely in the community to improve detailed implementation.

Credibility is crucial. It is hard to win, and you can lose it over-night. Winning it depends on consistency and transparency.

Let the dog see the rabbit. Wherever practicable, spell out your objectives and intentions in advance.

Stop selling the public short. Voters need and want politicians with the vision and guts to create a better future.

Don't blink or wobble. Get the decisions right, and front up. Confidence often rests on your own visibly relaxed composure.

Opportunity, incentive and choice mobilise the energy of the people to achieve successful change. Protection suppresses it. Get the framework right to help everyone act more effectively.

When in doubt, ask yourself: "Why am I in politics?"

The ten principles were laid down by Mr Roger Douglas, who was until recently the Finance Minister of New Zealand. He led a blazing campaign of economic reform in a nation with even worse economic difficulties than Australia's. His reforms became popularly known as 'Rogernomics'. Douglas failed on

some fronts---particularly the labour market. And, with hindsight, we can see mistakes: he eventually lost the support of the New Zealand Labour Party and with it the capacity to make further reforms. What is more, he did not conduct the campaign alone and he entered a window of opportunity while it remained open. Even so, Rogernomics is the most successful economic reform program seen in a democratic country. While they still have the time, Australians must learn from it.

The card was, of course, a bit of a tease and, if the banal conduct of the election is anything to go by, not a very successful one. Nevertheless, Douglas's points are extremely serious.

Before some grave economic misfortune overtakes us, Australians must find a government which will tackle our poor competitiveness. Any one of these could undo us: a commodity price collapse, a prolonged drought, a cave-in to the unions, or new and expensive defence needs. The public knows this. There is little doubt that had either political party looked as purposeful as Douglas in confronting our economic disabilities it would have been given a handsome majority.

At the level of economics (as opposed to politics) there is a rough consensus about what needs to be done to restore dynamism to our economy and raise our living standards in the long run. The issue on poll day was political will---it still is.

Expanding his first point, "Quality decisions start with quality people", Douglas said: "The biggest quality problem in New Zealand by far is the calibre of the people attracted to and selected for political candidacy....Politics is a mess because too many quality people are content to criticise from the sidelines".

It is all too apparent that politicians are not up to the job that confronts them. When I was a politician it required no great humility to admit that I was not up to it. I was, nevertheless, able to draw solace from my belief that I was a better politician than my harshest critics would have been. The people who attacked me most vigourously, with no exception that I can remember, had very little interest in governing well. They were driven by hope of benefits for themselves---tariffs, licences, monopolies, cheaper mortgages and whatever---or else they were driven by racial or class prejudice.

On the other hand, the people who seemed to me would have made excellent politicians did not want to discuss the possibility. Being a politician is physically, intellectually and morally demanding, but it is important. Douglas is right: government is a bigger mess than it need be because too many quality people stay on the sidelines. Therefore, the next time a party functionary asks you to seek party endorsement, curse your luck by all means, but consider saying, "Yes". Credibility cards are available on request!

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