

Dries must resist giving up struggle as going gets tough

WHEN Bert Kelly, the original "dry", gave me a copy of his book, *One More Nail*, he penned A.H. Clough's poem, *Say not the struggle naught availeth*, on the flyleaf. His purpose, no doubt, was to encourage me to keep on struggling. (Churchill once used "Say not the struggle" on the Americans to bring them into World War II.)

The "dry", or "economic rationalist", cause is more in need of encouragement now than it has been for some years. The drive towards freer societies with more efficient economies seems to be faltering, except perhaps in some communist countries, where the point from which we started is still, for them, a distant hope. Free-world dries are losing some of their esprit de corps.

In Australia, too, the voices of economic rationalism are becoming harder to identify amid the economic clamour. Micro-economic reform is still proceeding, for instance, in agricultural marketing, but this is as a result of arguments won a few years ago.

In spite of the monthly current account figures that remind us that all is far from well and a general understanding that reform is necessary, the arguments for deregulation are not being pressed with the fervour that similar arguments were a few years ago. Why is this so?

Now that the dries are old hat, the public is getting bored with their cautionary tales. As a result, dry politicians command less media attention.

The nature of politics, however, has not changed. Public support for policies that do not offer immediate benefits is still achieved only by struggle. If micro-economic reform is to proceed at all, let alone proceed at a faster rate, we must build the demand for it.

Failures, such as the waterfront, have taken their toll of

enthusiasm, but disillusionment is not the real problem — not yet, anyway. The failure adequately to establish tomorrow's agenda has other causes, listed below, but first a word about an impending failure that would do real harm.

In the past three years fiscal management has, in fact, been a modest triumph for economic rationalism in general, and for Messrs Keating and Walsh in particular. The public sector's share of gross domestic product has been reduced by nearly three percentage points and the Commonwealth deficit has been turned to a surplus.

If Labor were now to try to buy another election victory with an irresponsible Budget, as the Liberals did in 1982, it would be a major setback for the economy and also for the economic rationalist cause.

Quick victories not on the cards

Tired campaigners would then ask whether lasting victories are possible in a system that favours vested interests over general interests, the short-term over the long, and political irresponsibility over due caution.

When the dries were only a small, despised group, bunker mentality produced solidarity. Those on Malcolm Fraser's back bench did not always agree with each other, but they avoided criticising each other's views in public unless one of their number was perceived to be retreating from the dry cause itself.

They were, in consequence, a group that was relatively easily distinguished from the conservative Right, the wets and others. They could be identified in a word, and there were few fuzzy edges. Thus, solidarity contributed to their influence.

When fellow travellers mul-



tiplied, factions followed. Then the advantages of solidarity were lost.

Of course, solidarity is not an end in itself, and mindless solidarity inevitably gives rise to mindless defence of error. Nevertheless, solidarity is a tactical advantage understood by every campaigner.

Expectations have changed. Early dry crusaders, such as Bert Kelly, knew that quick victory was not on the cards. But others since have shown less patience — perhaps this is because they smell blood.

The targets, too, have changed. Mr Kelly and those who immediately succeeded him were able to concentrate on the most outrageous examples of economic irrationalism, such as the two airline agreement, the Budget deficit, tariffs and crazy work practices. The economic losses were obvious, the beneficiaries were plainly bludging, and outrage was easily whipped up.

Many of these simple cases have been won and dries are now faced with making more complex and less certain cases. For instance, they must argue that, because of the current account deficit and the foreign debt, productivity-enhancing changes, such as tariff reduction, are being achieved too slowly to keep ahead of the problems.

Now that dry policies are being tried, they are being evaluated in practice. Lags between implementation and hoped-for consequences must be explained; so must mis-

takes and apparent outcomes that have causes that are not related to the policies.

The same old vested interests are still there, even though they are now fighting a rearguard action.

Although the interests slow down economic reform, there is not much chance that they will entirely stop it. When enough people see the need for changes, changes are made.

Society is, among other things, a feed-back mechanism by which misfortune begets behavioural changes. The trick is to change patterns of behaviour before the misfortunes become too awful.

A.H. Clough's story was that for those who struggle, there is hope:

Say not the struggle naught availeth.

The labour and the wounds are vain.

The enemy faints not, nor falleth.

And as things have been they remain.

If hopes were dupes, fears may be liars;

It may be in yon smoke concealed.

Your comrades chase e'en now the fliers.

And but for you, possess the field.

For while the tired waves, vainly breaking,

Seem here no painful inch to gain,

Far back, through creeks and inlets making,

Comes silent, flooding in the main.

And not by eastern windows only,

When daylight comes, comes in the light.

In front the sun climbs slow, how slowly!

But westward, look, the land is bright.

— A.H. Clough

• Geoffrey Blainey's column appears on Page 26.

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John

How about the censured strong moves to privatise and the reductions in government outlays in a number of countries (see my article in IPA Review the edition before last)?

Des.