

ON THE DRY SIDE    HOWARD    John Hyde    204.

This weekend the Liberals meet to discuss policy. John Howard is again looking a winner, when six months ago it seemed nothing would go right with him. Howard and I entered parliament in 1974 and I watched him carefully. I cannot be certain of my objectivity but I have seen him under fire. Even now he is no political stylist but he has vision, integrity and determination.

In the winter of his discontent, when nothing went right, he gave public notice of something I had suspected: that he was fit to lead a nation fighting its way out of trouble. Australia is so burdened with foreign debt that a temporary but considerable fall in living standards is inevitable. We have four times the inflation of our trading partners. Protected industries and unions make us uncompetitive but both hold real political power. The next Prime Minister, whoever he is, will have responsibilities more difficult to discharge than any since the war.

Two cliches spring to mind: 'A week is a long time in politics' and 'Politics is a marathon'. The first implies that accidents often thwart expectations. The second implies that in spite of them persistence usually wins.

Labor is suffering more than mid-term blues and Howard will probably win the next election. Governments in control of their economies and their parties can get the 'nasties' needed to balance budgets and check inflation out of the way early in their term, but that has not happened in Australia. Mr Hawke has lost some of his remarkable appeal and Mr Keating's snakiness is irritating everybody. The credibility of the special deal with the unions, promising peace in our time, is beyond repair.

Pollsters Irving, Saulwick and Associates report:

- \* Only 40% of the public believe that the Arbitration Commission should continue to play the central role in determining wage rates, hours of work and working conditions.
- \* 13% favour a form of collective bargaining.
- \* 42% believe workers should be able to negotiate with their own employers without the involvement of trade unions or Arbitration Commission.
- \* 5% do not know.
- \* 78% think unions have too much power -- up from 68% in 1980.

Labor cannot escape centralised industrial relations and union monopolies. To minimise this disadvantage, Labor tacticians, such as Mr Young, labelled those who believe the Arbitration Commission is counter-productive 'New Right'. But the play was spoiled by others less wise who went further. The director of the Australian Chamber of Manufactures even called them 'classic fascists'. Dear me! I don't think 42% of Italians supported Mussolini.

Howard has made the industrial relations issue as good for him as the 'Accord' was once for Hawke.

Until this year Labor managed to dress well in Liberal clothes, as Menzies, Holt, Gorton and McMahon stole Labor's in the sixties. The dollar float, deregulation of the financial markets and reduced regulation and protection of agriculture and manufacturing -- worthy policies in their own right -- denied the Liberals an identity.

Howard has stopped that. If the factions were to permit another raid into Liberal ideological territory, Labor would risk being seen as joining the Liberals. The perception would not be wholly fair (Button, Kerin, Walsh and Keating genuinely believe in economic responsibility) but that is politics.

Running his own race from far behind, Howard has caught up and built electoral support for some of the things he must do in Government. He has the Opposition parties committed to his 'dry' thrust.

Few without political experience can understand how difficult it is to hold to an unpopular line. In spite of the risk that he would be deposed, Howard concentrated on the economic dilemma, saying things initially unpopular and easily misrepresented. The most important concerned labour market deregulation. Others concerned housing interest rates, privatisation, deregulation, tariff reduction and smaller government.

Many people, who accept the rightness of what he is saying, are cynical about action. John Howard was not responsible for some of the mistakes of the Fraser Government with which he is most associated, but the best evidence that his government will display more resolve than Fraser's is the resolve Howard has shown in Opposition.

Every politician is plagued by too much advice, much of it special pleading. Businessmen are the worst offenders. At cocktail parties issues defying the Western World are disposed of by 'experts' who are blissfully unaware of what governments have tried or what political and economic theory have to say. Simple facts, such as budget lines, are sometimes misrepresented and other industries and macro-economic considerations ignored.

Few self-appointed advisers are considerate enough to commit their wisdom to paper; they expect the politician to absorb, understand and remember it on the run, denying him the opportunity to hand the argument to someone else. They complain bitterly that politicians do not listen. When I hear, 'I told John' or 'Bob' or 'Paul', I think, 'The poor sods'.

When opinion polls are bad, political 'noise' drowns real issues. It affects the back bench and (shadow) ministers who want to abandon the race strategy and sprint. Populism and demagoguery are at a premium. Old feuds are revived. The party room cannot be ignored -- it can change policies and office holders. When the polls are bad the life of a political leader is made hellish by

those who want to change him and his ideas.

Now that his views are accepted it is easy to underestimate Howard's perseverance. I am reminded of Menzies in 1946, Thatcher in 1976 and even Churchill in 1936.