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Greiner's: The first dry Government

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Mr Greiner's win puts dry politics and the Liberal Party on trial for the first time. Since 1980 dryness has come a long way, but most of the doing, as opposed to the talking, has been by Labor Ministers elected on other platforms. The Greiner government is the first in Australia to be elected on a dry platform, albeit "warm and dry".

If Mr Greiner abandons economic rationalism, or if he fails to hold support for reform within his own party, the Liberal Party will be shown to be a broken reed. If its National Party coalition partner, by tradition rural socialist, thwarts him, dry coalition politics will be shown to be hopelessly impossible.

If the new Premier cannot, with reasonable effort and competent advocacy, gain the support of the NSW electorate and the Upper House for the fine print of specific policies, then Australia has not yet been chastened sufficiently and is condemned to continue down the Argentina road. And if the trade unions, which have already threatened NSW democracy, or big companies, or the crime bosses or other minority interests, should succeed in applying the veto to the new government's reforms, the people of NSW might as well reconcile themselves to economic stagnation and political corruption.

"Dry politics" is more than achieving rational economic outcomes. The processes Greiner employs will be even more important than the immediate outcomes he achieves.

He must not use the law to make favourites. Were he to achieve co-operation in pursuit of even the most worthy ends (such as increased investment) or unworthy ends (such as funds for his party) by trading favours with businesses or trade unions, he too would slide into the corporatism and cronyism that has corrupted the Western Australian and Queensland governments. Industrial peace bought by appeasement, industry plans which allow high prices for promises of investment, monopoly pricing of rural products and unwarranted expenditure

in marginal seats merely transfer wealth in ways that are not obvious and not honest.

In NSW (and for that matter in Western Australia and Queensland) dry politics entails an all-out assault on corruption.

"Warm and dry": Dryness is correctly associated with a preference for voluntary transactions in an impersonal, and therefore, it is sometimes said, cold market. Part of the dries' case is that free markets produce bigger GDPs which make bigger shares for everyone at least possible; but dries also believe that regulation tends to divert leisure and wealth unjustly to people with political pull. In Australia, warm-hearted politicians tend to favour millionaires, trade union bosses and civil servants.

So far as I can ascertain from campaign documents, Greiner's warm promises (which won't break his budget) are made to only three groups: Aborigines, the homeless and the young unemployed. He may be whistling in the wind, but no true dry would complain about those welfare targets. However, I am not alone in fearing that his government may be tempted to offer taxpayer-funded warmth to such undeserving recipients as middle-class home-owners, farmers, environmentalists and railway unions.

Not one in a hundred voters would know what the Liberals promised, but voters would tell you they voted for a government which will:

| fight corruption,

| do the best they can with union thuggery,

| improve the efficiency of public services---particularly the hospitals, schools and police, and

| end discriminatory, inefficient and unfair regulation.

By offering a direction rather than competing in an auction with Labor, the NSW Libs managed to get through the election with remarkably few specific promises. Amid the usual promises to get up in the morning etc., I counted 39 promises that matter. By my reckoning 27 of these were dry. The one I liked best was: no tax cuts until we have a budget surplus. But the most important was the promise to allow people to opt out of industrial awards. Nine were wet, but two of these were: stronger sanctions against unions and legislation banning strikes in so-called essential service industries. These two may be regarded as dry if you think the government can actually deliver them. Three were indeterminate.

The Greiner Government is not committed to the detailed but half-baked policies an Opposition usually brings to government. This lack of specifics makes inaction easier but it is better than being committed to detailed nonsense. In 1974 Phil Lynch wrote the Liberal policies over Easter; in

1984, to every sensible person's relief, Bob Hawke repudiated most of what he had promised in 1983; and the coalition's efforts to arrive at definitive tax policies in 1987 were instrumental in keeping it out of office. Dare I say to the many dries who think otherwise, that an ounce of really clear direction is worth a ton of fine print?

All this leaves the ball at Mr Greiner's feet. He was personally responsible for the campaign, and for the time being his authority among his own troops is higher than it will ever be again. He will never have a better opportunity to legislate and appoint.

I am sure a Fitzgerald-type enquiry will be forthcoming---that will be politically easy.

However, Mr Greiner's real tests will be many, mundane and difficult. How will he turn the worst railway system in Australia into the best?---his Minister might copy what has been done in New Zealand. How will he remedy the worst bulk handling system in Australia and a very poor electricity generating system? Can he, in spite of Dr Blewett, reduce the appalling waiting lists at hospitals? Can he co-operate with Mr Kerin---a genuine deregulator who just thinks he is a socialist? And so on.

He has shown that dry Liberals can be elected. Can he now resist the temptations that go with power and which have turned so many before him from their purpose towards proper cronyism and corruption? It will be a splendid Bicentennial irony if the son of Czech-Hungarian-Jewish refugees shows how to get the best out of liberal democratic capitalism.

ENDS