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Criticism of Howard

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In Melbourne last week I came across an unusual amount of business-community criticism of the Liberal Party and its leader, John Howard. The criticism did not seem rational to this ex-politician. Businessmen, who take their doctors, lawyers and accountants on trust, always know better than their politician. They pontificate on political events yet seldom study politics as a trade or a science. Few of them put their views to the test by seeking seats in parliament. They are suckers for the shallowest political flattery and mightily miffed when it is not forthcoming.

At the moment, businessmen are disappointed with Howard because he was unable to deliver a policy, the consumption-tax/income-tax trade off, which he and they favoured. So they traipse around their boardrooms and their bars comparing him unfavourably with Menzies and Whitlam, if you please!

Men who would ordinarily sack line managers who wasted time on futile bitching should accept that, barring an act of God, between now and the next election the Liberal leadership is set in cement. Until the next election Fred Chaney is in the wrong house, and potential House-of-Reps challengers are either not ready or should never be taken seriously. Should the Libs win the next election, Howard's position will be rock solid; if they lose, then the field will be wide open---that is as it should be.

Even highly educated members of the business community keep likening running the country to running a corporation. Politics, because of the nature of power, is not like corporate management and politicians who do not make the appropriate distinctions are dangerous. For instance, the consequences of trying to run a government (which should be other-interested and impartial), like a business (which should be self-interested, proactive and entrepreneurial), are quickly becoming a Western Australian scandal.

I recently heard the Liberal's problems (which opinion polls show are not as great in Voterland as they are among businesses) grouped under three heads---leadership, loyalty and policy. The claim is that if any two are got right the other one falls into place.

Leadership: Since John Howard will lead until the next election, then instead of bemoaning his short physical stature, his pedestrian rhetoric or his poor management of people, the business community might acknowledge his courage, sense of purpose, and integrity. Howard's claim to a future Prime Ministership is founded on his ability to identify the problems that might really undo the nation and to doggedly pursue their solution.

Between the Liberal Party's Federal defeat in 1983 and its defeat in 1987 it was changed from a party which sought election by serving vested interests to one which prescribed for national interests. In the process it became a party which basically opposed privilege. In short, it adopted some liberal fundamentals. Part of this change was that, at a time when Labor was courting big business, the Liberal Party shook itself substantially free of the grip of the business elites.

John Howard is thus associated with a change that many businessmen resent. Some businessmen are now behaving like jilted lovers condemning old paramours. Since their relationships were never licit, they cannot accuse Howard and his shadow ministers of disloyalty, but instead they accuse them of inaccessibility and incompetence.

Loyalty: Loyalties in politics conflict. Those who elected Howard have some obligation to respect the outcome of the ballot but they also have other loyalties---to their electorates, the parliament, the nation, the truth. These may require them to upset the ballot. Those in the Shadow Ministry are bound, as a condition of membership, to its collective decisions but only so long as they choose to remain members. Others are not so bound. Much rot is spoken about loyalty: the prime reason to support Howard is simply that he is the best leader the Libs are likely have for quite some time.

Policy: The recently announced coalition parties' tax policy was not the policy the business community (and I) would have preferred, but it was the predictable outcome of normal political process. It was the only compromise likely to preserve the Coalition. We may question Senator Stone's judgement in making consumption tax a coalition-splitting issue but we should not be surprised that he did. Now, instead of blaming Howard for not delivering a policy which, by that stage, had a snowball's chance in Hell, businessmen should admit that they were unwise to press the issue when they did. And, having lost, they should play it John Stone's way---use the absence of a consumption tax to get the expenditure cuts they can. Of course, to be credible in the political arena, they should place their own subsidies at the top of any list of preferred cuts.

The Coalition is beavering away trying to produce about fifty policies this year. Only one, on transport, has yet been released. It is a fine policy covering a substantial area ripe for reform; but by 1990, circumstances will have changed so much that much of the detail will no longer be relevant. However, its theme, opening up the industries to competion by

the removal of anti-competitive practices, will be remembered---and that will be relevant.

There is no way that the Coalition can muster the resources to produce fifty detailed policies and ensure that they are consistent one with another. They could not even hold enough meetings of the shadow cabinet to consider them. Consequently, in most cases the policies will be drafted by the privileged interests on behalf of the privileged interests and, unless abandoned shortly after winning government as Mr Hawke abandoned bad Labor Party policy in 1983, they will be a national disaster.

The Coalition's style and its direction can be established with just five policies---fiscal, industrial relations, health, education and trade. If these are believable and really do reward achievement rather than status, then there will be no turning back to interest group politicking. The Coalition, like the British Conservatives prior to the 1979 election, will be leading and loyalty will cease to be an issue.

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