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ON THE DRY SIDE MAINTAINING DIRECTION IN GOVERNMENT John Hyde
As the expectation that the Liberal Party will govern in Canberra gains strength, the problem of maintaining direction worries thoughtful Liberals. At all levels of the party there are people anxious to avoid repetition of the lost opportunities of the Fraser years, and who are concerned by the inconsistency of the Liberal Opposition now. They do not delude themselves that maintaining direction in government will be easy. They know that the Party will inherit a sclerotic economy; they are coming to understand how vested interests dominate Australian politics; and they all wonder whether Mr. Peacock can summon up a greater sense of purpose than Mr. Fraser found. Many are looking for ways to strengthen the Party's resolve and sense of direction.

I think the Libs can define and follow a course which will not shame them but I do not believe that they can head off in a direction which the community does not broadly appreciate. Not all the people who define liberalism will be members of the Liberal Party; the party faithful too readily sacrifice ideals to electoral advantage.

Exasperated people, who have never themselves practised politics, often see a new political party comprised of 'better' people leading Australians out of our mess or (Lord help us all) compelling us to behave responsibly. That will not work.

Persistence will work. Financial markets deregulation is the one great success to date in the drive toward more liberal and more efficient markets. That was done by a treasurer with a firm sense of direction, with the help of competent people like Campbell. The momentum he generated was not stopped, and may even have been accelerated, by a change of government. In Britain, Labour Minister, Norman Tebbit's approach to the labour market was very similar.

The sine qua non of a Liberal Party which will serve liberal ideals is a sense of purpose. Its members need to know what sort of Australia they want. More loyalty must be given to the liberal philosophy and when that conflicts with political opportunity, as it sometimes will, commensurately less to the Party or to individuals within it. Liberal Ministers of the future will need to accept what was always true, namely that they are birds of passage who will be remembered, well or ill, for what they did or did not do in passing. An honourable mention in history might be the alternative to an extra term in office. It is possible that if the Fraser Government had taken some tough decisions before the 1980 election it would have lost office then, but how much better for Australia and for the Government's subsequent reputation? How much sooner would the Libs have been back in office? It is also possible that the electorate would have appreciated 'good government' and returned Fraser.

But no one should imagine that any politician can lead very far ahead of public opinion. Liberal society has to be explained to the public. It is attractive; its advocacy should not mean permanent relegation to the Opposition benches but it is not the same old task of presenting Santa Claus with charisma. Liberal principles will expose rather than cover up partisan or wasteful government.

A philosophy is not static but must remain internally consistent. Without recourse to its guidance the problem of governing consistently is too much.

After the Second World War the western world largely abandoned the notion of 'the public interest'. Instead elitist/pluralist democratic theories dominated western politics. Pressure groups became respectable; they seemed to be a necessary part of democracy. Politicians became followers rather than leaders of opinion. No doubt this change was in part a revulsion against regimes in Germany, Italy, the USSR and elsewhere; regimes which confused the public interest with the interest of the state; regimes who by acting in accordance with obscene philosophical principles gave principle a bad name.

The Liberal Party must again establish a clear understanding of 'the public interest', for its own guidance and for the guidance of people who might vote for it. It needs to do it now while in opposition - while there is time to think - while the vested interests have their attention directed elsewhere. It needs to lock itself intellectually and rhetorically into those general positions of principle which in government it hopes to maintain.

If the Liberals are to capture the intellectual and moral high ground they must make thought, and hence contention within their ranks, respectable. Even the British Tory Party has the Bow Group, the Monday Club and the Centre for Policy Studies. Outside the party but in the same intellectual debate are periodicals like the Salisbury Review, The Spectator and Economic Affairs. In Australia there is Quadrant. There is real need for a journal of ideas based in the Liberal Party circulating widely.

Next the Liberals must spell out what they are trying to do to achieve mutually consistent goals. The broadest goals will not be party ideological, but like security, freedom and prosperity, will be goals which no party denies and all sometimes forget. It must use and accept the disciplines of its own philosophy, elementary economic theory and simple arithmetic.

A problem of the Fraser Government was that it spurned some very conventional learning. The nineteenth century liberal philosophers or the modern American neo-conservatives should stop Liberal Party politicians walking over people's rights or attempting feats of government which inevitably prejudice rights and prosperity. Simple economics and arithmetic are each in their own way barriers to wishful thinking.

One task then is to use an accepted intellectual framework to analyse the most important policy issues which must be faced on gaining office. The Heritage Foundation did this for Reagan with "Mandate to Govern" and "Mandate II"; the IEA, Adam Smith Institute and The Centre for Policy Studies did it for Thatcher. The recommendations were all public documents, defended by people who were not running for office; they flew kites for the politicians before the parties were faced with policy implementation. "Mandate" statements and platforms, however well thought through, can never take the place of political leadership which understands what it is trying to do but they do focus minds, and what has once been thought is no longer unthinkable. In the difficult task of leadership ideas will be much more important than personalities.

The Liberals themselves need to work out where they stand on at least these issues: inflation, labour markets and industrial relations, industry protection, our inefficient transport system, telecommunications and post, taxation, income security, education, Commonwealth-State relations with particular reference to finance, and international relationships including defence. Now is the time to start winning acceptance for necessary policies