

WHO IS MOST SOCIALIST ?

Socialist, conservative or liberal governments may not be distinguishable by reference to tidy definitions and certainly they cannot be classified by the rhetoric they adopt. But we can know them well enough by their fruits.

Too little attention to the fruit has led to confusion of the trees. Popular misconception has it that Victorian State politics are rather socialist while Western Australia and Queensland are conservative. If that is true then the political trees are bearing strange fruit.

Professed socialists proudly offer to the public, fruits borne by the government itself - government provision of health care, schooling, transport, housing, insurance and so on. Socialist governments by providing, or trying to provide, for society's wants by government action, choose big government with a commensurately smaller private sector. Socialists employ more people in the public sector than non-socialists. Closet socialists offer just the same fruit, which they don't really find growing on free enterprise trees.

On the other hand, liberals, and to some extent conservatives, have more confidence in a competitive private sector and less in government. Closet liberals, like those Communist Chinese who recently seem to have rediscovered the market, hide their smaller government in a smoke screen of collectivist rhetoric. They too can be identified only by the fruits they bear.

The size of the public sector workforce does not say everything that is important about government but it does broadly indicate whether it is socialist or liberal.

The Institute of Public Affairs recently published this table:

State Government Employees	
( Percentage of State Labour Force)	
Western Australia	18.7%
New South Wales	14.8%
Victoria	15.0%
Queensland	15.6%
South Australia	17.4%
Tasmania	19.3%

The table is surprisingly variable. The variability is impossible to explain by the professed philosophies of the parties that have governed in the various states. It is tempting to say that because Victoria has had most Liberal government over the last thirty years it now has the second smallest public sector, and that Tasmania's big public sector is the work of years of Labor governments. That line of reasoning breaks down; it won't explain WA's and NSW's positions on the table.

The table ranking does correlate with the populations of the various states, but that fact does not lead on to a satisfactory explanation. Small countries don't have high percentages of their workforces employed by their governments, nor do big nations rely on private enterprise. Japan has only 6.6% of workers in the government's pay, and USA 16.7%, while Australia has 25.4% and Denmark 28.1%. It would seem most unlikely that small size is itself the father of socialism.

The ranking also correlates with per capita payments to the States by the Commonwealth Government. Here is an explanation that fits the data and does provide a common sense explanation. Transfers to the State governments to compensate them for disabilities have been spent by the States employing bigger government workforces. States grants have not been spent compensating the private sector.