

A WEEKLY COMMENTARY



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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"If you haven't suffered enough, it is your God given right to suffer some more."*
Premier William Berhart of Alberta

WHAT IS A MANDATE? by Eric D. Butler:

Even before the final election results had been finalised, Prime Minister John Howard was boasting that the election had provided him with a "mandate" to impose his much-publicised GST. Mr. Howard neglected to observe that it was clear that a majority of electors had voted for political groups who had made it clear that they were opposed to the GST. It is far from certain that a majority of elected COALITION members are in favour of the GST. If a referendum had been held free of party political considerations, no objective political observer would dispute that the overwhelming majority of the electors would have voted against the GST. The author of Social Credit, C.H. Douglas, echoing the political wisdom of the centuries, observed that true democracy was only possible when electors **had the opportunity of voting on one issue at a time**. The virtues of genuine democracy, where customers can cast their money votes freely, is that **both majorities and minorities can obtain what they want**. The higher the degree of decentralisation, the less the prospect of minorities being penalised by the manipulation of majorities. John Howard and his supporters have made it clear that they do not support genuine democracy. Even before the Senate vote had been counted, John Howard and Coalition Members were suggesting that they were not going to tolerate any obstruction to the GST in the Senate. Such Coalition Members reflect the famous claim by Paul Keating about the Senate being an "unrepresentative swill". A study of Australian political history reveals that over the years a majority of electors have consistently voted differently in the Senate than in the House of Representatives. Australian electors have traditionally taken the view that while they are prepared to support a party to form a government in the House of Representatives, they want checks on that Government, and thus vote differently in the Senate. Once again a Federal election has demonstrated the deep wisdom of a sizeable minority of electors. John Howard will be courting political disaster if he attempts to ignore that political reality.

But, as I have observed on a number of occasions, John Howard's history provides a number of examples of what can only be described as invincible stupidity. During his term as Treasurer in the Fraser Governments, he was highly regarded by the bureaucracy as a man who could be relied upon to advance any legislation they felt necessary. As one senior financial bureaucrat told a

League of Rights businessman, John Howard was the bureaucracy's favourite Minister: he could be thoroughly briefed on the legislation required, put in front of the television camera and relied upon to faithfully present the views of the bureaucrats. The bureaucracy persuaded Howard that taxing of books and magazines was desirable. The proposal even included Christian Church magazines. I well recall the group of Christian publishers who sought an interview with the man purporting to be a Christian and pointing out the great damage his proposed tax would have on Christian publications. I met, in Brisbane, representatives of these Christian publishers upon their return to Brisbane. They were in a state of deep shock. They felt that their arguments and facts had no impact upon Treasurer Howard. "We felt we might have saved our breath," said one of the delegation. "It was like talking to a brick wall." Howard's legislation was eventually defeated by a Senate influenced by a special campaign conducted by the Australian League of Rights. The great value of the Senate was demonstrated. Howard also demonstrated his invincible stupidity when the financial bureaucrats persuaded Howard that some industries were using "fringe benefits" to pay employees outside the system. For example, cheaper and subsidised housing was being used to ensure that enough workers would be encouraged to work in the Queensland coal mines. The earnest John Howard went out to the Western Queensland coal mines to talk to the miners to persuade them to see the virtues of paying a fringe benefit tax. The reaction was rather dramatic: John Howard physically thrown out of a Queensland hotel by an irate coalminer.

As John Howard attempts to move towards imposing a taxation system rejected by the majority of the Australian people, claiming that he has a "mandate", he is going to move Australia further down a revolutionary road. He and his financial masters have set in motion a programme which will inevitably produce a revolutionary ferment which has not been eased by an election result.

SOWING THE WIND WITH POLITICAL ARROGANCE by David Thompson:

The professional politicians seem to be genuinely unaware that it is their **attitude** to their electoral "masters" – the voters – that has generated a deep-seated and widespread contempt for politicians. It is both a feature and a failure of modern politics that the main culprits are unable to help themselves from offending, even at the highest levels among those who should know better.

For example, Mr. Howard's victory speech from his Sydney hotel was pitched in terms of a modest man grateful for the "privilege" of being a servant of the Australian people. Yet he took the opportunity to claim the most spurious "mandate" to go right ahead and do the very thing that took him within a whisker of an electoral savaging and ignominious defeat – the GST. Any observer with an impartial eye can see that the prospect of a new tax, endorsed (if not imposed) by the International Monetary Fund, was the key element that very nearly delivered the keys to The Lodge to Mr. Beazley. In fact, it was probably only the prospect of another Labor Government, with the memory of Paul Keating not sufficiently dimmed, that saved Mr. Howard's administration.

The unconscious arrogance of Mr. Howard was not an isolated feature of election night. Perhaps one of the outstanding offenders was Treasurer Costello, who took part in the Channel 9 election coverage with Labor's Simon Crean, Liberal Michael Kroger and the Democrats' Natasha Stott-Despoja. The clear impression of this panel was that, while only days before they were at each others' throats at the least excuse, on election night they were "buddies" in the face of a common enemy – the electorate.

When a dispute developed between Costello and Crean about the validity of the Coalition's "mandate" for the GST, a scornful Costello announced that the purpose of the election was to **decide the issue**. According to Costello, since the Coalition had achieved a majority in the House of Representatives, however slight, the "mandate" was assured. But is this assumption about elections valid? Surely the purpose of holding elections is to choose **representatives**, rather than choose **policy**?

Can even professional politicians claim to be so certain of reading the minds of voters, as to be able to determine **why** they voted as they did? Does the arrogance extend so far as assuming that a narrow victory in only one House of the Parliament is a ringing endorsement of the plethora of policies advanced during political campaigns?

It would seem clear enough that a narrow victory in only one House of the Parliament by a Coalition polling less than 50% of the overall vote is by no means a "mandate" to introduce a revolutionary new taxation system. Mr. Howard's undoubted determination to attempt to do just that will be regarded as foolhardy by most. But a certain symptom of arrogance is to be found in the partisan suggestion that this will, in fact, be the course taken by a "courageous" Prime Minister in the interests of the nation.

Australians need to prepare for what may be one of the stormiest periods in recent politics as Howard attempts to ram the GST through the Parliament, and impose it on a resentful electorate, probably feeling the financial effects of the same Prime Minister's determination to expose us to the debilitating effects of the "global market". With such a small Parliamentary majority, one of Mr. Howard's most difficult tasks is bound to be enforcing Party discipline upon some of the more realistic backbenchers, who know in their hearts that the GST is dreadfully unpopular. Every method of coercion available to him will be required to force dissidents like Bob Katter and Deanne Kelly in Northern Queensland to toe the line. And there will be others, too, who know that if they fail to resist such Party discipline, they will certainly be swept away by the tide of resentment of disgusted voters at the earliest opportunity. The ultimate contempt must be that of Gareth Evans who, after imploring his constituents to return him to the House, has now turned his back on those who elected him only hours after the polls closed. What goes on in the minds of such people?

THE STATE OF THE NATION by Jeremy Lee:

Now that the "head-counting" is over, and the endless pre-occupation with a single issue, Australians will be forced by events to confront the reality that faces the country. Quite apart from the ongoing argument as to whether the results achieved by the Coalition – well under half the votes counted – really constitutes a "mandate", it must be realised that financial turmoil of such dimensions lies ahead as to possibly making impossible the introduction of the GST in July 2000.

Tim Fischer claimed during the election that Australia had been built into a "safe harbour": a refuge from the financial chaos around us. Nothing could be further from the truth. It is Fischer himself who has claimed that Australia succeeds or fails with its export achievements. Perhaps Trade Ministers are forced by their portfolio to think in such terms. If there was any truth in the suggestion, Australia would be doomed. Month by month the foreign debt climbs – up by over 30 billion during the 2½ years of the Coalition's first term. As the debt rises and the dollar falls the percentage of export income needed to service this debt grows. Yet export potential is contracting drastically. With the current crisis in Japan and the expected devaluation in China, Australia's main export partners are in trouble. The US, forcing de-regulation on everyone else, is doing nothing to remove subsidies from its own primary producers and in some cases is increasing protection. It uses aid programmes as a way of expanding export markets.

Every area of Australia's primary production is in crisis. The sugar price is tumbling. Wheat prices have dropped significantly. Wool is a cot case. Meat is not much better. Likewise, mineral commodities are facing "fire-sale" price drops, and manufacturing is retracting.

Mr. Howard was right in refusing to commit himself to any reduction in unemployment in the period ahead. In truth, without a change to the wholesale philosophy of his economic programme, there can be no improvement. Unemployment is likely to rise in the months ahead.

Without the massively-funded advertising campaign on distracting issues which the election provided, the Howard Government is likely to find itself naked and alone in the period ahead. Its victory claims will appear increasingly hollow.

Although the final figures are not in, results in the election are a little different to the assumptions publicly trumpeted by Howard and Costello. On a two-party-preferred basis, Labor had 51.8 percent of the vote – up 5.4 percent – while the Coalition had 48.2 percent – down 5.4 percent; hardly a ringing "mandate" for the GST.

Why, then, is Labor not in office? The answer was described in these words by Melbourne's *Herald-Sun* the day after the election: ". . . Minor parties and independents polled more strongly than in any election in the past 50 years, yet have not been rewarded with seats . . ."

THE FUTURE OF THE MINOR PARTIES: There has been instant crowing from the likes of Tim Fischer about the claimed demise of One Nation and similar parties. It just may be a little early to crow too lightly.

Papers, both in Australia and overseas, have claimed that Pauline Hanson and One Nation are dead and buried. They may not have achieved anything like the seats expected. But dead and buried? Pauline Hanson obtained far and away the highest number of primary votes in Blair – 46.6 percent. Across Australia the Party polled remarkably well – over 14 percent in Queensland, and over 10 percent nationwide. Tim Fischer might reflect that far more Australians voted for One Nation than for the National Party.

With any failure of the Coalition to deliver, the swing to minor parties can only increase over the next three years – assuming the Coalition can remain in office that long in the tumult ahead.

One Nation is well cashed up, expecting to receive over \$3 million from the October 3rd election. A factor in its dramatic growth has meant that electoral success always surged ahead of the in-depth research and education such a movement needs to build the solid philosophical foundations for long-term success.

If it can curb its disappointments, using the time ahead to concentrate on better research, policies, education and grassroots organisation, One Nation can still be a big factor in Australia's future. A far-seeing and more charitable co-operation with other groups of like mind would serve Australia well. The real test of service, leading to a longer view of the real crisis facing the nation, lies ahead for One Nation.