

# THE AUSTRALIAN

## A lost search for silver linings

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Illustration: Eric Lobbecke Source: TheAustralian

**HISTORY, it is often claimed, is written by the victors. Yet from Thucydides on it is the defeated who have most readily sought its solace. "As their overwhelming experience is that everything occurred other than as planned," explained the great German intellectual Reinhart Koselleck, himself a veteran of Paulus's army at Stalingrad, "it is the losers who feel the most desperate need to understand how that could have happened."**

But the lures of consolation are as dangerous as they are powerful. And the most fatal is the temptation of political self-delusion. For historic defeat all too easily leads to a search for silver linings. Unable to take the adversary seriously, the gravity of the loss is played down; clutching at straws, the fissures in the adversary's victory are exaggerated so as to make it seem more vulnerable.

Nowhere are those risks greater than in the ALP. Having snatched defeat from the jaws of annihilation, Labor will perceive the election outcome as little more than the punishment for disunity.

Emboldened by the relatively small swing to the Coalition, it will convince itself that it can readily hold Tony Abbott to one term or at most two. And, as it continues its fearmongering into opposition, the campaign that never ended seems set to carry on.

Overlooked will be the fact that, after sweeping the country in 2007 with a prime minister who recorded the highest popularity ratings since Australian opinion polls began, Labor's primary vote is at the lowest level in a century. Among the latte drinkers, it splits the electorate with the Greens; now, even large parts of the lumpenproletariat have abandoned Labor, angry at absurdly high cigarette taxes, health campaigns that target their lifestyle, and a prosperity that is not prosperity for them.

If none of that sinks in, it is partly because preference deals blunt its effects on outcomes. Yet the party's increasing

reliance on deal-making only worsens its worst traits, aggravating its decline from mass movement to mere machine.

But there is a deeper reason for the ALP's inability to confront the magnitude of its problems: its conviction that it is the carrier of Australia's future. Not only does that divine mission wash off all sin and excuse all mendacity; but as the party of the "light on the hill" its forward march may stall but can never be stopped.

That is not a conceit from which the Liberals suffer. Never beholden to a single formula that purports to explain its historic purpose, Australian liberalism has always proceeded tentatively, recognising the changing limits of the possible, the constraints of time and place, the varying pull of interests and circumstances.

Shorn of any self-deception, it could therefore face the loss of 2007 and draw the lessons of 2010. And so it will need to master the messy realities of 2013.

Some of those raise vital questions of organisation. If Abbott has a comfortable majority, it is thanks to his superb performance and that of his team. But he was right that if you treat voters with contempt they will punish you. And that was abundantly clear in Greenway, where a candidate who did not deserve to be elected lost a seat that should have been won. Unless internal processes are changed, 2016 will see repeat performances.

The more complex question, however, goes to the new government's agenda. No doubt, it will have to be reassuring. The best answer to Labor's scare campaign is to show that there is little to fear and much to hope. Australians want less politics, not more, and lowering the tone and slowing the pace would calm a mood on edge for too long. And Abbott must take seriously voters, especially in Queensland, who fled Labor but did not make it to the LNP.

Yet the Abbott government must also press ahead with reform. That is not just because it has to make good on its promises. Or because delivering tangible gains within two years in areas such as broadband is crucial to fighting the next election. Rather, it is because new policies are needed to create a new politics.

Without reforms that increase competition and impose genuine budget constraints, the ever-growing public sector will remain the redoubt of unions that prevent it delivering value for money and frustrate the expectations of its consumers. And, left as it is, the administration of the Fair Work Act will continue to entrench unions and help them extend their hold on the economy.

Nor are the unions the sole issue. From environmental protection to industry policy, subsidies and regulation reward organised interests that impoverish the community and are congenitally hostile to the Liberal project.

By throttling those organised interests' food supply, far-reaching reform would yield a double dividend: it would weaken the power bases on which the Greens and the most retrograde elements in Labor rely; and it would unlock enduring gains in efficiency and productivity.

None of that will be easy. Trapped in its obsolete hopes and tarnished ideals, Labor will oppose reform every step of the way. Lacking control of the Senate, Abbott will have to accept the inelegant, at times barely palatable, solutions that are often the only ones available in the real world.

That Abbott has the skills needed to navigate those waters is beyond doubt. Whatever Labor's apologists may say, those skills have given him a convincing win. But being a great prime minister demands more than enormous discipline and political intelligence; it requires the ability to understand the past, master the present and enlarge the future.

That is Abbott's challenge; his time starts now.

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