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Labor must get over its bad case of Malcolm envy

HENRY ERGAS THE AUSTRALIAN OCTOBER 19, 2015 12:00AM

Like Portnoy, Tanya Plibersek has a complaint. And with all of Labor piling on to the psychiatrist's couch, she isn't alone. But there's no need to call Dr Freud. The problem is simple enough: Malcolm envy.

Now, appeals to envy usually strike a chord in the electorate as surely as does bashing the banks. So Plibersek's claim the Prime Minister isn't sufficiently "ordinary" to run the nation's affairs ought to have been a guaranteed winner. It is true that the tenth commandment directs us to suppress covetous instincts; but with even Immanuel Kant considering envy "inherent in the nature of man" (and, we hasten to add, woman) getting that ploy wrong should be as hard as failing a sex education course.

But then again, Labor's frontbench makes the cast of *One Flew Over the Cuckoo's Nest* seem normal. Coming from those characters, judgments as to who is "ordinary" might well elicit a hint of suspicion.

Even a cursory glance at their record underscores the concern. For example, la Plibersek's own paeans to Kevin Rudd, no doubt the "ordinary" bloke she has in mind, richly merit a second life, all the more so as her purple prose about the Ruddbot when he conquered the Labor leadership swirled into the rhapsodies normally reserved for young lovers.

Nor is Sam Dastyari, who enthusiastically seconded the view that Malcolm isn't sufficiently like "ordinary people", widely known as a discerning judge of political horse flesh. This is, after all, the man who not only called Eddie Obeid "caring, charming (and) charismatic", but crowned his hosanna by describing Obeid as "selfless".

Now, it may well be that Dastyari regards the St Francis of Sussex Street as the Platonic ideal of an elected official, but were those comments penned by a teenager, one would hope they promptly elicited a visit from the neighbourhood shrink.

To say that is not to deny that Obeid's ventures reflected Labor's spirit of enterprise at its best, taking to heart Deng Xiaoping's exhortation that "to get rich is glorious" long before it became fashionable.

And given the hard work that must have been involved, Dastyari probably classes the modest amounts Obeid extracted from NSW taxpayers as "ordinary", just as Plibersek seems to regard the union officials whose exploits daily grace the royal commission into trade union corruption as paragons of the "ordinariness" she craves.

It is therefore unsurprising that she and Dastyari would view Malcolm's road to wealth with disdain. Did he engage in honest graft? Was he capable of the old-time thuggery that in the Australian labour movement never goes out of style? And failing that, did he at least show the good sense to ask for secret favours?

Sadly, none of the above. Instead, letting down the side, he actually made the country richer. And not by a trivial amount.

Take his role in the spectacular growth of OzEmail. Usually, the social benefits new, technologically advanced firms create are difficult to quantify; but as those with long memories will recall, Telstra tried to acquire OzEmail in 2000, triggering a competition inquiry which generated useful information. In particular, it suggested OzEmail had forced market prices down by some 20 to 30 per cent while accelerating innovation by at least six months. That implies, on conservative assumptions, that merely in the period from 1997 to 1999, Australian consumers were about \$180 million better off; taking into account OzEmail's pioneering role before those years would easily double that gain, while its effect on the starting point for broadband could about double it again.

Those are, of course, very rough estimates. But they highlight the enormity of Malcolm's offence. Since when do "ordinary" people make society four to 10 times wealthier than they make themselves? Why, if you believed that, you might convince yourself innovation and risk-taking were a good thing — and who could possibly think that?

Yet it is curious. It may be that he had smoked the wrong pipe at breakfast, but less than a month ago Bill Shorten declared Australia had to reinvent itself as a "start-up nation"; and he must have passed that pipe around, because Chris Bowen echoed his call, saying "entrepreneurship would be the defining feature of the next Labor government", which would create a new category of visa to attract "the best and brightest people from around the world".

Moreover, even Labor seemed to understand what that involves, with Andrew Leigh recognising that "if your start-up idea means working 16-hour days and taking a second mortgage, you're probably more likely to take a shot if the rewards of success are very high".

But luckily, that folly has passed. Flock to our shores, young entrepreneurs yearning to breathe free; but God forbid you should succeed, enriching yourselves in the process. Even worse if you then choose to go into public life. And worst of all if you do so on the wrong side, unlike Wotif's founder Graeme Wood, who gave the Greens the largest donation in Australian political history, or LookSmart co-founder and former Labor parliamentarian Evan Thornley.

That just isn't what "ordinary" people do. Rather, their start-ups are those at which Julia Gillard proved a dab hand: slush funds bankrolled by side-deals which make workers poorer but help "ordinary Australians", such as Bruce Wilson and Ralph Blewitt, win elections, while giving Labor a leg-up.

You'd have to be mad not to understand that. Or perhaps it's Labor that should get over its complaint and, instead of ranting and raving and frothing at the mouth, focus on serious policy. Which brings us back to Portnoy, with its famous punchline of an ending: "So (said the doctor). Now vee may perhaps to begin. Yes?"