

THE AUSTRALIAN

Liberal Party is paying the price for letting Labor set the rules

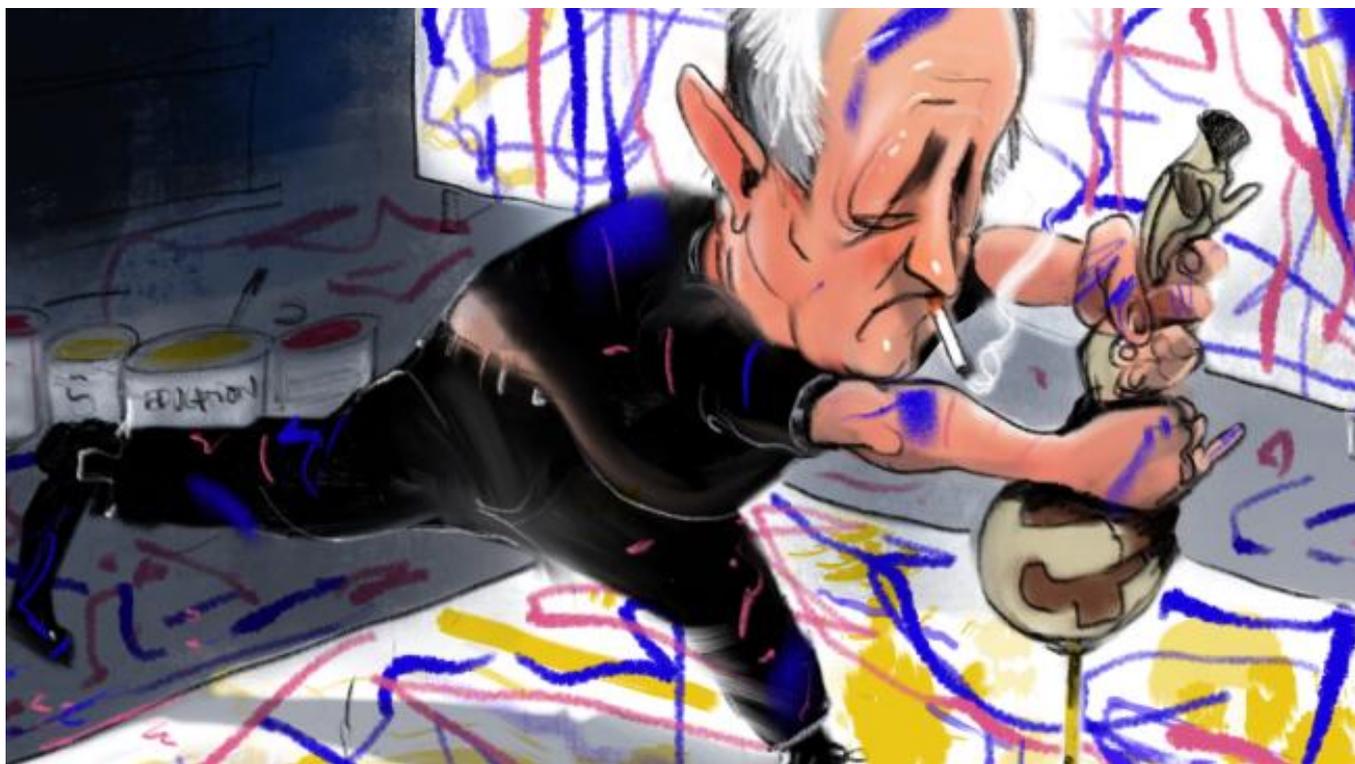


Illustration: Eric Lobbecke

HENRY ERGAS THE AUSTRALIAN 12:00AM July 25, 2016

The trouble with voters in western Sydney, pollster Mark Textor apparently told the Liberal partyroom when it met last week to consider the election campaign, is their “entrenched cynicism”.

Well, now we know: instead of dissolving parliament, the government should have followed Bertolt Brecht’s advice to “dissolve the people and elect another”.

The real question, however, is not why western Sydney’s voters would be hardened cynics: after a succession of governments intent on proving that their word is their junk bond, any voters who aren’t jaded should have their pulse checked.

Rather, it is why the cynics would prefer Labor’s tarnished goods to those the Liberals offered. Nor was the shift trivial: under John Howard, the Liberals consistently held four seats in western Sydney. In 2013, Tony Abbott increased

that number to six; now, the Liberals have been reduced to three.

No doubt some of the fault lies in the campaign. For all his flaws, Bill Shorten connected with many aspirational voters in a way Malcolm Turnbull did not. And every report suggests Labor's field operations vastly outperformed the Liberals', allowing Labor to overcome what should have been devastating weaknesses, including its appalling track record, its fiscal recklessness and its links to union thugs.

Of course, the Liberals' decision not to go on the attack made life easier for the ALP. That decision will be debated for years to come; what is certain, however, is that relentless positivity would have made more sense if the Liberals had compelling policies to be relentlessly positive about.

Let's be clear: the problem is not that the Liberal Party's policies are particularly bad. It is that, in area after area, the party doesn't really have any policies at all. Yes, its platform makes plenty of promises. But the party lacks any clear understanding of what it hopes to achieve and how those goals relate to liberalism's values and ideals.

Instead, the Liberals are still painting by the numbers to instructions Labor left behind, with the difference that they would like to apply a thinner coat of paint. The Liberals characterise that as being fiscally responsible; but it readily appears as merely small-minded — and mean-minded to boot.

Nowhere is that clearer than in healthcare. If the Liberal Party has any view whatsoever about how our healthcare system should evolve in the long run, it is a more tightly held secret than the recipe for making Coca-Cola.

Rather, during the Coalition's first term, the Liberals' ambitions seemed limited to spending a bit less and charging a bit more than the Rudd and Gillard governments had promised to do.

With nothing to offer about the system's future, it was predictable that they would prove highly vulnerable to Labor's "Mediscare".

Exactly the same is true in education. Here too Labor wrote the playbook, with the Gonski report; given its deficiencies, the Liberals only ever accepted its recommendations grudgingly.

But instead of producing a comprehensive alternative, much of their focus has been on the Gonski reforms' cost. While the tweaks they've proposed are eminently desirable, they are no substitute for resetting the policy agenda.

Nor do the Liberals have a coherent strategy for dealing with retirement incomes. If the changes to the Age Pension, aged care and superannuation form a consistent whole, the nature of that whole has never been explained, nor has any serious analysis been released of its implications for the millions of Australians in or approaching retirement. And how the changes affect overall efficiency, or relate to Liberal values — such as rewarding those who work hard, save and invest — remains cloaked in a sheepish silence.

As for tax, no one knows what the Liberal Party stands for — not in rhetoric but in reality. Since returning to government, its main achievement, if one can call it that, has been to capitulate to Labor's "fairness talk", making income tax even more progressive and raising taxes on savings. Other than the proposed reduction in company tax, there seems to be no long-term perspective on where our tax system should be heading, much less a realistic view of how it might get there.

And even mentioning innovation should be enough to elicit an embarrassed wince. In the party whose lodestar is initiative, where is the recognition that Australia's Silicon Valley has always been in exploring, developing and exploiting the natural resources that underpin our prosperity?

None of that is to blame Turnbull: the roots of the problem go back to the Rudd-Gillard years, when the constant sense of crisis consumed all of the then opposition's political energy, displacing policy development. Nor is it to suggest that the Liberals should be a party of grand reforms: the temper of the age and its politics would quickly bury such bold ambitions.

But policies are the grappling hooks of politics; deprived of any strategic goals that could inform a sense of purpose, the Abbott and Turnbull governments too often resembled Maria Wyeth, the laconic depressive in Joan Didion's *Play It as It Lays*, who, as disaster unfolds, spends her days wondering: "I mean, maybe I was holding all the aces, but what was the game?"

Lacking an answer to that question, the Liberals allowed Labor to set the rules. It was therefore scarcely surprising that they struggled when the time came to compete.

Of course, the cynics in western Sydney are not policy wonks, nor will good policies cure their jaundiced view of the world. But even the electorate's toughest eggs knew where Howard stood, just as they understand what Labor represents.

Until today's Liberals provide meaningful answers on the big issues, they can hardly blame voters for concluding that, as Gertrude Stein would have said, there is no there there.