

TITLE: Coalition reaps what it sowed

AUTHOR: Richard Denniss

PUBLICATION: Canberra Times

PUBLICATION DATE: 15/08/14

LINK: <http://www.canberratimes.com.au/comment/coalition-reaps-what-it-sowed-20140815-104fbf.html>

The hypocrisy of Joe Hockey's call for big business to make the case for his economic reforms is breathtaking. His government's signature economic "reform" was to rip up a perfectly good carbon tax. The Prime Minister and Treasurer rightly bet that business groups would sit silently by while this populist policy destruction took place. But having successfully backed business to keep their heads down during one heated economic debate, the Treasurer is now criticising them for doing exactly that on his savage budget.

Why would a chief executive take time out of their schedule to enrage their customers by supporting savage cuts to health and welfare? Myer shareholders paid a hefty price when chief executive Bernie Brookes wandered into politics to slam the National Disability Insurance Scheme. Can you imagine the heads of Coles, Woolworths and the Commonwealth Bank coming out to say "on behalf of multimillionaire CEOs, we would like to support Joe Hockey's call to cut the age pension"? The Treasurer is dreaming.

Perhaps the biggest mistake Hockey has made is assuming that just because business leaders are rich, they believe in his attacks on the poor. Even the Business Council of Australia believes that the unemployment benefit is too low and needs to be increased. Not everyone who is concerned about the sick and the poor is sick or poor.

It seems that it is only just dawning on the Treasurer and his colleagues just how unpopular their naked contempt for those with the least really is. The rhetoric of "lifters and leaners" and the one-liners that get cheers in the party room sink like a lead balloon in the broader community. Poor people don't drive cars?

In 10 months, Joe Hockey has been filmed smoking cigars, photographed on a silk chair at a speech on the need for austerity, danced on the night he announced his plans to slash the pension, took a winter holiday when his budget was stalled in the Senate, complained about how hard it is being Treasurer and, to cap it all off, told us in his biography that the cuts in the most unpopular budget in modern history did not go far enough.

Modern politicians are routinely criticised for being too concerned with focus groups and opinion polls but did they really survey 1000 people before deciding to scrap universal healthcare and start charging the sick and the old \$7 to go to the doctor? Seems not. But if not focus groups, who are they listening to?

In the lead-up to the election, it was pretty clear that the Coalition was paying close attention to organisations such as the Institute of Public Affairs and high-profile columnists such as Andrew Bolt. Indeed, the IPA took credit for destroying bipartisan consensus on the science and economics of climate change. It was the suit against Bolt that led to the Coalition's short-lived resolve to scrap section 18C of the Race Discrimination Act. In the last week, both Bolt and the IPA have criticised the government.

In opposition, the Coalition convinced many people that protections against discrimination were "proof" that white people had become second-class citizens, that a modest carbon tax was "proof" that Labor didn't understand "cost of living" pressures, and that the misogyny speech was "proof" that blokes were the new underclass. Despite the fact that Australia is one of the richest countries in the world, and that we largely avoided the global financial crisis, convincing Australians that they were "doing it tough" was all too easy.

The government's present problems stem from their success in opposition. Having taken the bellows to the smallest embers of discontent when in opposition, they have no chance of putting out the fires that they themselves have started. Having been elected on the basis that the ALP didn't understand "cost of living" pressures, they want to charge \$7 to see a doctor, increase fuel excise, and cut all welfare payments including the age pension. What did they think would happen?

The cynical scare campaign against the carbon tax by the Abbott opposition was a highly effective way to win government, but it was also highly destructive of the ability of the Coalition to actually govern once in office.

Having told the public they shouldn't have to pay a cent to tackle a real emergency like climate change, is the government really surprised that the public don't want to pay a high price to tackle a fictional budget emergency?

Having savaged the Gillard government for breaking a promise on the carbon tax, is it any surprise that Coalition voters are angry that the promise of "no new taxes" was thrown away in Hockey's first budget?

And, having said that he would "never" do a deal with a minor party, the Treasurer is now flying around the country unsuccessfully trying to do deals with the Palmer United Party and the rest of the crossbench.

Hockey couldn't have drafted a budget that does more to highlight that the Liberals and Nationals who form "the Coalition" have almost nothing in common beside their hostility to the ALP and Greens. Nationals electorates have lower than average incomes and higher than average unemployment. It's a pretty safe bet that poor people in Nationals seats drive cars too. While his rhetoric creates a clear distinction between "lifters" and "leaners", census data suggests that Hockey's leaners are far more likely to live in the seats represented by his Nationals colleagues. His war against the poor is, in reality, a war against Nationals voters. The Palmer United Party has a great friend in Joe Hockey.

The fundamental problem for the Abbott government is that the vast majority of the public simply do not accept the premise that national wealth is built by taking from the nation's poor. It's not just that Hockey's salesmanship is poor, it is that no one wants the product. Luckily for voters, most of the new measures announced on budget night will fail to pass the Senate. The only question is whether this failure will help save the government from itself or not.