

Everybody Counts

 Samaritans
your local **ANGLICARE**
election 2010

Political Leadership

Written prior to change of leadership 21 June 2010

The downward spiral of Prime Minister Kevin Rudd's popularity has been rapid and quite unexpected.

Mr Rudd's decline appears to have coincided with 2 important policy shifts. Firstly, he dropped the emissions trading scheme which he battled so strongly for in Copenhagen. It was always going to be difficult to sell/explain the scheme to the electorate; there was no bipartisan support once Tony Abbott took over as leader of the Opposition; a double dissolution would be risky, so Mr Rudd suddenly dropped the scheme or delayed its introduction. This decision was a huge disappointment to many of his supporters who had believed him when he had stated that the emissions trading scheme would be one of the most important policy initiatives of his government.

Similarly, with an election year looming, Mr Rudd introduced more punitive responses to asylum seekers. Australians have always been disturbed by asylum seekers who arrive by boat without papers and numbers have been increasing over the past year. Mr Rudd was aware that the Opposition would exploit this during the election campaign and he apparently tried to beat the Opposition at its own game by introducing tougher measures. Again, he appears to have put politics before principle.

In some ways, this community outrage for turning away from highly principled policy initiatives is encouraging. We want our leaders, whether they be in politics, business or churches, to believe in a better way, to develop a vision for the nation, to help us feel good about what we do and to passionately uphold the values they proclaim. Without such leadership, people drift back to basic human instincts of selfishness, greed, intolerance, fear of the stranger.

Society's need for this type of leadership brought us Barack Obama in USA, but he too is struggling to uphold his promises and maintain the vision.

Obama's problems seem to stem from America's economic woes and continuing high levels of unemployment. History shows us that it is difficult to keep political power after economic shocks or recession. In Australian history, the Great Depression in the 1930s led to a number of changes in leadership, particularly the defeat of Prime Minister James Scullin. The recession in 1973 cost Gough Whitlam the leadership. The 1982 recession hastened out Malcolm Fraser in 1983 and during the 1991 recession, Bob Hawke made way for Paul Keating.

These recessions cost thousands of jobs. Large numbers of people drifted into long term unemployment and many of them never recovered from such a devastating experience. Long term unemployment can so often lead to despair, depression,

divorce, drugs and even death in some cases. Social welfare agencies dread recessions because of the human suffering they always cause.

But the interesting part about Rudd's possible demise is that he is our most successful Prime Minister in heading off a recession. He was able to demonstrate, in my opinion, that stimulating the economy is the most appropriate response in terms of economic and social wellbeing. Such a strategy keeps people working; it encourages companies not to shed staff but perhaps reduce working hours if needed. Stimulating the economy ensures that unemployment rates do not rise dramatically. People do not have to turn to welfare benefits and charities for support. People who work keep spending and the economy remains relatively strong.

When Mr Keating was Prime Minister, the federal government did not appear to get serious about addressing issues of employment until 1994, some three years after the recession hit. This was too late. Mr Rudd on the other hand reacted quickly and in the haste there were some mistakes. The much criticized insulation scheme was still a good idea. Unskilled workers who were previously on the unemployment scrap heap found a job they could do but the pre-employment training was inadequate. There were also mistakes with some of the building projects. Nevertheless, stimulating the economy the way Mr Rudd did was largely very effective.

It would be tragic if we do not learn from Rudd's successes in handling the global financial crisis in this way. As part of a globalised economy, we are not immune from global economic shocks, it's just that some countries handle them better than others. Things could have been much worse here as we can see from looking at the situation facing Europe and USA and their very high levels of unemployment. In my view, former Australian governments in the 70s, 80s and 90s did not handle their recessions well. Allowing thousands of people to bear the brunt of long term unemployment was a very poor political response to the difficult economic situation most governments found themselves in. Mr Rudd's government did much better.

Mr Rudd's most recent challenge is to successfully introduce a resources super profits tax which targets mining companies operating in Australia. This could well be his Waterloo. It is a bold policy initiative, but it is very risky in an election year. If he succeeds in achieving a dignified result, the election will be his and he will become our first Prime Minister to survive a recession (or whatever we call the global financial crisis). If he fails and Australians choose an alternative Prime Minister, I hope future generations will at least remember what the Rudd government has taught us...at the time of recession, the key imperative is to keep people working.

P.S. (Written after Mr Rudd lost the leadership) We will never know if Mr Rudd would have won his battle of Waterloo. He was deposed by his own troops shortly after battle commenced.