BLOG: Skewed view of ALP obscures reality

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Abstract
As the Labor government lies embattled, ready for a substantial defeat at the polls today, facts about the Australian economy and overseas understandings of Australia's performance over the last six years are emerging. Far from being the basket-case fashioned by the opposition and much of the media, the Australian economy's growth has actually lifted the average standard of living. A study by Ben Phillips from the National Centre for Social and Economic Modelling (NATSEM) shows wage growth has outstripped inflation and produced an economic benefit for the average Australian family that is quite significant. We do not hear much about this side of things, because the opposition wants to paint the Australian economy as one mired in debt and deficit, while the government does not want to appear insensitive by claiming people are better off under its administration.

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Ever since Harold Macmillan told the British people in 1957 “we have never had it so good”, governments have been understandably cautious about describing the positive effects of their economic policies. In terms of this election, however, perhaps the government has been too cautious.

Rudd, to be sure, has sought to remind people of the way Australia survived the Global Financial Crisis (GFC) and pointed to what might have beset Australia had the policies of the opposition been implemented. It appears, however, that his words fall on deaf ears. Nobel prize-winning economist Joseph Stiglitz wrote this week (in an article reprinted in the Illawarra Mercury) that “Most countries would envy Australia’s economy”. The fiscal stimulus implemented by the government, he argued, saved 200,000 jobs. Yet the dominant narrative in Australia about this stimulus is one of gross government mismanagement.

There is a fascinating tale here about how politicians can shape perceptions that are distant from reality. They take events out of context, like certain problems with school halls and a tragic loss of life that accompanied the home insulation program, and that becomes the whole story. The success of the stimulus package gets written out of history. The loss of life in industries generally (take the building trades) gets ignored while a government-sponsored program (one inadequately regulated, it must be acknowledged) gets painted as a total disaster. Yet this program was part of the general package that saved 200,000 jobs. And, like the school building program (disparaged as unwanted school halls) it was not a total failure at all but mostly a success. Schools have halls and homes have insulation where previously there was none. Yet we do not hear about this, just as we do not hear about the strong state of the Australian economy generally.

Unless, of course, we take notice of Stiglitz or read the august English conservative newspaper The Economist. It had this to say about Australia’s Labor government recently: “It has managed the economy well while introducing popular social programmes, including an insurance scheme for disabled people, reforms to schools aimed at raising teaching standards and a high-speed fibre-optic network that is now being laid out across the vast country. It put a price on carbon emissions by introducing a carbon tax in July 2012. Given that Australia is both the world’s biggest coal exporter and heavily reliant on coal for its electricity, this is a laudable achievement.”

That Stiglitz, hardly a radical, and The Economist, genuinely conservative, could share views on the Australian government that fly in the face of what seems to have become common sense in Australia is extraordinary.
Yet it goes to the heart of how successful political propagandising can blind people to the truth. And it also goes to the heart of Labor’s inability to project its successes. Thus it is that success becomes failure, in part because the government was unable to sell its policies. Like it or not, politics these days has become a matter of spruiking, something this government has been woeful at.

Part of the problem is the image of disunity and disarray the Labor Party has put on display regularly. Sadly, also, this is not just image but reality, a reality that has overwhelmed its genuine achievements in government. The Economist put it well “Its internecine strife makes the Chinese Communist party look harmonious - warfare within its ranks has undermined Labor’s governance during its six years in office …”. Despite that, The Economist argues that “Rudd gets our vote, largely because of Labor’s decent record.” The Australian voters seem, however unconvinced that the record is decent and would dismiss as frivolous nonsense any suggestion they have never had it so good.

Thus it is that back in the real world of campaign politics, the Liberal/Nationals have moved quickly ahead, with a 54/46 lead according to Newspoll, a 53/47 lead according to Galaxy, with Essential at 52/48 (even two weeks ago Essential had the parties level-pegging). Journalists are treating the result as a foregone conclusion and there was even post-election Labor leadership speculation in The Sydney Morning Herald on Wednesday. The front page of that paper takes the cake, however, for PR on behalf of Abbott with the headline “I would be an Asia-first prime minister, says Abbott”. There follows a fawning piece by Peter Hartcher. A little over a week ago Hartcher observed “Australians are getting used to the idea of Tony Abbott, prime minister.”

It is not, after all, just News Limited that is priming voters for a change in government and thus helping shape the very polls they so happily report.

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He is the main editor of the labour history journal, Illawarra Unity (http://ro.uow.edu.au/unity/) and the author of A Cultural History of the Radical Sixties in the San Francisco Bay Area (London: Pickering & Chatto, 2013); www.pickeringchatto.com/sixties He is also co-author (with colleague Glenn Mitchell) of a chapter in the recently published Red Strains: Music and Communism outside the Communist Bloc (Oxford: Oxford University Press, 2013); http://ukcatalogue.oup.com/product/9780197265390.do#.UbkvFDurzJw Many of his other publications can be found at Research Online at the University of Wollongong