

The Seinfeld election: a show about nothing

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With the virus abating, and with the confected anger over supposed government inadequacies for compensation owed to those harmed by adverse weather conditions losing topicality – the issues that should be dominating the present election campaign are taxation, spending, energy costs, industry policy, and defence.

The Coalition and the ALP have tried to minimise their differences on these matters.

For its part, the Coalition has little alternative after five years of clothing itself in the ALP policies it claims to oppose. It has been spending in Whitlam-esque proportions since its MPs demonstrated their lack of conservative and free market principles with the calamitous elevation of Malcolm Turnbull to the Prime Ministership.

On energy, the Coalition has accepted the ill-founded populist greenhouse scare that spawned a destruction of traditional sources and electricity. While doing very little to place nuclear power into a more central position that will surely assume in future years, the Coalition has embraced the ALP's coal-killing Renewable energy policies. To these, it has added new spending agendas to cover fantasies like hydrogen power and the \$10 billion Snowy pumped storage facility to help alleviate the shortcomings of the 'energy transition' from reliable supplies that its policies have promoted.

In the case of defence, although it has been edging up spending, the Coalition carries a legacy of having treated this the bulwark of a nation's security as an expendable milch-cow to provide jobs to save vulnerable seats. It only took the issue of National Security seriously with the appointment of Peter Dutton.

The ALP will generally outspend the Coalition. They have also, amidst hollow Coalition criticisms, amplified and re clothed greenhouse policies, citing statements by peak business lobby bodies in support. And, if the ALP experiences failings on defence, it can throw considerable mud back at a government.

Both sides have recognised high-cost housing as a hot-button issue. Labor's solution is one ingrained in its collective psyche – subsidise while taking a share of new home-owners' equity. This gives rise to myriad questions, like how to define and value refurbishments and

renovations, what to do when the owner dies, questions that will give rise to labyrinthian regulations. Moreover, it is based on a model that a family lives in the same house from post-puberty to perdition when, in fact, job opportunity and changed circumstances mean the median family would move house at least three times. The coalition's riposte of allowing first home buyers to use \$50,000 of their superannuation to enter the market is, while not without merit, effectively an increase in future pension outlays.

Understandably, the present campaign has been called a 'Seinfeld election', one that is a show about nothing. That appellation was also used to describe the Canadian 2019 election, which saw an incumbent leftist government challenged by ostensible conservatives who adopted a shallow differentiation of the government's policies – including supporting a carbon tax. The conservatives were trounced by the more genuine article.

All this leaves Australia with a dilemma. In the less than likely event of the Coalition being returned to power, its leaders will see the victory as a vindication of their soft left green policies and continue guiding the nation in this ultimately destructive direction. Should the ALP prevail, they will accelerate the trend to big government, high energy costs and deindustrialisation.

Some reformers maintain that an ALP victory would not be a bad interregnum as the consequent rapid economic collapse would bring back a Coalition reinvigorated with a small government environmentalist reality. Maybe. But the shift of European countries' political parties into stasis consensus and the democratically validated progress of countries like Venezuela and Sri Lanka into a vortex of

declining living standards illustrates that such felicitous outcomes are uncertain.

What is beckoning is a new set of political alignments. The present political duality was forged by the popularity of socialism. This focus has changed with the rise of environmentalism and the Greens as a political party coinciding with the transformation of the formerly expropriationist socialist message.

Labor finds itself threatened on the left by green environmentalism and on the right by its traditional blue-collar supporters increasingly becoming small business people with no class war antipathies. It does, however, share with the Greens the overwhelming support of the burgeoning numbers of public servants.

The Coalition parties also face threats from two directions. They face the Teals version of the Green-left ideology from one side and, from the other, disillusioned conservatives and libertarians, some of which have recently formed an alliance of 'Freedom Friendly parties'.

In the event of a Labor victory, especially an emphatic one, we will likely see a formalisation of the fissures in the coalition parties, which are largely defined by climate and energy policy. Those Coalition MPs supporting environmentalism will likely join with the Teals. Others will likely come together with the rightist parties and would need to develop policy stances. Offering an alternative to mainstream parties' high tax and spend programs would be a priority. Something like a 15 per cent across the board cut in spending (other than defence) with a steep cut in income taxes would be one approach.

A new 'liberty' party would need to bear down heavily on regulation. The issue is epitomised by Gina Rinehart's Roy Hill mine which,

located in the middle of nowhere, required 4,500 different approvals taking ten years. By contrast, at the outset of Australia's mining resurgence 50 odd years ago the Kambalda nickel mine, which transformed Western Mining into a global heavyweight, needed just two approvals. It was producing within six months. This is the outcome of regulatory overkill that not only imposes costs but also weaponizes those in the green left pursuing a war on civilisation.

In contrast to the ALP and Coalition, a liberty party would recognise planning policy as the major cause of high house prices – planners' imposition of their own preferences of urban concentration restricts land for housing, causing a scarcity that is a de facto tax of \$100,000-\$200,000 per new housing block. A federal liberty party government would use its financial powers to force a relaxation of these arrangements, which government planning agencies foist on their docile political masters.

A new liberty party would abolish all fuel subsidies and require new electricity facilities to build their own transmission lines – a rule that was the original intent of the National Electricity Market. This would, in time, once again provide us the world's lowest cost electricity (and gas) prices, an outcome that our fabulous energy resource endowment would provide in the absence of government regulations.

Such a new party would re-create the Menzies approach of forging policies for the benefit of the 'forgotten people'.

At issue is whether they would prove electorally attractive. In the western world only Donald Trump and Tony Abbott have enjoyed success with conservative, deregulatory agendas, and in both cases their policies were imperfect and their triumphs transitory. It may be that the corporate state now has too many tentacles of favours and

redistributions for such policy approaches to prevail. But we need to explore the possibility.