Democracy in decay

By Maurice Newman, The Australian, 22 April 2015

Landing at an Australian airport from a major Asian city leaves you conscious that the look and feel of your destination is significantly inferior to the standard at your departure. Compared to Asia, the facilities pale and a sense of indifference is what greets you. There are no dedicated APEC channels and express lanes are honoured in the breach. The Prime Minister may boast “Australia is open for business”, but you wouldn’t guess that from your arrival.

Hop on the train from Shanghai International to the city and you will travel at 430km/h and be downtown in no time. Choose the wrong time to get from Tullamarine to the Melbourne CBD and see how long it takes?

Of course, airports, railways and super highways alone don’t tell the story of a country’s relative prosperity or prospects. But they can be emblematic of national priorities. In Australia’s case it seems to fit.

As the mining boom fades to bust, tough choices have to be made. The prevailing commentary seems to affirm Australians are stuck in the present. The focus is on which taxes to increase, not which programs to cut. Tomorrow is an orphan. This predisposition was evident when the NSW government limited its leasing of the electricity grid to 49 per cent when it could have leased it all. A spurious union scare that leasing would result in an immediate hike in electricity prices meant a larger, more productive investment in the future was lost. (Does anyone really think we’ll have poles and wires in 99 years?) But that was the decision and generations to come won’t praise its timidity.

Labor, Greens, progressives oppose fiscal responsibility

Yet a coalition of Labor, Greens and other so-called progressives continue to oppose fiscal responsibility. They want to restrict prosperity by increasingly applying handicaps to private enterprise, particularly through workplace laws. They call for the closure of our vital fossil fuel industries. They promote renewable energy knowing the harm it does to manufacturing jobs. They condemn meat consumption because of flatulent cattle, the wool industry because of animal cruelty and cropping because of water usage. Their vision for future generations — North Korea.

The Alice in Wonderland world Westerners inhabit

This is not just an Australian story. It is a familiar tale and typical of the Alice in Wonderland world Westerners inhabit. It’s where hopeless dreamers masquerade as credible reformers and where “progressive” means regressive. It’s where promises of equality deliver greater wealth disparity, where governments are rewarded by how much they spend and how many laws they pass irrespective of the consequences.

In Europe, where the masses have most fallen prey to the progressive spin, jobless youth and the elderly face bleak futures. Democracy is fraying and desperate voters are opting for extreme solutions. Syriza, a radical left-wing party now governs Greece. Podemos a party similarly opposed to austerity and capitalism is finding strong support in Spain. Buoyed by Syriza’s
success Trotskyists are gaining traction in France and Germany. When poverty comes in at the door, freedom flies out the window.

**Barack Obama’s policies are economically damaging**

Barack Obama is promising a similar inheritance to Americans. His health and environmental policies are economically damaging. His administration is responsible for a record flood of regulations, adding to what the Competitive Enterprise Institute estimates already costs American businesses $1.8 trillion a year. Obama leans far to the Left and believes the rich are indebted to the collective for their success. He blames Cuba’s poverty not on Castro’s Marxist policies, but on US sanctions. He clearly has no idea about wealth or how it’s created. However, the politics of envy won’t sustain a superpower, especially one that is so heavily indebted.

The West’s economic decline is feeding into defence budgets and foreign policy. Like America’s greatness, it is falling by the wayside. Obama’s latest capitulation — to Iran’s Supreme Leader, who was told: “Khamenei, I am at your service” — is reminiscent of Neville Chamberlain’s appeasement of Hitler. These are unpredictable times which call for a strong economy to back a confident foreign policy and effective defence capabilities.

**Modi has frozen Greenpeace bank accounts**

Regrettably, we in the West are now discovering the policies we have enthusiastically embraced have led us into an interminable economic and social trap. While we scramble for exits, others are reaching for the stars. China is leaving to the market and the price mechanism the primary task of taking its economy to new heights. India is “re-energising its growth engine” and harnessing its huge demographic advantage. As industrial output grows, India is set to become the world’s largest importer of thermal coal. Prime Minister Narendra Modi is on a mission and has frozen the bank accounts of Greenpeace on the grounds the activist organisation “was working against India’s economic interests”. He is determined to lift the Indian people out of poverty as quickly as possible and won’t tolerate outside interference.

**It is difficult to accept we are falling behind**

Our region is renowned for what nations can achieve, even with limited natural resources. Their successes were neither inevitable nor accidental and, while our systems may differ, they demonstrate a strong sense of national purpose from which we can learn. And learn we must. It would be foolish to think our living standard and way of life will somehow remain unimpaired regardless of economic fortunes. They won’t. Perhaps after 23 years of uninterrupted growth it is difficult to accept we are falling behind. We may need a considerable jolt to accept the institutional and attitudinal changes necessary for change. But with an unshakable national will, we too can reach for the stars.

Who knows, given time, we may even find close neighbours are better than distant relatives?

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