



Peter Dutton Will Not Solve The Existential Crisis Of The Liberal Party

Publish Date:

August 2018

[Tuesday's Liberal leadership ballot](#) settles nothing. Malcolm Turnbull's victory margin of 48 votes to 35 practically guarantees another challenge to the Prime Minister, if not from Peter Dutton than from any number of contenders.

Neither does yesterday's vote settle the fundamental question the Liberal Party has been grappling with since the [retirement of John Howard and Peter Costello](#). For a decade the Liberal Party has struggled with the question of what should be its philosophy and its principles.

It is undeniable that over the last 10 years, the Liberal Party and its policies have drifted from the free market and centre-right towards the centre. When a political party of the centre-right moves towards the centre, by definition it is moving towards the left.

Political commentators play up the differences between Malcolm Turnbull as a 'moderate' and Peter Dutton as a 'conservative', and while there might be differences of policy emphasis between the two, the reality is that the main factions of the Liberal Party are on a unity ticket when it comes



to the direction of the party.

Traditional party values

The so-called 'Praetorian Guard' of the 'right' in the federal Liberal Party, Peter Dutton and Mathias Cormann, have aided and abetted the Liberals' embrace of higher taxes and higher government spending. And on issues that are supposedly important to 'conservatives' like freedom of speech, Dutton or Cormann have said nothing.

The Liberals have endorsed the massive social welfare programs first advocated by Labor, such as the so-called 'Gonski reforms' and the national disability insurance scheme.

To pay for this new spending the Liberals have increased income taxes, levied special taxes on the banks and attempted to retrospectively impose higher taxes on superannuation.

[Key sectors of the economy such as finance and banking, and energy, are now subject to a level of government control that's unprecedented.](#) The Liberals have shunned undertaking any major reform to either industrial relations or the level and extent of red tape. Cutting company tax, while a worthwhile initiative, seems to be the only economic policy of the Liberals to speak of.

[Meanwhile the Liberals have steadfastly refused to engage in any sort of debate about changes to the the direction and nature of the country's culture.](#) The Liberal Party is afraid to defend either freedom of speech or freedom of religion, and most Liberal MPs are unwilling to confront growing community unease about rapid population growth, immigration and levels of cultural cohesion.

Policy priorities

Peter Dutton might win more votes for the Coalition in Queensland than Malcolm Turnbull, and that's certainly a good enough reason for 35 Liberal MPs to vote for him, but as yet it is unclear what government policies would change if Dutton instead of Turnbull were prime minister.

No doubt Dutton will have the chance to ponder this in the coming weeks as he contemplates whether to challenge Turnbull again.

[Dutton will have to decide for example whether he would take Australia out of the Paris Climate Change Agreement,](#) whether he'd abandon company tax cuts and put the money into personal income tax cuts instead, and whether he'd abolish the Australian Human Rights Commission. If he didn't do these things, as a minimum, there's no point him becoming prime minister.

Whether he could actually get any of these policies through the Coalition party room, let alone



Parliament, is beside the point.

The point is that at least he'd be arguing for them and he'd create a point of difference between the Liberals and Labor. At the moment that point of difference is barely discernible.

What's happening to the Liberals in Australia is not very different from the situation facing the Conservative party in Britain.

The senior echelons of the parliamentary party feel they must follow popular opinion down the path of more government intervention in the economy and a bigger role for the state in civil society.

MPs feel they must pursue this strategy to get re-elected. Rank-and-file party members, the so-called 'base', are resisting.

Here in Australia climate change policies are the touchstone issue, while in Britain it's Brexit.

In the same way as the Tory leadership in Britain has tried to turn Brexit into merely a technocratic matter, rather than an issue of principle, the Liberals have happily argued around the finer points of the National Energy Guarantee without answering the question of what effect implementing the NEG will have world's climate.

Lost in details

In years to come political historians in this country will ponder how it could be that a prime minister could nearly lose their job over the question of whether a government-mandated reductions in carbon dioxide emissions should be enforced through legislation or regulation.

Seemingly this is the narcissism of small differences, but it is precisely because they have lost the willingness of fight to either each other or the Labor party over big issues, that they fight over small issues.

Since John Howard lost the prime ministership in 2007, the Liberals have avoided asking themselves whether they want to join with Labor in leftward drift of politics and policy in this country because they actually believe that is the direction in which Australia should be heading, or because they feel there's no viable alternative to bigger government and higher taxes.

Democratic politics always involves compromise, but what's happened to the Liberals in recent years is that they've stopped arguing for their principles.

The idea that a Liberal government would, to use the exact words of ministers, wield a 'big stick' and not shirk from 'heavy-handed intervention' against energy companies who are deemed to be charging too high prices sits oddly with the alleged free market principles of the Liberal Party.



Energy companies are doing nothing more than responding to the policy settings that the Liberals themselves have determined.

Peter Dutton or anyone else becoming prime minister between now and [when the Coalition is likely to lose the federal election](#) won't solve what is verging on an existential crisis for the Liberals.

Original Link:

<https://www.afr.com/opinion/columnists/peter-dutton-will-not-solve-the-existential-crisis-of-the-liberal-party-20180821-h149hg>

Originally published in:

The Australian Financial Review