

From the Editor

Chris Berg

It's not too often that we can look enviously at the political state of a country buried deep in the European Union. Brussels is not just the capital of Belgium, but it is also the *de facto* capital of the EU, hosting the European Commission, the Council of the European Union, the European Council and one of the seats of the European Parliament.

So it is either fitting or ironic (I can't figure out which) that Belgium has now been, for more than six months, without a government to call its own. As we quietly recover from the shrill hangover of the 2007 federal election, it's worth considering how Australia could have been if *no* government had been successfully elected in November.

Since the 10th of June, Belgian politicians have been—at least as this edition of the *IPA Review* goes to press—unable to form a government coalition. This failure is the result of the adversarial relationship between French and Dutch speaking political classes, in particular, from the demand by Flemish nationalists for more autonomy over taxation and welfare policy in Flanders (a region that has traditionally favoured centre right parties; the francophone region of Wallonia appropriately prefers their politics to have a more socialistic flavour.) The former government remains in power, but only in a caretaker capacity, and the semi-former prime minister is set to step down once a replacement government is available.

Sure, not having a government has its disadvantages. The great economic reforms which have propelled Australia up the ranks of economic performance would not be possible from a government that couldn't get out of caretaker mode. Similarly, the important reforms Australia needs—workplace changes which deliver deregulation rather than centralisation, the sale of remaining government enterprises, reform of communications and occupational safety regulation, corporate and financial services deregulation, and so on—all require a rather active government.

But on the positive side of the ledger, having no government also means having a government that can't mess things up. Governments cannot extend their reach into the economy without a capacity to legislate.

Indeed, as Belgium is a central member of the EU, no government also means no government able to increase its international obligations. As the Flemish free-marketeer Paul

Belian has written, the inability of the Belgian Parliament to approve European Commission directives means that 'in its hour of ungovernability Belgium is now more sovereign than it has been in the past 50 years.'

This special edition of the *IPA Review* arrives in newsagents and letterboxes at a significant moment for the cause of limited government and open society in Australia. At the dramatic end of a nominally liberal/conservative government, we have assembled the nation's best liberal and conservative commentators to try to describe the legacy of the Howard government and the causes of its demise. But more

importantly, this *IPA Review* engages with the question—what next for liberalism? Has the cause of liberty advanced or retreated over the last decade? What are the next steps?

This edition also contains the full complement of non-election related commentary. Sam Gregg engages with Christian leaders who would ignore or reject free market economics for a socialist Christianity, Paul Monk holds anti-nuclear campaigners up to the harsh light of logic, and Chris Murn tries to host a Christmas

street party. Pieces by Alan Moran, as well as Sinclair Davidson, Alex Robson and Chris Textor, dig further behind the claims of price-fixing by Visy and Amcor and reveal that not every criminal has committed a crime.

Even without a functioning government, Belgian government services continue to be delivered. Rubbish is still collected, social security payments are provided—even, as Paul Belian points out, taxes continue to be collected. While the government is in caretaker mode, government activity cannot be reduced, but neither can it be extended.

As a result, the promises of more pork and populist extensions of middle class welfare which characterise Australian federal election campaigns may, indeed, obscure the fact that when the federal government is in caretaker mode for the election, that could be the best six weeks that government ever has. Cynics should hope for stalemate and inertia.

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