Introduction

The first three terms of the Howard government had produced a somewhat mixed record in relation to Commonwealth-State relations. The implementation of the ‘new tax system’ in July 2000, with the entire yield from the new Goods and Services Tax thereafter dispatched to the States as untied revenue, had effected a landmark shift in fiscal federalism in favour of substantially greater State-level financial flexibility and autonomy. On the other hand, the first three terms had also provided insights into and rehearsals for what was to become, in the fourth term, a clear centralist orientation (see Parkin & Anderson 2007).

A key contextual factor was the extraordinarily polarised and extraordinarily stable intergovernmental partisan balance: for its entire fourth term (as indeed it had been for nearly all of its third term), the Howard Liberal-National Coalition faced entrenched Labor governments in every State and Territory. This can, however, only be a partial explanation for the notable centralist shift. A deeper explanation also needs to take seriously Prime Minister Howard’s understanding of and commitment to a new conceptualisation of conservative nationalism.

In April 2005, six months into his fourth term, Howard evidently thought it timely to set out the parameters of this new conceptualisation, through an historical and philosophical interpretation of Australian federalism. ‘I am’, he said, ‘first and last, an Australian nationalist’, somebody who has ‘never been one to genuflect uncritically at the altar of States’ rights’. Some form of federalism, he conceded, was an entrenched Australian reality –‘the federal structure of our nation will remain’–but that entrenchment seemed to be its principal claim to legitimacy: ‘if we had have our time again, we might have organised ourselves differently’ (Howard 2005a).

This argument–both its vocabulary and its intent–was to become a familiar one. Here is Mr Howard explaining in late July 2007 his decision to proceed to seek an imposed Commonwealth regime on the Murray-Darling Basin: ‘You’ll only solve this problem if you effectively obliterate the state borders. This is something that transcends the parochial interests of the states. … I mean, we are [a] nation, we are not a collection of states and the Australian people are tired, sick and tired of state parochialism on issues like this’ (Howard 2007a). A month later, he took the argument a stage further: ‘Aspirational nationalism’ was his proclaimed goal, and a re-elected fifth-term Howard government office would be ‘applying this spirit to the governance of the Federation’. While this would sometimes involve leaving policy areas entirely to the States, and sometimes would involve co-operative federalism, it would also on other occasions ‘require the Commonwealth bypassing the states altogether and dealing directly with local communities’ (Howard 2007b).

This articulation of ‘aspirational nationalism’ served at the time as a justification for the provocative intervention by the Commonwealth into Tasmania’s health system to ensure that Devonport’s Mersey Hospital (in the marginal electorate of Braddon)
remained open. To dismiss it as an expedient piece of rhetoric for short-term political purposes would, however, overlook its resonance with the kind of Commonwealth-led reconfigured federation that has been emerging during John Howard’s decade in Prime Ministerial office. It was not the ‘nationalism’ element that was new in the 2007 version; this had been foreshadowed in the 2005 speech and elsewhere. Rather it was the complementary endorsement of ‘localism’–the commitment to ‘town and team, neighbourhood and network’–as, with ‘nationalism’, one of the ‘two powerful trends in Australian society today’. There was apparently not much room for the middling level of the States in this world of ‘nationalism’ and ‘localism’: ‘the old rigid state monopoly models for health, education, employment and welfare services have become increasingly obsolete’ (Howard 2007b).

References


