

Turnbull calls for 'stability', but his ideology is the cause of Brexit.

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The Prime Minister has made a new pitch in the wake of the UK's historic vote. But those who think like Malcolm Turnbull are not the remedy to the chaos. They are the cause, writes Ian McAuley.

“There must be a very big lunatic fringe in the UK”.

This was one lady's response to a roving journalist in London seeking comment on the Brexit vote. It's not clear whether her comment was genuine or sarcastic – perhaps she was deliberately ambiguous, because worldwide people are scratching around for an explanation.

There is no one explanation – a lunatic fringe is only one of them.

There are those who believe that England's greatest days were when they were fighting the French at Agincourt or the Germans on the Normandy beaches. The generation who remember the horrors of the 1939-1945 war have almost entirely passed away, leaving in their wake the mythology of military glory.

Some, whose travels have never taken them beyond Frinton-on Sea, celebrate their insularity. These are the people who speak of “Europe” as some other place where dwell people who speak strange languages and don't enjoy roast mutton with three boiled vegetables.

Then there are the pitiful remnants of the aristocracy and wannabe aristocracy, who hold to British exceptionalism, who cannot quite come to manage the metric system (a Napoleonic impost) and who bemoan the comparative absence of Anglicans and Eton alumni in the Brussels bureaucracy.

But such crazies and eccentrics, even though they may be over-represented in Britain, do not add up to a voting majority. There are other more widespread issues and they are no less relevant to us in Australia than they are in the UK (or what will be left of it once the Scots and Irish go through their own exits).

One is immigration. In any country it is easy for the far right to play on people's fear of the outsider. In Britain the UKIP's propaganda was disgraceful, reminiscent of Nazi portrayal of Jews as vermin. We have our own shameful history of “White Australia” with imagined Asian hordes descending on our fair land, and policies towards the original owners that have ranged from turning a blind eye to genocide through to a patronising tolerance.

In the current election campaign, while the benefits of immigration have been largely unquestioned, it's been convenient for the government to conjure images of boatloads of asylum-seekers coming “thick-and-fast” (to use Fran Kelly's descriptor) to take our jobs and impose Sharia law on us.

The other issue, relevant to all countries that have gone down the path of globalisation and neoliberalism, is that many people feel that they have been left behind economically.

In countries where all the benefits of economic growth have been captured by small elites many have indeed been left behind. These are the people who once formed the solid support base of the UK Labour Party, and who now feel betrayed by the whole political process. These are the people John Pilger writes about in his New Matilda article about Brexit.

As Robin Niblett, Director of the Royal Institute of International Affairs at London's Chatham House said, it's not so much that they want “out” of the EU. Rather, they want out of an economic system that's left them behind.

They will rally behind any populist movement offering simple solutions to their plight and a vent for their frustration. The Brexit referendum provided the chance for them to have their voice heard. Unfortunately, the EU has taken the blame, even though within it are countries such as Sweden and Denmark that have maintained very decent social democracies within EU rules. It's a problem of guilt by association – association of the EU with the neoliberal policies of Blair and Cameron.

In Australia, those same people want to have their voice heard in the coming election.

The Coalition has seized on the Brexit vote to urge voters to re-elect the Abbott-Turnbull Government. “We have to recognise that we’ve got to make sure that we have stable leadership, an economic plan, stable government,” said Turnbull after the UK vote became clear.

Liberal Party strategists are relying on a perception that the Coalition is seen as more competent than Labor in economic management, and therefore we need their prudent economic hand in coming tough economic times.

That perception of the Coalition’s competence arises not only from Murdoch media propaganda, but also because Coalition governments happen to have held office in times of economic calm, while Labor has had the extraordinary misfortune of being elected just before global economic disruptions – 1929, 1975, 1983 and 2007. A Coalition victory in the coming election would be a historical first, for it would be the first time it has been challenged to manage in difficult times.

What the Liberal Party cannot understand, or more probably does not want to understand, is that their own policy path of “trickle-down-economics” has led to the political revolt we’re witnessing in the UK, and to the rise of Trump in the USA.

It’s a path Thatcher and Reagan first embarked on in the 1980s, but which was soon followed by most policy elites, including nominally “labour” or “socialist” governments worldwide. Shrink government, pursue “business friendly” policies, reduce taxes (particularly for the supposedly enterprising rich), and the ensuing economic growth will ensure prosperity for all.

As an economic philosophy it’s meaningless, because it rests on the proposition that the distribution of the benefits of economic activity does not matter. Empirically it has been found to be a failure, because capitalism relies on a well-paid workforce able to afford its products. And as we’re witnessing in the UK, it’s a political failure.

Here we don’t have anything as economically destructive as Brexit to fear, but we do have growing political disillusionment. In the 2013 election such disillusionment was manifest as a surge in support for Clive Palmer and his short-lived party. Now, in the Senate, there’s a Melbourne-Cup field of discontents – and I’m not referring to the reasonably established players such as the Greens and the Xenophon team.

Contrary to the view that Brexit should be a godsend for the Coalition, if they play their cards well, the parties of the Centre and Left (Labor, the Greens and the Nick Xenophon Team) should be able to expose the consequences of Turnbull’s “trickle down economics”. We need an economics of inclusion, ensuring that the benefits of economic growth are shared more equitably (and that the pain of economic hardship is shared), and that the public sphere is valued no less than the private sphere.

It could be too late for Britain – the Brexit vote may have established that island as Europe’s lunatic fringe. But in Australia we still have a chance to reject the extremes of neoliberalism, before those who are left behind flock to an Australian version of Trump, Farage, or Johnson offering disengagement, isolationism, and protectionism as solution to their discontent, rendering our island nation the “lunatic fringe of Asia”.