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# POLICY PERSPECTIVES

**Crisis Management-Introduction**

**The Howard Government Experience, 1996–2007**

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# MANAGING CRISES: THE HOWARD GOVERNMENT IN RETROSPECT

David Lovell

**DEALING WITH ADVERSITY IS THE DEFAULT POSITION of contemporary government. Unexpected, unwanted and unanticipated events are almost daily occurrences.**

The reach of government now extends so far into our lives that citizens expect it not just to create a framework for individual flourishing (the traditional role of ensuring order and security), but to anticipate and defend against disasters great and small, natural, social and economic, and clean up and make right when the 'unthinkable' happens, as it so often does.

Indeed, popular expectations are such that government responses are rarely deemed either timely or adequate.

The language of crisis has consequently become the staple of day-to-day partisan posturing, whatever the issue. Yet adversity, despite media headlines and the insistence of Oppositions, does not equal crisis.

## **Real crises happen when governments mishandle adversity**

Maladroit government responses are caused variously by inexperience, secrecy, arrogance (and its cousin, denial), inattention and, at worse, incompetence.

The record of the Howard government (1996–2007) is instructive in separating real from confected crises. Adversity aplenty, crises not so much.

That John Howard had been a minister in the Fraser government meant that he had a feel for the tempests of office. His sure-footedness increased along with his tenure.

The Howard Government faced a number of acute challenges, from the beginning of the 'war on terror', the (almost simultaneous) collapse of Australia's second airline, Ansett, through the threats to border control, to the scandal of the Australian Wheat Board's dealings with Iraq's leader, Saddam Hussein, and the waterfront struggles of Australia's stevedoring companies against union control. Few of them festered into crises.

The first test came just eight weeks after Howard won government. The Port Arthur massacre in April 1996 crystalised sentiments against the widespread availability of firearms across Australia. Howard acted quickly, decisively and with clear intent. He coordinated with his Coalition partners and the states. He spoke directly with the people.

Sending Australian troops to Timor-Leste as part of INTERFET in September 1999 to protect the local population who had decided on independence from Indonesia was a decision fraught with danger for our forces and damaged Australia's relations with our largest neighbour.

September 11, 2001 was another such inflection point, when the terrorist attacks on the United States led Howard to invoke the ANZUS pact for the first time ever. This was uncharted territory that had the potential for a civilisational split between Christianity and Islam, which the Islamists had hoped to engineer. The Bali bombings in October 2002, killing 202 (including 88 Australians), was part of

that terrorist offensive, but Howard's measured responses helped bring Australia and Indonesia closer again.

Apart from the Millennium Drought (2001–9), natural disasters were episodic and localised: the Thredbo landslide in 1997, the Sydney hailstorm in 1999, the Canberra fires in 2003, Cyclone Larry in north Queensland in 2006, and the Newcastle floods in 2007. While each of them revealed serious shortcomings, especially in equipment and communications, none called into fundamental question the structure of emergency responses, or government policy settings. The drought, by contrast, led to the 2007 National Plan for Water Security.

Adversity, however, comes in different forms, from the contingent, acute challenges we readily dub crises, to systemic social, economic and other processes where the term is also fitting.

The deep-seated crises facing the Howard government, which erupt in episodic disasters still today, have for decades been the subject of growing concern and makeshift policy 'solutions'. They are notable in indigenous affairs (which led, *inter alia*, to the Northern Territory intervention in 2007), in aged care (marked by the kerosene baths affair in 2000), and in the regulation of corporate governance (brought into focus by the collapse of HIH Insurance in 2001, perhaps the largest corporate collapse in Australia's history).

The challenge in these areas was, and remains, less about making a rapid response to an emergency than about addressing policy-makers' own long-term perspectives and assumptions. As Howard himself said in October 2007, for example, indigenous disadvantage was something he struggled with during his entire time as prime minister, and his way of looking at, and responding to, the crisis was 'an artefact of who I am and the time in which I grew up'.

Good government is about managing adversity well. It is about understanding the capabilities available; and about being nimble, open, direct and effectual. Sometimes it means looking at underlying problems with new lenses. Crises can help to re-set a debate, or re-frame a policy.

Governments must learn from managing crisis events: not so much establishing high-profile inquiries that often divert attention and delay action, but incorporating lessons into everyday practice. In more than eleven years in government, Howard called only three Royal Commissions and two Commissions of Inquiry.

In managing the adversity that came its way, Howard's government has a deserved reputation for competence. But its shortcomings are also instructive. It is a record worth exploring today.

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