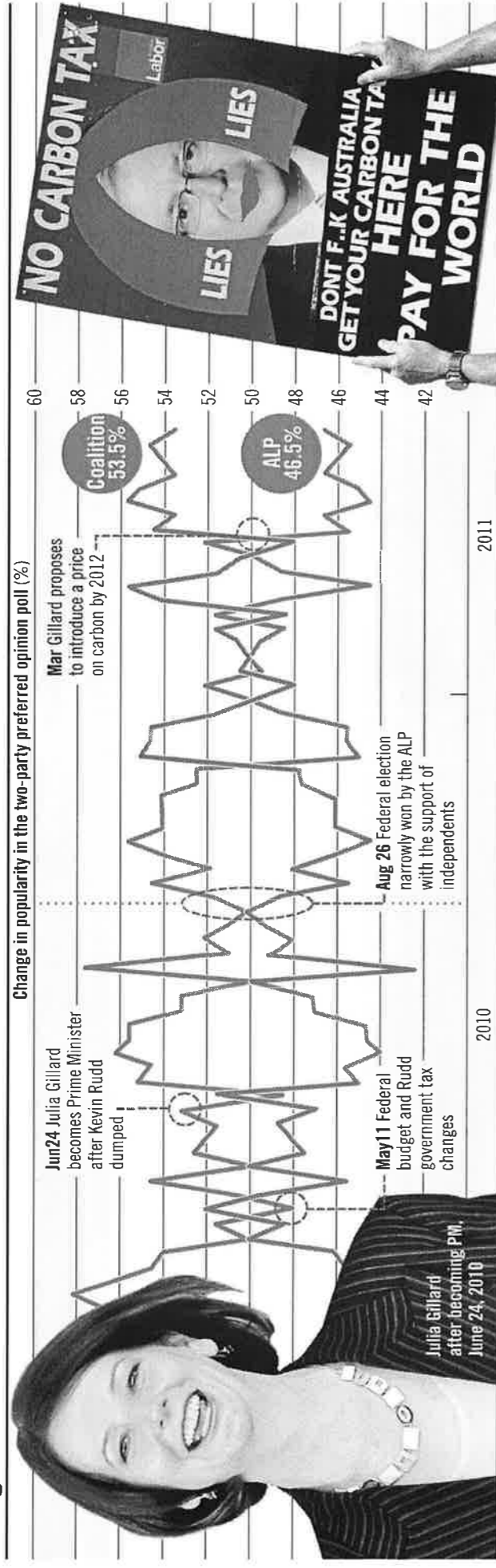


## Losing bet



# Gillard gamble: a winter of discontent

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the long term, comforting themselves with the idea the Gillard government will run its full term, with independents' support, and still have two years to resolve the critical issues of asylum seekers, the mining tax and a carbon price.

Having done that, the optimists argue, Gillard would at last be free of the burdens she inherited when she toppled Rudd last June, and thus be able to rebuild Labor's stocks sufficiently to stumble over the line ahead of Tony Abbott.

Alternatively, there are those MPs who say the government's only prospect is a crushing defeat next election and that they are therefore determined to make the most of their time now to be a good government.

The mood should have been improved by the Coalition's own leadership troubles over the past week. But instead it remains grim.

One reading of these developments is that it is a turn for the better for Australian politics: that Labor has learnt the hard way the price of political expediency.

Another view is the caucus has not yet been able to come to terms with the implications of getting rid of Rudd, both for the government's prospects and the party's future.

Labor faces annihilation at the next federal election and, as a result, the spectre of "wall to wall" Coalition governments across the country. Western Australia fell, NSW was a catastrophe and Victoria was unexpectedly lost. Labor is not expected to hold on at the next polls in South Australia, Queensland and the Northern Territory.

The relentlessness of the national political cycle must mean that there will come a point in the next few months at which MPs will have to consider the two options confronting them, which Woody Allen might have described as "death by murder" or "murder by death".

Those two choices will be to stay with a leader unable to revive the party's fortunes and who has failed to persuade voters or colleagues that she has the political authority and the public standing to remain prime minister, or to move to another bloody coup and gives the national party its best chance to stay afloat.

The givens in Labor politics since last year's election rest on the idea that Gillard may be in deep trouble with the electorate but Labor has absolutely no choice but to stick with her.

There are the obvious reasons for

such a view. The party has now seen what happens when it blows a first-term leader out of a job. As a result, it doesn't believe it can afford to do it again. Equally, its place on the treasury benches relies on the support of a series of deals signed by Gillard with the independent MPs and the Greens. A change of leader would mean an entire new negotiation on minority government.

A whole generation of up and coming powerbrokers also invested their support and prestige in the decision to topple Rudd and install Gillard. They would suffer a devastating loss of face if there had to be an admission that they had got it wrong.

But the picture that is emerging of an awful Labor primary vote weighed down by a vitriolic dislike of the leader by voters, leaves Labor confronting not just a "NSW disease" style dilemma about its leader but a more profound question about its very survival.

Labor's current tragedy has moved beyond one in which ruthless figures simply plot to replace leaders as their poll ratings fall.

Many of its members believe that the haemorrhaging of its membership base, its failure to show any policy courage or core beliefs, and the rise of the Greens all pose an unprecedented threat to the party, which it has until the next federal election to confront.

That puts a unique weight on the question of who is the party's next leader and where that person will lead the party.

Many in Labor's ranks will shrug their shoulders and tell you that they are stuck with Gillard because there are no alternatives.

The two contenders expected to fight it out for the top job some time in the future — Bill Shorten and Greg Combet — are not yet options.

Wayne Swan — despite the greatest dreams of the Australian Workers Union — does not have clean hands on the carbon price issue.

Then there is the candidate who is blindingly obvious to the electorate at large but who still remains largely invisible to his caucus colleagues: Kevin Rudd.

A Rudd return to the leadership is simply incomprehensible to most of his colleagues. It's not just that it would require the public acknowledgement they got it wrong, but that they'd been manipulated by the "faceless men".

It's much less a concern about Rudd retribution were he ever to make it back to the prime ministership.

It's that the memory of how Rudd ran things and the fact that many



PHOTO: ANDREW SHEARGOLD

## The question is can Kevin Rudd achieve a comeback?

still hold him responsible for all that has gone wrong for Labor both before and after the 2010 election still creates a real and resonant anger.

But there is a big disconnect between the views of the caucus and the views of voters, as reflected in the opinion polls.

And there is a potent argument that, with so much of the angst directed against Gillard being linked to outrage over Rudd's removal, the only leadership change

power shift in the history of the Labor Party.

It would be linked to a last desperate attempt to wrest one of the world's oldest democratic parties back out of the hands of a small group of self-interested factional leaders, and could be done on a platform that played to the people-power theme.

To the chagrin of his colleagues, the former prime minister pushed hard earlier this year for the release of the still confidential report into



**The two contenders expected to fight it out for the Labor Party's top job some time in the future, Bill Shorten, left, and Greg Combet, are not yet options.**



that will have a chance of working for Labor — if there was to be one — would be a return to Rudd.

For those in the Labor Party who do not discount a Rudd return — and there are a few who believe it inevitable — it would be an exercise in people power. Voters' views would have overridden the factional primacy of the faceless men.

By its very nature, it would short-circuit the traditional mechanisms of leadership change for it would represent the most unorthodox

the last election campaign — and into plans to reform the party by elders Bob Carr, Steve Bracks and John Faulkner.

An unspoken opportunity exists at present — for someone willing to take it — to capitalise on the broken credibility of the Labor warlords to reclaim the party.

Someone running a platform that pledged to drive the Carr-Bracks-Faulkner reforms through the national conference scheduled for later this year could help bring

members back to the party and voters back to Labor from where they have been camping with the Greens.

This all remains a pipe dream at the moment, but it cannot be discounted.

The obvious, and rather major, problem standing in the way of another leadership change is the utter lack of will in the caucus to confront political reality, let alone a change back to Rudd.

Equally, a bitter former prime minister would expect at the least to be drafted, dragged unwillingly back into the fray, by a delegation of warlords on their knees, waving palm fronds and scattering roses.

Some of the assumptions given as reasons why Rudd's comeback is impossible are shaky.

Rudd has a good relationship with most of the independents, and particularly, a quirky one with fellow Queenslander Bob Katter.

There would be no particular reason to think the independents would not continue to support Labor if the new leader pledged to commit to the same deals that had been struck with Gillard.

The same is not so true of the Greens. Greens leader Bob Brown complained bitterly of his lack of access to the prime minister during Rudd's time in office.

Under Rudd, Labor's political strategy on climate change was to isolate and diminish Brown.

The Greens — who will hold the Senate balance of power from July 1 — represent a real hurdle for Rudd to overcome beyond those he faces with his own party.

Yet much has changed in the dynamics of the climate change debate. The Greens themselves have had to become more flexible in their approach in recent weeks.

Rudd's comeback could allow Labor to get itself out of the whole carbon tax-broken promise mess and change those dynamics even further.

But that would require the caucus to make a decision on the leadership sooner rather than later — opting not to proceed with carbon tax legislation, which should be coming to the Parliament in two or three months' time.

Like Malcolm Turnbull, however, Rudd's best prospects in the short term lie in not being seen to make trouble for a government that makes enough of its own.

He needs to rebuild bridges with his colleagues, and persuade them he is capable of learning where it all went wrong in the first place.

Whether either he or the caucus are capable of such a leap of faith remains the most compelling story in national politics.