Decisions, decisions . . .

February 23 2003

The Prime Minister is playing cat and mouse, while his friend Shane Stone is tweaking Peter Costello's tail. Michelle Grattan explains.

John Howard could not have been more definite on how indefinite he is. "I haven't made a decision about my long-term future," he said on Friday.

It seems extraordinary. Or could he be splitting hairs? Might this be like saying Australia has not decided to commit those pre-deployed troops to a war - a distinction between form and substance?

A cheap and obvious shot perhaps, but it is hard to believe that Howard, who has mapped and managed a career so doggedly and with such purpose, has not sorted things out in his head as he approaches his 64th birthday. Voters will be cynical if, when he finally announces what he intends to do, he says he had it in mind all along.

Meanwhile, we can only accept his word that his future is a work in progress and that he will not be thinking about it while the Iraq crisis lasts. Yet last week, with the country on the brink of a war, Howard and his good mate and party president Shane Stone threw petrol on the always tinder-dry leadership speculation.

First, Howard particularised a general political observation when he said that if voters were unhappy, they could throw him out at the next election. Then Stone popped up saying Howard had urged him to run again for president (Stone had been expected to move on).

Third, a report in *The Australian*, coming after the writer had been at a Lodge dinner at which the PM's future travel was apparently discussed, said Howard would remain at least until the end of the year.

Speculation in some Canberra circles says Howard is extending the time for deciding his future from around his July birthday to late in the year (he has at various times been woolly about the precise deadline). Those around him, however, say that if the Iraq crisis has passed by his birthday, it would remain a salient date. As one source said, "Until the PM says it's inoperative, it's operative."

In face of all this, the Costello camp is holding its nerve and its discipline. Its temper is something else. Costello's anger at Stone's failure to consult him was palpable. Stone is the author of that infamous leaked 2001 memo that blamed the Treasurer for many of the troubles then besetting the Government. He is disliked and distrusted by Costello. It did not escape the Costello forces (or Howard's office) that Channel Nine's Laurie Oakes broke both the memo story and that about Stone staying on.

Howard sources say Stone's going public last week (well before close of nominations) was not done in cahoots with the PM or his office.

But both Howard and Stone know Stone is a red rag to Costello. When the PM and Stone had their chat about a new term for Stone, Howard should have talked to Costello immediately, or made sure

Stone did. Stone told AM: "I discussed very widely with a number of my colleagues about whether I should continue . . . the Prime Minister was of the view that I should . . . "

And Costello? "Well, I deal essentially with the federal executive members of the organisational wing," Stone said. "I've not discussed it with Peter, and you wouldn't necessarily expect me to do that."

Really? Not when the two have had such a difficult relationship? Not when the Treasurer is deputy Liberal leader and might become PM on Stone's watch? Not when Costello is on the federal executive? A scintilla of nous would have had Stone pre-warning Costello.

Costello barely contained his bile on Friday. The federal presidency was "not a significant job in terms of campaigns"; Stone's main role had been "to chair the federal executive"; he had done that "quite well"; if he wanted to continue in that job, "there is probably a role there for him". As for Stone's failure to speak to him beforehand, "I think somebody who wanted to engage in wide consultation would have spoken to me."

The Treasurer was more oblique, but his message clear when questioning went to the PM's future. "Mr Howard has indicated that he's going to give some consideration to things later in the year and I have indicated that that's fair enough, and accordingly I'll wait to see what the outcome is."

Costello's patience is under extra stress because he is looking marginal to the main game just now and getting limited exposure; there is the danger that his political prime could slip away.

It would be absurd for Howard to delay his decision beyond July, or the end of a war if that is later. To say that he would think about the matter in December would prolong needlessly this uncertainty. Could Howard justify dithering? It would be another matter if he announced ahead of time that he would quit in, say, January, although that would leave him a lame duck. If, on the other hand, he does want to fight another election, he should be upfront about it as soon as possible. Delays, evasions and U-turns could make him look like Bob Hawke in his less-than-best days.

There is nothing indefinite about Simon Crean's intentions, although the same certainty cannot be brought to the question of his future. He declares at every turn that he is there for the election. But colleagues seize any opportunity - last week's indifferent Newspoll just the latest - to tell journalists he is hopeless.

Crean admits the Newspoll figures were disappointing, but insists his colleagues should understand it was counter-intuitive. Also, the poll suggests that at an election held now the Coalition would have won 51-49 per cent on a two-party-preferred basis - about the same as in 2001: in all the circumstances, not surprising.

But Labor ranks are perennially unhappy with Crean. Even minor things rankle and ambitions burst out at every turn. Thus, in last week's mini-reshuffle, the "hard" Left resented that Crean had allocated the "soft" Left a parliamentary secretaryship previously held by the "hards".

Meanwhile, Victorian Lindsay Tanner was reported in yesterday's Age as keeping his name in the ring for the leadership battle - the one after the election. But isn't Labor supposed to be trying to win that election so Crean becomes PM?

Not even impending war can silence the leadership chatter. Indeed, Crean's failure to do better out of the community sentiment for peace accounted for the latest sniping. But Crean has dug in and challenged the critics to confront him and, by implication, to come and get him if they dare. He has spent a lifetime in trade union and political fights. He has judged that his critics do not have the candidate (of which there are too many rather than too few) or the numbers to beat him.

find itself in any one of several complicated scenarios. On war or in peace, Crean battles to cut through to the public or connect with people (messages have been drowned out, muddled, or failed to resonate). The overt and continuing doubts about him among colleagues make it that much harder.

The average swinging voter thinks that if Labor itself is so critical of Crean, why would I support him? Failure to get traction in the electorate then leads to more internal criticism, feeding back into electoral difficulties. Unless he can win party unity, Crean can make little progress.

One interesting new development is that Kim Beazley, previously unsure whether he would run another term, said yesterday that he is "more likely than not" to do so. Beazley recently declined a frontbench position, partly because his seat's future was in doubt, but also because he felt he might end up coming into well-publicised disagreement with the leadership. The post is no longer on offer, but Beazley says that in his mind the same risk of potential differences would apply.

Of the alternatives to Crean, Beazley has come to appear to be the most viable. Now he says he expects to stay on he is there as an option although, like the rest, as things stand, he wouldn't have the numbers. Nor is there a guarantee that he would have a greater chance than Crean, although Beazley's warm personality could make for an interesting contest against Costello.

Even Beazley's close mates would not want him in the job unless they thought he could win against whoever was PM; nor would they want him there prematurely. And Beazley would eschew a fight for it, which, given Crean's determination, he would have to have.

The former leader would only desire to make a comeback in the way that Howard did in 1995 when the Liberals decided Alexander Downer could not win and he stepped down. But giving up an ambition is not Crean's style.

For Labor, the leadership has become like a sore tooth that keeps niggling a party that cannot decide whether it can be filled or should be extracted.