



# Ford closure - time for a new direction for manufacturing

Bob Briton

Industry Minister Greg Combet foresaw the end of Ford's vehicle building operations in Australia even while spruiking the government's \$34 million "co-investment" bail-out in 2011. Blind Freddie saw it coming, too. The same fate is stalking Holden and Toyota. But the best "solutions" on offer from forces within the big two political parties are for more taxpayer dollars to be splurged to slow the transnationals' departure, to cut local workers' pay and conditions, reduce regulation or to erect tariff barriers high enough to guarantee corporate profits. Surely it's time for an alternative vision.

In 2016, Ford will join the list of former Australia-based vehicle builders that includes Mitsubishi, Chrysler, Nissan, Leyland and Renault. Like the others, it will become a vehicle importer only. The final nail in the coffin for local manufacture came when Ford's head office in Detroit decided not to re-equip local models with US-made V6 engines that would meet tightening European emission standards. It sounded like a reprieve for workers at the engine-building plant at Geelong. But it meant that Ford had given up on the idea of exporting Australian-built Falcon and Territory models to markets like Canada. In the absence of export markets, Ford concluded that vehicle sales in Australia are not high enough to sustain local operations.

Tough luck for local workers! They didn't decide to persist with the production of big vehicles that austerity-wracked Australian workers can no longer afford to buy or run. They didn't decide to keep building the in-line six-cylinder engine that couldn't meet modern emission standards. But they will pay the price for those decisions with their livelihoods. Tony Abbott was keen to cash in on the announcement. He wants company tax rates reduced faster than Labor has already delivered and less "red tape" - less protection for local workers and the environment.

Holden has received \$2.2 billion in subsidies from Australian taxpayers over the past 12 years. Ford will have soaked up \$1.1 billion over the past decade. The maintenance of local jobs was the reason given for these sizeable cash injections though the end game, as we now know, was anticipated. It's true the Australian car market is a tough one. Ford executives complain that there are 365 models competing



for customers. Australian factories simply cannot match the economies of scale that are possible in other centres. The corporate media would like to suggest wages are to blame but the truth is that Australian wages lag behind their European counterparts, for example.

### Back to the future?

Local members and NSW Senator Doug Cameron are calling for "emergency tariffs" to be put in place to stabilise the situation. "I support a safeguard action under GATT article XIX," he told *The Australian Financial Review*, "and the other thing I've argued for is the RBA to reduce interest rates to reduce the dollar." Prime Minister Gillard and ACTU national secretary Dave Oliver reject the idea saying its implementation could bring on all sorts of reprisals from our trading partners.

Trade skirmishes aside, the question is how high would the tariff wall need to be to protect locally-based vehicle production from the mega-factories producing world cars? How low would the dollar have to go? Former industry minister Senator Kim Carr wants an urgent inquiry into how governments could help car manufacturers

stay in Australia. "I've always been of the view that we need an activist, interventionist policy, not a 'set and forget' approach," he said.

Just about every approach to shoring up local car manufacture has been tried. It is seen as a "strategic" industry; vital to the maintenance of the country's engineering and manufacturing capacity. It is a substantial employer, particularly when component manufacturers and other suppliers are added to the numbers. But despite the occasional, less-than-frank statements about this or that manufacturer being here "for the long haul", nobody sees car-making in Australia's mid to long-term future.

### Alternative vision

The announcement of Ford's looming closure has sparked a lively discussion in the columns of the corporate press. Some have come to the defence of state and federal governments for their substantial bailouts. They point out that just about every one of the 13 car-making countries "co-invests" in the industry to keep up the supply of relatively affordable cars. In other words, the private motor car is being heavily subsidised. This is despite the enormous damage

the car does to the environment and the cost in lives lost through road accidents. The car has been promoted ahead of public transport and this has caused cities to sprawl making it harder to meet the communities' public transport needs. Australians are said to love their cars but a large part of their affection stems from the inflexibility and low standard of public transport in our cities.

We don't need an inquiry to find out how to bribe transnational corporations to keep making cars in the country. We need a commitment to alternative industries that could use the manufacturing capacity built up over the decades and the considerable skills base. Why not produce vehicles to meet our public transport needs? Why not produce the green energy infrastructure that we need so urgently? The transnationals won't take up these challenges because they can't squeeze the profits from them that they do from carrying on in their current, familiar and very destructive manner. Nationalisation of Ford's, Holden's and Toyota's assets is thus a crucial element of any plan to maintain a strong manufacturing base in Australia. ✚

3 The race to privatise public infrastructure

4 A People's Budget

10 Culture & Life The energy wars of the 21st Century

12 Haiti's poor majority pushed to the margins

## Guardian

Issue 1595

May 29, 2013

## What happened to that ring of confidence?

For some time, official spokespersons tasked with making pronouncements on the Australian economy have been pretty upbeat. "We" escaped the worst of the global economic crisis – that was the dominant line. It is less common now. Commodity prices are off, the dollar value is down and the chat from the corporate media has turned negative. It should be noted that come rain or come shine, whether it be for a rapidly cooling or a super-heating economy, the "solution" offered by those scribes and mouths for hire is always the same. Reduce the "burden" on corporations, slash wages and public services and further marginalise the trade unions.

You would think workers would get sick of this never-ending prattle and choose other sources of news and views. But there are no major ones out there. Such is the concentration of ownership in the media that there is essentially no choice. Even the ABC has been white-anted by conservative appointees and may even be short-listed for privatisation along with the SBS.

The development that threatens to break the thrall of the neo-liberals, however, is unemployment. Officially floating somewhere above five percent in Australia, the actual number of jobless and a looming surge threatens to disturb the smug government/corporate media consensus.

Mining and the resource boom used to be cited as evidence of Australia's "lucky" status. Australian workers were chastised for not being willing to travel to remote mining sites in search of employment. Penalties for such reluctance were discussed in the business pages. Workers keen to follow up these mythical, fantastically remunerated jobs were soon brought down to earth when they actually enquired. The jobs didn't exist. Every now and then fully imported, super-exploited workforces from repositories of workers even more desperate than our own were flown in. Don't blame them! We are all being played for mugs by the same transnationals.

Australia governments are finally being called to account for their compliance with the demands of capitalist globalisation. To nobody's surprise, various industry "plans" did not answer the challenge of such open, monopoly-dominated markets for local employment. The haemorrhaging of jobs in the car industry shouldn't come as a shock. Ford's decision to go was not unexpected. Don't think Holden or Toyota will linger for very long, either.

The number of apprenticeships has withered. The attack on TAFE continues. Privatisation has aggravated the downturn in the number of jobs available to young people. Incoming governments are slashing services and jobs. It is a long time since state and Commonwealth public services were considered "employers of last resort" that could provide jobs where the private sector couldn't. Workers have strenuously resisted all of these developments but they have been put on the back foot for the time being. Against all odds, they continue to resist.

The Gillard government and its likely Abbott-led alternative have no more bullets to fire. There used to be a body of public assets for sale. While that option is not completely exhausted the cupboard is pretty bare. European-style "austerity" is looking increasingly likely. Centrelink is well and truly prepared. The unemployed and other welfare recipients have been prepared for increasingly harsh measures in the months and years to come through trials of Compulsory Income Management and other harassment. A "perfect storm" is brewing.

If workers continue to accept the "logic" of capitalism, their short-to-mid-term fate is sealed. If "market forces" and "international competitiveness" continue to dominate the debate about Australia's economic future, we will eventually arrive at the place Greek, Cypriot, Italian, Spanish and other workers find themselves. If we can't popularise ideas like nationalisation and investment to meet social need we will be at a serious disadvantage as the crisis bites.

For some time to come, it will continue to be difficult to argue socialist solutions to the problems brought down on us by capitalism. That shouldn't deter us. The old certainties and "common sense" regarding the greater efficiency of capitalism will soon come under enormous pressure from the facts of daily life in Australia. "The Communists disdain to conceal their views and aims," as a great German philosopher, economist and activist once said. Now, more than ever, it is time for us to be clear about our alternative – socialism.

## PRESS FUND

The United States has spent a trillion dollars on warfare over the last year, and has suffered 7,000 casualties in the war in Afghanistan. Cutting annual military expenditure in half would allow the US government to start eliminating its national debt of more than US\$16 trillion, and would free up billions of dollars for sorely-needed social welfare programs and a national health system. It's crucial for us to cover developments in Australia, the US and other nations, and we certainly intend to do so. However, we really need your support for the Press Fund, which helps us cover production costs, so please send us a contribution for the next issue. Many thanks to this week's contributors, as follows:

Graham and Jan \$100, Mark Mannion \$5, Ron Reed \$12, N and T kitchen club \$110, "Round Figure" \$23.

This week's total: \$245 Progressive total: \$3,070

## Locking the Gate on mining

Dominic O'Dwyer

As you drive along the country roads of Eastern Australia, it is hard to ignore the persistent presence of yellow signs nailed to fence posts and tied to gates. The message is clear: mining companies are not welcome in these parts; residents have decided to "Lock the Gate to coal and gas companies."

The Lock the Gate campaign began almost three years ago in the Darling Downs, southern Queensland, born out of a meeting between landholder groups and environmentalists. The rural population, particularly farmers, have typically been hostile to greens and Lefties, often worried that environmental conservation and Indigenous land rights encroach on their "freedoms". But these longstanding divisions were pushed aside and an unusual partnership was forged.

The government had recently decided to approve four massive new coal seam gas (CSG) projects in the area. Apprehension around the expansion of the unconventional gas industry, and the technique of extraction known as fracking, quickly spread to encompass new coal developments and grew into what is probably the largest popular challenge that the Australian mining industry has ever seen.

The power of the Lock the Gate movement, which has mobilised thousands of people, is no mean feat in a country dominated by the interests of billionaires, who've made their fortunes drilling and digging holes. In Australia, mineral resources are legally the property of the state, but the profits are well and truly private.

In 2012, the Country Women's Association, the largest conservative

women's organisation in the country, often stereotyped as "great scone-bakers", broke with 90 years of tradition and took to the streets, joining an anti-CSG rally of around 10,000 people in Sydney.

But until now, the rhetoric of the movement has largely focussed on protecting farmland and water resources, often peppered with nationalistic sentiments. On the surface the potential for a radical challenge to corporate mining interests would seem somewhat blunted. The fight seems to have pitted emerging, cashed-up mining magnates against entrenched agricultural elites. This includes millionaires from Sydney, who own vineyards and breed racehorses in New South Wales' coal rich Hunter Valley.

In the Northern Rivers region of New South Wales, an exciting branch of the campaign has decisively shifted the focus away from protecting patches of private property. Vast numbers of volunteers have been mobilised through town meetings, going door-to-door, sharing information on mining processes and surveying roads and towns.

The results of the survey process have been universally positive, with the overwhelming majority of residents electing to declare their roads and towns free from mining development. Subsequently, large numbers of people have been trained in peaceful civil disobedience, including techniques like blocking access to drilling sites and "ock-ons", where people chain themselves to equipment or strategic locations.

Blockades in Glenugie and Doubtful Creek both lasted around 50 days, costing Metgasco, the company involved, tens of millions of dollars.

Groups like the Knitting Nannas Against Gas, made up of retirees willing to be arrested (and knit) for a cause, have made it impossible for the mainstream media, governments and companies to dismiss the resistance as "the usual bunch of hippies and ferals".

In March 2013, three years after their announcement to explore and exploit the CSG in the Northern Rivers region, Metgasco announced a halt to its plans and their share price plummeted to an all-time low. The executive board cited "regulatory uncertainty" as the reason for its decision, but it was clear that the effectiveness of the campaign had made it all but impossible for the company to proceed.

What happens with Australia's mining industry, matters to the rest of the world. Already the world's biggest coal exporter, the country is set for an expansion, which on its own would produce more greenhouse gas emissions annually than the entirety of the UK.

Campaigners in the Northern Rivers have demonstrated a powerful model for challenging corporate power in government. The primary importance given to participation instead of financial contribution has placed ordinary people, who show up and do the hard work, at the heart of the resistance, rather than wealthy and well-connected landowners.

The little yellow signs we see on country roads are just the tip of the iceberg. Lock the gate, then the town, and then the region – this strategy could prove decisive in the urgent fight to counter the power of mining companies and keep massive reserves of fossil fuels in the ground.

*New Internationalist* ☪

## ANZ offshoring call centre jobs

Reports this week that ANZ bank plans to offshore at least 70 call centre jobs is a clear signal that we need a plan for the services sector, so there are jobs in the future for Australian workers and their kids.

"If we don't do something now to stop Australian jobs going offshore, we are going to wake up in thirty years and wonder where all the good finance jobs are," said Finance Sector Union national secretary Leon Carter.

"More than 20 percent of ANZ's recent profit bump was achieved by sacking workers. Today's announcement that more jobs are going offshore is about the bank increasing their profit at the

expense of Australian workers and their families."

Mr Carter said that ANZ was treating their workers like they are an expendable commodity, and that affected workers and their colleagues are angry about this latest announcement.

He said that finance workers feel more insecure than ever, even though employers like ANZ are more profitable now than they were before the GFC.

"We have the ludicrous situation of enormously profitable companies like ANZ, who derive their profit from our community, failing to re-invest in the community they profit from. They can reinvest in

jobs and skills here, and increase job security for finance workers, but they choose to send jobs offshore – jobs that are being done here, and jobs that should continue to be done here," said Leon Carter.

In addition the FSU is "very concerned" about the workers affected, and will provide as much support to the workers as needed. But the other concern is for ANZ's customers, and the security of their data.

"When you ring an ANZ call centre, you are ringing to discuss your banking details. You might be ringing about your mortgage, or your credit card, or your everyday banking. The person on the other end of the phone has access to your sensitive, personal financial data. If the person accessing your data is not within Australia, then the customer no longer has the protection of Australian law," said Mr Carter.

"So not only do we have workers being thrown out of their jobs, we also have a greater risk to the security of customer data. Australian companies like banks should be required to obtain customer consent before offshoring sensitive data," he concluded. ☪

[www.CPA.org.au](http://www.CPA.org.au)

Over 14 years of articles from *The Guardian*

Over 10 years of Pete's Corner cartoons

*Australian Marxist Review* going back to 1992

and much more ...

# The race to privatise public infrastructure

Peter Mac

**In an ongoing battle of words with the federal government, NSW Transport Minister Gladys Berejiklian has declared that it is time to take politics out of the planning process, to create more incentives for the participation of investors in infrastructure development and to “demystify privatisation”.**

That's Liberal speak for flogging off assets to the private sector as far and as fast and as cheaply as possible. Berejiklian says she was astounded by the degree of interest in the government's recent sale of Port Botany and Port Kembla. But why not? These two key facilities for the marine transport of goods to and from Australia's largest city were sold for the paltry sum of \$5 billion.

The private sector can't wait to get its hands on publicly-owned assets. Mark Birrell, chairman of the industry group Infrastructure Partnerships Australia and a board member of Infrastructure Australia, expressed exasperation that private corporations have had to wait so long.

“The challenge for all governments is what assets they'll make available for these genuinely patient investors,” he declared sternly. The private sector, which is demanding a reduction in taxation for business, is arguing that governments have little choice but to sell off existing public assets in order to fund new public assets, which would then be sold off in turn when they had proved their profitability. That would establish a never-ending cycle of transactions whose major beneficiary would be the private sector.

And they're critical of governments who either don't dance to their tune, or not fast enough. The Queensland government recently hired former federal treasurer Peter Costello to audit the state's public assets. Costello dutifully recommended that the state's energy assets Energex, Ergon Energy and Powerlink should all be sold off.

When the government hesitated, Scott Charlton, chief executive of the toll road corporation Transurban, said:

“Just to take these assets off the table and not have the opportunity to capital-recycle is a bit disappointing at

this point in time, given the position of the Queensland budget.”

The O'Farrell government commissioned former state premier Nick Greiner to prepare recommendations for public transport and for improving Sydney's main traffic routes.

Ignoring the skyrocketing rise in electricity rates where the electricity facilities have been privatised such as in Victoria, or are state-owned but operate under profit maximisation rules such as in NSW, he added: “It's impossible to believe that assets particularly like electricity, won't be sold into a private market. The economic and financial [cases are] overwhelming and most importantly you get a very good return for the consumer”.

## Changing tactics

Government infrastructure offers the private sector riches beyond the dreams of avarice. However, there are often political reasons why pro-privatisation governments can't immediately jump into “lock, stock and barrel” sales of their most valuable assets.

The former Iemma Labor government in NSW expressed interest in converting Sydney's entire rail network into an underground metro system with single deck trains, offering private transport corporations a chance to take over the railways, probably under a public/private arrangement. It would also have released vast areas of land currently used for the railways and rail facilities, for real estate development.

But objections from the public, and the refusal of the federal government to consider the plan put paid to this proposal. Likewise, arch-privateer Greiner's proposal for a complete rebuilding of the inner city network, which would have meant that access to the city by public transport would have been restricted to buses for several years, has been blocked by public objections and screams of outrage from businesses operating in the city centre.

Those megalomaniac schemes have now been shelved, but that doesn't mean they won't be dusted off and revived in the future. The ongoing strategy is to sell off whatever you can get away with, and the current tactic of conservative governments is to sell off their major assets bit-by-bit, albeit in very large chunks if possible.



Photo: Anna Pha

The O'Farrell government is now planning to construct Sydney's long-awaited north-west rail line as a single deck metro system, under private operation, and with tunnels too low and narrow to permit the big double-deck trains to ever operate on them.

Installation of a totally different rail system makes no sense in terms of either economics or engineering, when considered in the light of the public interest. However, it certainly makes sense for private transport corporations, who want the public to become accustomed to the idea of having a mix of public and private transport systems operating in tandem. Such an arrangement would in turn leave the way open for the longer term piecemeal privatisation of the entire network, and it would reduce the economic argument for converting the line back to public operation.

Sydney's short, privately operated airport line has ticket fees up to five times the cost of travel on a similar number of publicly-operated suburban stations. Successive governments have got away with it so far, because people will pay the extra cost for convenience and reliability when they're trying to catch a flight.

That wouldn't work in the case of the north-west line, which is expected

to carry hundreds of thousands of passengers to their places of employment, and who would raise the roof over having to pay more than a workmate travelling on a publicly operated line. The most likely outcome in that case would be that the government would guarantee to subsidise the corporations if they failed to reach a given profit margin.

That's certainly not in the public interest. Nor is the public well served by the interests of various private interest groups, for example, the oil and vehicle industries, or the construction and other firms involved in road transport.

The Atlanta Olympic Games demonstrated with devastating clarity the inefficiency of private transport. Yet in Australia the construction of new road systems still occupies the key position in government transport planning and funding for major population centres.

A recent study of Melbourne's traffic congestion reached the very

predictable conclusion that new traffic arteries begin to clog up almost as soon as they are completed, and that the solution lies in more reliable public transport.

Graham Currie, professor of public transport at Monash University, commented: “Whenever we increase road space we increase traffic. We are not fundamentally solving the problem of congestion”.

Private interests are also benefiting from the astronomical cost of road and freeway construction, with construction firms offering private-public partnerships that suit them very nicely, and transport firms collecting the tolls.

Infrastructure involves all the physical assets that governments need to provide public services, including hospitals, railways, schools, libraries, police, defence, energy, everything. All of that is on the privateers' list, and it's up to us to keep it out of their hands. ✪

Perth

## Eyewitness Report

# Gaza under Siege

a public meeting with Dr Mona El Farra

6.30pm Tuesday June 4

Alexander Library Theatre Cultural Centre Northbridge

Israel's Operation Cast Lead was described by a UN fact-finding mission as “a deliberately disproportionate attack designed to punish, humiliate and terrorise a civilian population.” The 2008-09 assault claimed the lives of 1,400 Palestinians and thrust the crisis in Gaza into the centre of the debate about the Israel/Palestine conflict.

Come and hear Dr Mona El Farra, a physician by training who has dedicated herself to developing community based programs that aim to improve health quality and link health services with cultural and recreation services across Gaza. Dr El Farra is Vice President & Health Chair of the Red Crescent Society for Gaza and Gaza Director of the Middle East Children's Alliance.

Entry by donation: \$10 / \$5 conc.

Organised by Friends of Palestine WA and supported by Students for Palestine (UWA) & the Palestinian Community of Western Australia.

For more info: phone 0409 762 081  
email FriendsOfPalestineWA@gmail.com  
visit www.fopwa.org

Pete's Corner



# A People's Budget

Anna Pha

**Just a couple weeks out from the May 2013-14 federal budget, the Treasurer's claims that the budget was made from "a position of economic strength" are looking even less credible than they did at the time. Fifty-five billion dollars was wiped off the value of shares on the stockmarket, the value of the dollar fell, coal and iron ore prices continued to fall and the cleaning firm Swan Services went belly up, leaving almost 2,500 workers with uncertain futures and likely loss of their entitlements. Ford added to the grim economic news by announcing it would cease production in Australia in 2016.**

The Chinese economy is not growing at the rate anticipated by Western economists. It has been affected by recession in the EU and the US. Australia is also feeling the impact of the US and EU's economic woes.

Now demand is shrinking, with prices falling and investors pulling back resulting in a crisis of over-production on global markets. All the warning signs are there. It is not surprising that capitalist economists are now warning of recession in Australia. Apart from the mining and finance sectors, most of the Australian economy has been stagnant or recessed for the past five years.

In the present conditions, if the Australian economy is to avoid being savaged and hundreds of thousands of workers lose their jobs and see their incomes shrink, it is imperative that the government adopt an expansionary, pro-people budget.

Australia needs a budget which increases incomes, raises living standards, ends poverty, creates jobs, provides quality education and health services for all, builds Australia's skills base and a more diversified economy (including a strong manufacturing sector), makes big business pay its share of tax, and provides the necessary infrastructure for a sustainable future.

The 2013-14 budget does exactly the opposite. It is a pro-big business budget. It is contractionary, with cruel cuts in social security payments, job losses in the public sector and massive cuts in university funding. In line with its economic rationalist underpinning, the budget continues the shift from public to private and from centrally funded services to self-provision and user pays.

The one area where funding is being increased is military spending with a total of \$113 billion over the next three years and a whopping \$333 billion over nine years! It provides few new jobs, and destroys lives and the environment. It robs the economy of funds that could better be spent on health, education, social security and other socially and environmentally desirable, job creating activity.

Additional funding should be invested in sustainable, renewable energy projects, desalination,

restoration of dying river systems, and other projects to reduce Australia's emissions of greenhouse gases and repair the huge damage that has already been done through reckless land and water use.

The trickle of new spending on the disability insurance scheme and Gonski education reforms will contribute little in the next few years to job creation or increased spending. Sackings, plant closures and bankruptcies will continue as long as people do not have the income to purchase what is produced. (See "The cyclical crisis of capitalism", *The Guardian*, #1412, 27-05-2009, for a description of the capitalist production cycle.)

The budget continues the ongoing process of transferring wealth from working people and small business to the powerful transnational corporations and the rich, compounding the lack of purchasing power of the people to buy what is produced and stimulate demand for goods and services.

The alternative, which the mass media and major parties pretend does not exist, is a budget that puts the interests of ordinary people first and protects the planet – a People's Budget.

## Higher incomes

The government plays an important role in the distribution of income through the taxation system and its budget spending.

Cutting corporate taxes, as successive governments have been doing for several decades, boosts profits and leaves the government with less money to spend. Then the government cries poor, cannot balance its budget and cuts social security and other vital programs.

Raising corporate taxes and higher marginal rates to make the rich pay, would provide the government with additional income to fund an increase in age the pension, unemployment, single parent, and other social security payments.

Consumption would also rise and poverty be reduced if housing costs were reduced. This requires a massive investment program in public housing which offers affordable accommodation and puts downward pressure on private rental markets and results in job creation.

Every extra dollar a pensioner or single parent receives is spent on goods and services. An extra \$50 a week in the dole would increase consumption by around \$30 million a week.

Such measures serve two important objectives: address pressing humanitarian needs and act as an economic stimulus, as their recipients spend most if not all of their additional income.

The provision of public transport to outlying suburbs that presently have none or at best an infrequent private service would remove many vehicles off the roads. So too would the development of rail freight and rail passenger services. The benefits would be many: employment, the



The nationalisation of the mining sector would direct billions of dollars into government revenue.

environment, health and safety, as well as the convenience of having access to public transport for work, school and other activities.

## Expand the public sector

The government is missing out on tens of billions of dollars in profits because of its privatisation of the Commonwealth Bank, Telstra, and other services and agencies. The Communist Party of Australia is calling for an expansion of the public sector with the restoration of permanent employment, good wages and working conditions and well paid apprenticeships and other paid training.

The public sector is far less costly and more efficient because of the elimination of layers of profit. It also removes any conflict of interests that can arise, such as a private water or electricity company which has a vested interest (more profits) in higher usage.

The prime purpose then becomes service provision, not profit churning with all the cost-cutting short-cuts in safety and quality and attacks on workers.

Public ownership would facilitate the winding back of coal mining accompanied by the necessary development of alternative energies, manufacturing and other enterprises in its place.

The development of infrastructure projects by the public sector, whether it be roads, bridges, ports, housing, hospitals, schools or alternative energy sources, means more jobs for the same investment dollar and better quality outcomes.

## Job creation

The Australian economy requires planning with the development of alternative sources of renewable energy, a strong manufacturing sector, educational opportunities for all and

the return of the benefits of mining and production to the people who create the wealth – the workers.

Privatisation has played a big part in undermining the apprenticeship system. For example, Telecom (now Telstra) once employed 94,000 workers, it was unionised, was a major employer of apprentices, offered secure employment and relatively good working conditions.

Today, Telstra and the other communications outfits, contract out much of their work, some of it has gone offshore, they do not provide the same training, jobs are not secure and much of the work has been deunionised. "Competition" and contracting out has seen a deterioration in services as well as wages and working conditions.

## Health

Medicare and the public hospital system require a large injection of funding to reduce the long waiting lists and nurse and doctor shortages. More funds are required for preventative health care, aged care, community and mental health services.

Dental health should be fully incorporated within Medicare. The decline of bulk-billing has resulted in people putting off or going without treatment or advice, with disastrous consequences, including death.

## Education

Education is a basic right. Free, secular, public education from pre-school through to higher education should be universally available. That includes universities and TAFE with income support provided to enable students to study.

Public money should be used to improve resources, increase teacher numbers, ensure adequate salary increases, and ending contract employment and the exploitation of casuals.

## Funding the budget

So where will the money come from to fund such an ambitious program? The government cries poor, there is a budget deficit and government revenues look set to fall short of government predictions as recession sets in.

The key question is priorities. There is in fact no shortage of possible funding. The Communist Party of Australia proposes the following reforms to raise the necessary funds for a People's Budget:

- Nationalisation of mining sector with billions of dollars in profits

flowing straight into government revenue

- A National Superannuation Scheme that workers could join on a voluntary basis and roll over existing funds. This scheme would be government guaranteed, members would receive a defined benefit – a regular specified fortnightly payment – on retirement for the rest of their life. These funds would be invested in public housing and other infrastructure projects and other areas of social benefit
- Superannuation funds obliged to invest a minimum of five percent of their investments in public infrastructure – close to \$30 billion
- Abolish the multi-billion fossil fuel tax credits program and other fossil fuel subsidies in the resource sector, aviation, transport, etc, saving around \$8 billion a year and in the longer term countering climate change
- Phase out government funding of private schools, including church schools
- Raise corporate tax and close loopholes and end rorts such as through superannuation funds
- Abolish private health insurance rebate – \$5 billion per annum and rising
- A genuine super-profits tax on mining corporations and the financial institutions
- Cancel the increases announced to military spending in the 2013-14 budget, saving more than \$10 billion over the next four years and more than \$75 billion over 10 years. A reduction of 10 percent in present levels of spending would raise another \$2.5 billion per annum on top of the savings
- End cruel, inhumane and costly off-shore processing of refugees.

The CPA also calls for the establishment of a People's Bank and a public insurance company with strong social charters (including low or no-fee services), making home loans and insurance coverage cheaper and providing loans to the government.

A People's Budget based on the above proposals would provide the basis for economic recovery for the people. Of course it cannot halt the boom-bust cycle or result in permanent gains for the working class. This cycle is a systemic feature of capitalism and has only ever been and can only ever be eliminated by socialism. ✪

**An extra \$50 a week in the dole would increase consumption by around \$30 million a week.**

# Optimism on justice campaign

Kirstie Parker

**A push aimed at encouraging the NSW government to take a new approach to the shameful number of young Aboriginal people ending up in jail is beginning to gain ground, according to one of its key champions.**

It's been nearly a year since the launch of the Justice Reinvestment Campaign, around diverting money out of the prison system to reinvest it into services that address the underlying causes of crime in communities, and Aboriginal and Torres Strait Islander Social Justice Commissioner Mick Gooda says he's optimistic.

"My estimation is that if justice reinvestment is going to work anywhere in Australia, it's going to be here in NSW," Mr Gooda told the *Koori Mail* newspaper.

"And that's because, from the day the (Barry O'Farrell-led) Coalition got elected, we started a conversation with them. For example, the Attorney-General Greg Smith realised that he had to do something about the Bail Act because all these particular young kids were in remand and 85 percent of them never went to jail after their court cases, and something had to be done and they've done that.

"... I think we're getting traction with the conceptual framework around justice reinvestment."

According to recent data, the adult Aboriginal and Torres Strait Islander imprisonment rate is 14 times

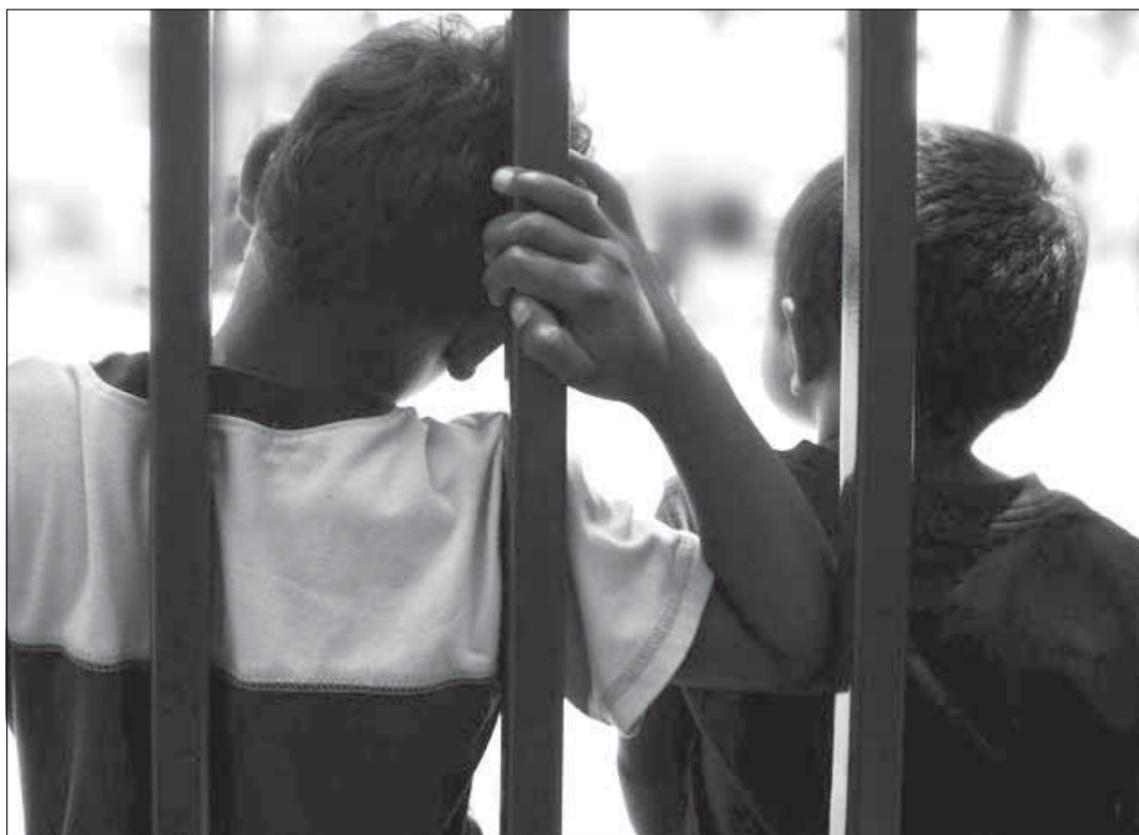
higher than the non-Indigenous rate, and Indigenous young people are 35 times more likely to be in detention than other young people. Nearly 60 percent of those in detention are Indigenous. And the rate of Aboriginal and Torres Strait Islander women in prison increased 58.6 percent between 2000 and 2010.

A Senate committee is looking at the value of a justice reinvestment approach and the Australian Human Rights Commission (AHRC) has recommended that:

- The federal government, in partnership with state and territory governments, funds properly evaluated justice reinvestment trials in selected Aboriginal and Torres Strait Islander communities where there's a high level of imprisonment; and
- The federal government and state and territory governments commit to justice targets as part of the Closing the Gap Strategy; ideally aiming for incarceration rates of around three percent (reflecting overall Aboriginal and Torres Strait Islander population rates).

High Indigenous incarceration rates have severe social and economic consequences, according to the AHRC. "Socially we can't afford it and financially we can't afford it," Mr Gooda said.

"We did some work a couple of years ago that said that if we incarcerated Aboriginal people on the same



percentages as our population, we'd be saving something like \$600 million per year. So I think it's attractive for state governments, particularly, who are always crying broke, that they should look at why they're incarcerating people and look at not incarcerating people who don't need to be incarcerated."

According to the AHRC, research indicates that a "tipping point" may occur in communities once crime and incarceration reaches a certain point.

"High rates of imprisonment break down the social and family bonds that guide individuals away from crime, remove adults who would otherwise nurture children, deprive communities of income, reduce future income potential, and engender a deep resentment toward the legal system," said the commission's submission to the Senate committee.

"As a result, as communities become less capable of managing social order through family or social groups, crime rates go up."

Mr Gooda said things would get to a point where people basically said, "enough, we've got to do something" and he believed many communities were at or near that point now.

He said that, while the states and territories had responsibility for their respective criminal justice systems, the Commonwealth could and should show leadership on justice reinvestment.

*Koori Mail* ☘

## A worker's glossary for Wayne's budget

**"Pathway to surplus", "transitioning towards broader sources of economic growth", "National Partnership on Closing the Gap on Indigenous Health Outcomes", "loss carry-back and instant asset write-off reforms" – what are workers to make of last week's budget if they can't understand any of the language used in it? It would take years of training (or human resource development) to be able to fully understand what the Federal Treasurer said on budget night but *The Guardian* has provided the following glossary of some terms to help decode the content.**

"Sensible pathway to surplus" = hack away at social security pretty much straight away but schedule big-ticket expenditure items sometime in the future when the Libs will shoot them down

"Transitions to employment" = dodgie courses combined with benefit cuts and harassment to get people into McJobs

"Alternative Pathways to the Trades", "more flexible pathways" = the above-mentioned dodgie courses from private providers

"Over the forward estimates", "the forwards" = a bit superfluous

really. Are there such things as "rearward estimates"? Not to be confused with "drive the economy forward", "looking forward", "forward with fairness", etc.

"Australia's human capital" = its currently overpriced workforce (according to the bosses)

"Grasp the opportunities of the Asian century" = work harder, spend a fortune on your own training and accept lower wages for starters

"Core defence capabilities" – warships, dud Joint Strike Fighters and subs; the sort of kit the government will always find money for

"Critical infrastructure we need to drive our economy forward" = ports, rail and road links that Gina & Co. need to drive their exports to market.

"The Labor tradition", "the Labor way", "everything Labor stands for", "proud Labor tradition", etc. = used to mean something when social-democratic parties reformed to some extent in the interests of workers but anybody's guess nowadays

"Support for families of newborns through FTB-A" = the Baby Bonus is scrapped in favour

of fortnightly Chump Change for Children

"Living Longer, Living Better" package = elder workers "get back to work", see also "turn Grey into Gold and harness the wisdom of our senior Australians."

Help please!  
Some of the camouflaging language is beyond even the *Guardian* team. If you can help with items like these it would be greatly appreciated:

"Continuing to improve the responsiveness of income tax instalments for all large entities" (sure sounds like less tax for big business)

"Changing tobacco indexation to make it more consistent with consumers' purchasing power" (we don't think this means cheaper smokes for the poor)

"Improving the sustainability of the family payments system by extending indexation pauses" (as opposed to the improving the sustainability of families?)

And good luck to readers with next year's budget. It probably won't be any gentler but the language might be a lot blunter. ☘



The Communication Workers Union (Victoria branch) says Australia Post is one of the many large Australian companies deliberately turning a blind eye to contractors employing overseas workers on the controversial 457 visas. The visas are meant to be used only for skilled overseas workers who are sponsored by a business to work in Australia temporarily if a business cannot find an appropriately skilled Australian citizen or resident. The union claims the use of 457 visa holders is driving down the costs. "It's just cheap, unregulated labour that does not comply with minimum wages," the union's state secretary Joan Doyle said. She said 457 visa holders working at postal sorting centres were paid as little as \$17.50 an hour at a flat rate, instead of \$21 an hour base rate plus penalty payments for shifts starting as early as 4am.

97.1 per cent of scientists endorse the view that humans are to blame for the climate change. Just 1.9 percent reject the view. That is the finding of a University of Queensland-led study that surveyed the abstracts of almost 12,000 scientific papers from 1991-2011 and claims to be the largest peer-review study of its kind. These figures are important for the general public to know as it contradicts the line that the debate on the issues is split 50-50. "When people think scientists agree, they are more likely to support a carbon tax or general climate action," said John Cook, the report's lead author. "But if they think scientists are still arguing about it, they do not want to do anything about it." The survey is published in the journal *Environmental Research Letters*.

Countries that supported Australia's bid for a seat on the UN Security Council received millions of dollars in aid. Now that the seat has been won (last October), the aid money is evaporating. It was Kevin Rudd who started the campaign in 2008 for votes from Third World counties to help Australia win a non-permanent Security Council seat. AusAid expenditure in the Caribbean rose to \$24.7 million in 2009-10. It took only two months after winning the seat to cut down aid. The budget for the next financial year shows that it will be nearly halved to \$13.3 million. Foreign Minister Bob Carr thanked Caribbean nations for helping to get the numbers – and later he announced \$375 million of aid dollars would be "reprioritised" to pay for supporting asylum-seekers.

# Time to draw the line between Australia and Timor-Leste

Frank Brennan\*

**Australian governments of both political persuasions have continued to reassure the Australian public that they are decent and special when it comes to dealing with the Timorese over disagreements in the Timor Sea. Time for such special pleading is over. For the good of ongoing relations between these two unequal neighbours, it is time for Australia to commit to negotiating final maritime boundaries, especially if the Timorese and the oil companies working in the Timor Sea cannot reach agreement on the mode of gas production.**

First a little history of a very complex issue. While East Timor was still under Portuguese control, Australia and Indonesia finalised their maritime boundaries in 1972. Indonesia accepted Australia's claim that the Australian continental shelf extended as far as the Timor Trough, resulting in a boundary close to the Indonesian coastline. Portugal never accepted Australia's argument, claiming instead that there were not two separate continental shelves and that the boundary should be a median line between Timor and Australia.

Indonesia invaded East Timor on December 7, 1975. By the time Indonesia and Australia sat down to discuss the unresolved maritime boundary off the coast of East Timor, Indonesia no longer accepted the Australian continental shelf argument. The UN Convention on the Law of the Sea (UNCLOS) had been finalised and it favoured the drawing of a median line. Not wanting to undo the 1972 agreement, Australia and Indonesia agreed to a mutual standoff, sharing any resources off the Timor coastline found between the Timor Trough and the median line.

## Brazen

Once East Timor gained its independence, Australia convinced the new Timorese government to maintain the previous approach of the Indonesians, leaving border negotiations on the long finger. Australia played hardball. On November 24, 2000, Australian officials were so brazen as to warn UN officials who were putting the case for a negotiated Australia-Timor boundary in accordance with recent developments in international law that Australia might opt out of UN judicial processes. The option had already been put to Cabinet and no minister had objected.

The UN officials were warned: "The more ambitious East Timor's claim, the easier it would be for the government to pursue this approach in terms of living down domestic controversy." This was "Australia's get out of jail card". On March 25, 2002, Australia did just that. Foreign Minister Alexander Downer said that "any maritime boundary dispute is best settled by negotiation rather than litigation".

A joint venture led by Conoco Phillips commenced development of the Bayu Undan natural gas field just north of the median line. Both governments agreed to the joint venturers' proposal that the gas be piped to Darwin for processing. East Timor was to receive 90 percent of the upstream revenue in taxes and royalties from any petroleum resources within the Joint Petroleum Development Area (JPDA).

On May 20, 2002, Timor-Leste gained its independence. Prime Minister John Howard attended the celebrations. He and Prime Minister Mari Alkatiri had time to step aside and sign the Timor Sea Treaty giving effect to this arrangement.

On the northeast corner of the JPDA lies the Greater Sunrise deposit which lies 20 percent within the JPDA and 80 percent

within Australian jurisdiction, 150 kilometres south-east of Timor-Leste and 450 kilometres north-west of Darwin. On March 6, 2003, the two governments signed a unitisation agreement (IUA) settling on the 20:80 split while once again leaving the issue of final boundary determination in abeyance.

## Unfair

To many Timorese, this deal seemed on its face unfair. While the deposit was three times as far from Australia as from East Timor, Australia was to receive more than four-fifths of the tax benefits. Most people's offended sense of fairness was not allayed by the claim that 80 percent of the deposit was arguably closest to Indonesia and that Indonesia had given away its rights to Australia back in 1972. The Timorese government had received advice from highly regarded international lawyer Vaughan Lowe who argued that the boundary was highly contestable.

To be blunt, Timor wanted more money from the deal, and Australia wanted to put final boundary determination on the very long finger knowing that any such determination would involve Indonesia as well as Australia and East Timor. Timor's Foreign Minister Jose Ramos Horta proposed a compromise in an address to the Lowy Institute in Sydney on November 29, 2004. He then quite reasonably suggested that there should be recourse to the International Court of Justice when "two friends and neighbours are not able to resolve" their dispute.

He contested Downer's claim that the matter could be resolved without any outside involvement: "Well, it seems that we are not able to. So let's show good faith, faith in the legal multilateral bodies such as the ICJ, and jointly request mediation or arbitration. We are poor and in no hurry to become rich. We can wait. We are patient, proud people. We are not impressed by pressure or bullying tactics. We have self-respect and a sense of dignity."

Another treaty, thought to be a win-win, was negotiated between the Howard government and the Fretilin government of East Timor led by Alkatiri. The Treaty on Certain Maritime Arrangements in the Timor Sea (CMATS) signed on January 12, 2006 split the government revenues for Greater Sunrise 50:50 and put boundary negotiations on hold for 50 years provided that the Greater Sunrise project got the go-ahead. If agreement was not reached between the government regulators and joint venturers within six years, either government could call off all bets.

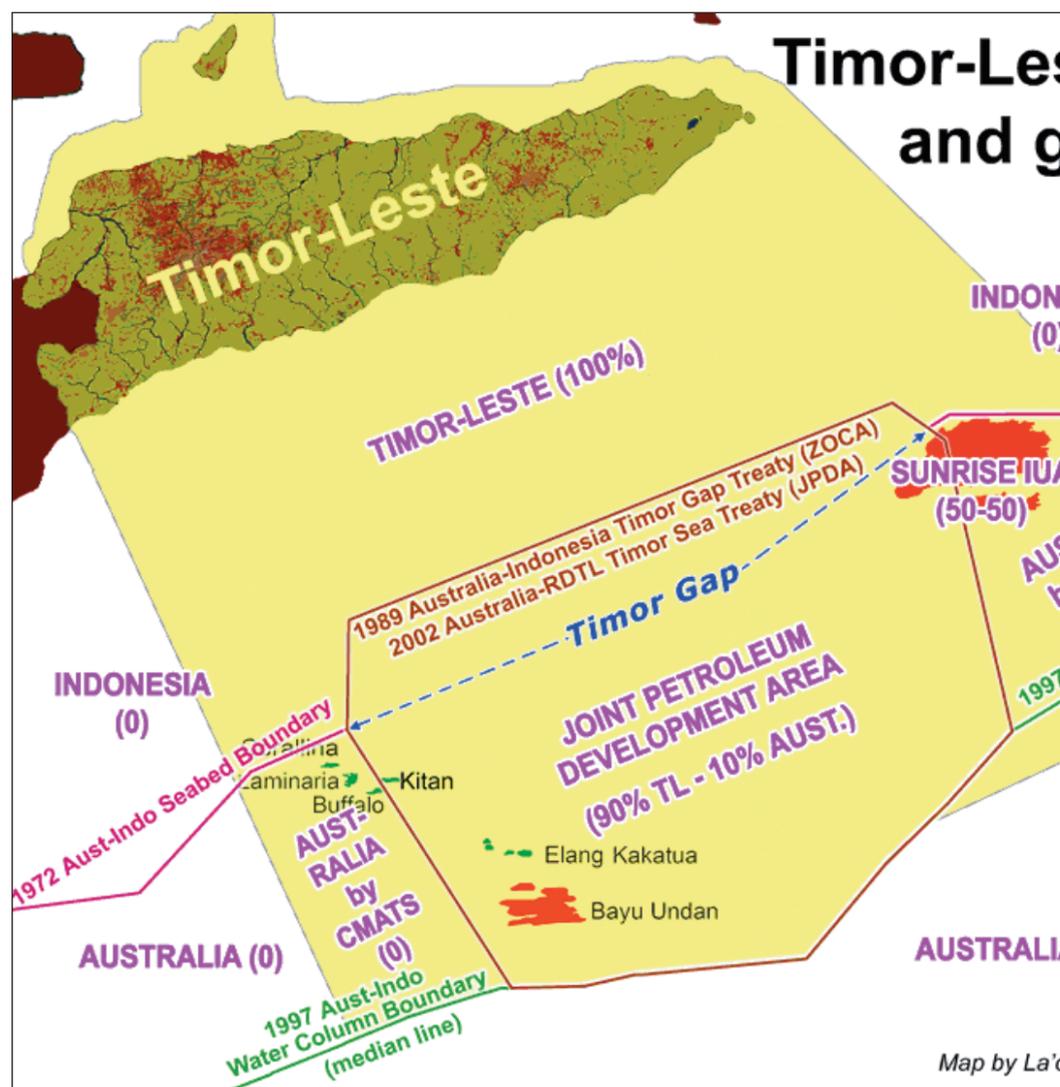
In April-May 2006, there was much instability and violence in Timor-Leste culminating in the resignation of Alkatiri. Ramos Horta then took over as prime minister.

The CMATS Treaty was tabled in the Australian Parliament on the first sitting day of the year in 2007. On February 22, 2007, Downer wrote to the Australian Parliament's Joint Standing Committee on Treaties informing them of his decision to invoke the national interest exemption and proceed with binding treaty action for the CMATS Treaty without the usual 20 sitting days being permitted for the Committee to consider the matter:

"Given the importance of the treaties to our interests in the Timor Sea as well as those of our close neighbour, East Timor, the government would not wish to allow an opportunity to pass to finalise our agreed arrangements for the Timor Sea. It is uncertain when an opportunity would arise after the East Timorese elections period. I therefore consider that the CMATS Treaty action needs to be taken before the usual twenty sitting day period following tabling elapses."

The Committee was not pleased, noting:

**Portugal never accepted Australia's argument, claiming instead that there were not two separate continental shelves and that the boundary should be a median line between Timor and Australia.**



"The Committee's previous endorsement of the Sunrise IUA should not have been used to infer support for CMATS. The CMATS Treaty contains new and important obligations and raises different issues which should have been subject to the usual process of scrutiny and review. In this instance the national interest exemption should not have been invoked before the Committee was given a reasonable opportunity to consider and report on the Treaty within the Government's timeframe."

Both parliaments gave approval of CMATS despite these reservations about process and political upheaval in Dili.

After the 2007 Timor election, Xanana Gusmao became prime minister. He was known to be a passionate advocate for the development of Sunrise onshore and to be committed to prompt boundary determination, being less conciliatory and forgiving of Australia's stand than was Ramos Horta. He was adamant that the joint venturers should submit a development plan for Sunrise with provision for onshore gas processing in Timor-Leste.

## Joint venture

The joint venturers, including Woodside and Shell, were unmoved, claiming that Timor processing of the gas was commercially less viable than the use of a floating facility (FLNG) and also less viable than processing in Darwin. On April 29, 2010, Woodside officially informed the Australian Stock Exchange that "a floating LNG processing facility best satisfies the key development requirements outlined by the IUA".

On May 18, Woodside purported to deliver the development plan to the Timorese regulatory authority for approval. The Timorese threw the proposal back into Woodside's car as it sped away from a Dili meeting. All was not well.

Shell was adamant that FLNG was the only way to go with natural gas marine projects in this part of the world. They are now using this new technology for the Abadi project in Indonesian waters and for the Prelude project in Australian waters.

The Timor government was unhappy with the lack of movement on Sunrise and the

placing of border determinations on the ever long finger. On December 7, 2012, the anniversary of Indonesia's 1975 invasion of East Timor, Timorese Foreign Minister Jose Luis Guterres met with Prime Minister Julia Gillard in Canberra and presented a formal letter indicating dissatisfaction with CMATS.

Gillard and Guterres agreed not to engage in megaphone diplomacy. The Timorese had been going to institute the legal processes earlier but decided to wait until Australia secured its seat on the UN Security Council, an appointment strongly supported by Timor-Leste which prides itself on being a friend of Australia. Foreign Minister Bob Carr visited Dili on December 16, 2012 but did not raise the issue.

Having long investigated their options, the Timorese obtained legal advice from two of the world's leading international lawyers, Sir Elihu Lauterpacht and Vaughan Lowe. On February 7, 2013, Bob Carr assured the Australian Senate: "We have received no indication from Timor-Leste that would suggest CMATS would be terminated." This assurance caused some surprise to those in the know in Dili.

Australia's previous Ambassador to Timor, Margaret Twomey, was sent as a special envoy to Dili. Just before he resigned from the ministry, Martin Ferguson who has always worked closely with Alfredo Pires, East Timor's Natural Resources Minister, came to Dili on February 22, 2013 assuring the Timorese about his availability for ongoing discussions about resource development in the Timor Sea.

## Bombshell

Then came the bombshell announcement – not from the Timorese who had remained silent as agreed, but from the Australians. On May 3, Foreign Minister Bob Carr and Attorney General Mark Dreyfus issued a joint press release saying:

"Timor-Leste notified Australia on April 23 that it has initiated arbitration under the 2002 Timor Sea Treaty of a dispute related to the 2006 Treaty on Certain Maritime Arrangements in the Timor Sea (CMATS).

"The arbitration relates to the validity of the CMATS treaty. Timor-Leste argues that CMATS

# Saving the planet

## Giz Watson valedictorian speech to WA Parliament

Richard Titelius

In 1997, Giz Watson first entered the WA Legislative Council as one of the first Greens politicians. This was the year of the Third Wave of industrial legislation changes proposed by then maverick right-wing Minister for Industrial Relations Graham Kierath under the government of Liberal premier Richard Court. It saw the biggest public march in the state's history to parliament of over 35,000 people.

However, in the state's south west another controversy was brewing and that was the logging of old growth forests and it was on the wave of discontent which this generated that saw the rise of Giz Watson to politics to try and save these vital biospheres and habitats of unique flora and fauna.

"It was this campaign to protect old growth forests which led the Gallop government, with the critical support of the Greens in this place (the Legislative Council) to increase the forests and woodlands and conservation reserves from 265,000 hectares to 800,000 hectares, and to create around 30 new national parks and conservation reserves, plus a substantial reduction in the amount of logging in our forests."

Now some of those forest blocks which were saved are under attack due to shortcomings in the definition of "high conservation forest" and a forest conservation campaign continues in the south west of the state to this day.

During her 16 years as a parliamentarian, Giz Watson and the Greens took a progressive and activist position on a number of other issues which were recalled during her address. These included gender discrimination (Giz herself has a long term female partner), anti-uranium mining, mandatory sentencing versus judicial discretion, and control of cats to protect wildlife, the only Bill for which she had received a death threat.

She also spent 12 years on the Standing Committee on Legislation and played an instrumental role in 2004 in the passing of a Bill to ensure that third party access to the court records in criminal courts of summary jurisdiction was not lost. The author of this article was involved at the time in petitioning State Parliament over the issue and with the assistance of Giz the Committee was convened and the Bill was successfully passed.

The scrutiny by Giz Watson and other Greens members of the large amounts of legislation submitted to the parliament was something that earned the Greens accolades, not only in parliament but in the WA public service where Giz and others were known to meet with various public officials in their offices to sort out any problems of interpretation and drafting.

Ms Watson also spoke of the "unfinished business" of the parliament, with climate change at the top of the list. Giz spoke of the "accelerating climate change and reducing rainfall which is upon us now", especially in the south west of WA which has seen a 15 percent decrease in rainfall since 1975 and a 45 percent decrease in stream flows as per data from the Commonwealth Scientific and Industrial Research Organisation. Giz noted that, "the drying climate is already impacting on the health of our forests, agricultural land, wetlands and threatened species and will increasingly impact on human health and well being."

Other unfinished business included the lack of commitment, interest and political leadership to turn away from non-renewable energy and to embrace cleaner and more efficient renewable energy. There is also the failure to carry out our international obligations to protect the biodiversity of WA's unique plants and animals. "In WA there are 419 plants and 233 animals listed as likely to become extinct or rare and therefore in need of special protection." In addition to which there are "21 ecological communities listed as critically endangered, 28 as vulnerable and three as presumed destroyed in the Threatened Species and Ecological Communities database. Only 20 percent of Western Australia's biological subregions meet the objective of 15 percent or more reserved and 11 percent of the subregions do not contain any formal reserved areas."

Finally, before concluding her address with her many thank you's, Ms Watson noted how, "troubled I am by the vast inequality in electoral spending (between the range of parties in the WA parliamentary system) and the effect this has on democracy. It is becoming harder and harder for political parties that decline the donations – and the influence – of corporations to compete in election campaigns." Giz added that the Greens will continue to advocate for a cap on election

expenditure to provide a more level playing field.

The manner in which the March 2013 WA state election campaign was conducted and its outcome is proof of the failure of the private funding of election campaign expenditure.

The Liberal Party received such heavy financial support from the corporate or capitalist sector that rumour has it that they had the equivalent of \$500,000 in expenditure per electorate. Did this produce a more enlightening and informative election campaign that was prepared to tackle the difficult and pressing policy issues confronting this state?

One could argue that after seeing the voluminous election material which piled into people's letter boxes, the radio and TV ads and the billboards and internet advertising that the campaign by the Liberals and Nationals spun mostly in the opposite direction towards distraction and distortion.

The Greens and to a lesser extent the ALP ran a campaign which tried to address the pressing issues of the day such as improving road congestion through a light rail system, addressing housing shortfalls, "justice re-investment" instead of the knee jerk law and order refrain, renewable energy projects such as solar thermal in the Goldfields and a re-adjustment of some of the wasteful and excessive public works projects such as the Elizabeth Quay and the Burswood Stadium.

On March 9, 2013, the message of the Greens and ALP went unheard and so against their own best interests voters returned the Liberal Party with an increased majority. The Greens had their parliamentary representation halved with the loss of Giz Watson, the Upper House member for North Metro and the similarly hardworking Alison Xamon who represented the East Metropolitan area of Perth.

Giz Watson delivered her valedictorian speech on the afternoon on Thursday May 16, before an appreciative chamber and a gallery packed with about 60 family, friends and supporters who gave her a standing ovation. Xamon's last day was May 21.

The Greens may have lost two hard working and charismatic parliamentarians but all Western Australians lost two of the hardest working, committed and dedicated politicians this state has seen in the last 20 years. Their loss will be keenly felt by all like minded and progressive Western Australians. ✪

## ste's undersea oil gas resources

Parenthesized purple numbers such as (0) show Timor-Leste's percentage under the CMATS regime.

ESIA  
(0)

1972 Australia-Indonesia Seabed Boundary  
AUSTRALIA (0)  
Aust-Indo Water Column Boundary (median line)

If Australia, Indonesia and Timor-Leste were to establish maritime boundaries according to UNCLOS median line principles, the entire yellow area would belong 100% to Timor-Leste.

Hamutuk. February 2013.

Australia

is invalid because it alleges Australia did not conduct the CMATS negotiations in 2004 in good faith by engaging in espionage.

"These allegations are not new and it has been the position of successive Australian governments not to confirm or deny such allegations. However, Australia has always conducted itself in a professional manner in diplomatic negotiations and conducted the CMATS treaty negotiations in good faith."

The political leadership in Timor Leste is losing patience with Australian claims to both decency and exceptionalism. On May 20, Timor Leste will celebrate its 11th anniversary of independence. Their government leaders think it is now time to start the painstaking work of determining their maritime boundaries with Australia.

Australia's game of pleading exemption from UN determination processes while delaying two-party negotiations for decades has run its course. Especially if the Sunrise joint venturers have no intention of processing gas onshore in Timor Leste, the Timorese deserve "permanent certainty" about their maritime boundaries.

Mind you, no lawyer can confidently predict the outcome. But the long finger game is now generating more mistrust than room for negotiation. It's time to draw the line, seeking more legal and commercial certainty lest the gains from the resources under the sea be lost together with the friendship between good neighbours. The Timorese expect nothing more than that we Australians act decently and fairly while they consider the complex options for future resource development.

\*Father Frank Brennan SJ is professor of law, director of strategic research projects (social justice and ethics), Australian Catholic University, adjunct professor at the College of Law and the National Centre for Indigenous Studies, Australian National University. He recently travelled to Timor Leste at the invitation of the government of Timor Leste to learn of their concerns. He wrote *The Timor Sea's Oil and Gas: What's Fair* (Australian Catholic Social Justice Council, 2004). ✪



# A lost generation: The need for a new system

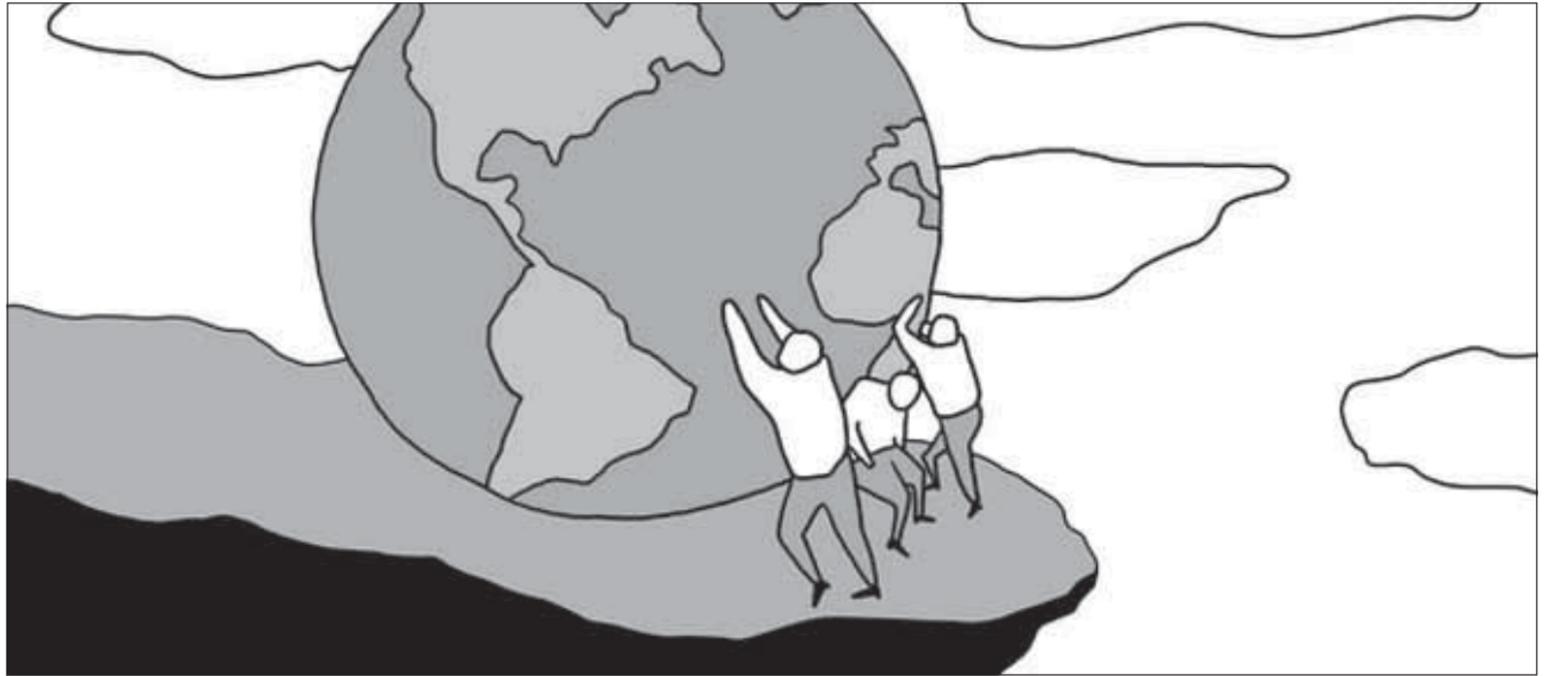
Timothy Bancroft-Hinchey

**Our wonderful economic model, you know, the one with endemic unemployment, ever-rising prices, frozen salaries, homelessness, worsening public services and increasing taxation, has failed the next generation (or three) miserably. The International Labour Organisation's latest report on employment reads like a social terrorist manual.**

And these are the policies blindly followed by the drivers of the Western economy, the FUKUS Axis (France, UK, US), the same Axis at the heart of the warmongers' lobby, NATO, the same organisation which pushed this economic model through into implementation across the globe.

And what, pray, did this wonderful model substitute? Why, it claimed to be superior to alternative systems which considered raw materials and natural resources as the property of all and not just a few, systems which provided social mobility and meritocracy, not promotion through the old boy network, eh what; these were systems which provided excellent public services, references in health-care, education, cultural activities, development through sports, public transportation – free or subsidised; public utilities – free or subsidised; guaranteed housing, free; a guaranteed job, equals zero unemployment, basic goods subsidised or free, an indexed pension, leisure time activities, security of the state and safety on the street.

While this system was striving to improve at home and develop itself abroad – the overseas development



budget of the USSR was US\$250 billion back in 1987 and GDP was higher than it was after years of the wonderful economic model based on market vectors. The FUKUS Axis, in particular, and NATO in general, were spending billions trying to sabotage the successful alternative model, because an expansion of this worldwide would have deprived those who (continue to) control our planet's wealth of their fortunes.

Murder attempts were made against public figures (for example, Fidel Castro), economic interests were sabotaged (for example the Tupolev 144 at the Paris Air Show) and subversive elements were stirred

up (the Mujaheddin in Afghanistan and Pakistan, which morphed into the Taliban, the thank-you note being 9/11). Lies were sold, false promises were made and a handful of leaders in key positions were convinced by the siren's song that the capitalist market economy model was better.

Why, people would be free to set up their own business and contribute to the economy by employing others and funding public programs through taxation, taking the strain away from the state and allowing the public treasury to act with a lesser burden. Well, 20 years on, what do we see?

The latest report from the International Labour Organisation, "Global Employment Trends for Youth 2013" is a summary of the aftermath of social terrorist policies implemented on a world scale. So dire is the situation, that its subtitle is "A generation at risk". It claims

that over 70 million young people will be unemployed in 2013, that temporary or precarious employment is rife among 90 percent of the world's youth and that the prospects of getting a job in many cases are so low that a growing number of young men and women have given up searching.

This, of course, depends also upon how the unemployment statistics are calculated and how the books are cooked. The real figure could be far higher.

In short, what this wonderful economic model has produced is worsening educational standards, with growing numbers of youths coming out of secondary education unable to cite the arithmetical tables, count, read, write or even speak properly (so what have they been doing for 12 years?). A higher education system which is based upon the precept that "you pay, therefore you

have" with degrees becoming meaningless, vomiting forth generations of under-prepared and unemployable fodder for an ever-demanding work market.

If those with degrees cannot find a job, what about those who cannot afford higher education? True, there will always be some supercilious brat paraded on television claiming how easy it is to become a millionaire (please don't inspect his father's accounts and find out where his first million came from) but the bottom line is what we see.

Endemic and growing unemployment, restricted credit, meaning it is practically impossible for young people to get a house and have a family, work insecurity, burgeoning costs for diminishing public services.

And then they have the audacity to say that the system which provided all this for free didn't work?

*pravda.ru* ✪

## Israelis rally for peace protester

**Dozens of supporters of Israeli conscientious objector Natan Blanc demonstrated outside military headquarters last week. The Israeli military has jailed Mr Blanc 10 consecutive times, amounting to six months continuous imprisonment so far, for refusing to serve because of his opposition to Israel's occupation of the West Bank.**

More than 30 Israeli legal experts, including the dean of Hebrew University's law school, have signed an open letter urging the army to release 20-year-old Mr Blanc and saying the detention violated his freedom of conscience.

His father David said that his son was supposed to be inducted for compulsory military service last November and, after refusing to serve, was sent to a military prison and remains there with no end in sight.

Natan Blanc said: "The main reason that I am refusing to serve is that I feel that our country is going toward a non-democratic situation of civil inequality between us and the Palestinians. I believe the Israeli military plays a major role in preserving this situation and my conscience does not allow me to participate in it."

Military service is compulsory in Israel, but in reality thousands of Israelis are exempted. Mr Blanc has offered to serve in Israel's civilian paramedic service but has been refused permission.

The army won't provide statistics on conscientious objectors.

But Yesh Gvul activist Ishai Menuchin, whose group assists objectors, estimated that dozens of Israeli youths refuse to serve each year.

Earning an exemption as a "pacifist" requires approval from a special committee and is almost never granted, he said.

In most cases, the military dismisses objectors as "unfit" for physical or psychological reasons.

A small number are sent to jail for short stints, and then agree to meet a mental health officer to receive an exemption on psychological grounds.

"The army prefers this. You accept that there is something wrong with you," he said.

But Mr Blanc has refused to leave on psychological grounds.

"He's not going to lie to get out. That's apparently what's required," said his father.

*Morning Star* ✪

## Qatar must improve its treatment of workers

**Delegates attending the UEFA (Union of European Football Associations) Congress in London will be lobbied by unions as part of the campaign to secure better treatment for migrant workers employed on the construction of stadiums for the 2022 World Cup in Qatar and for foreign footballers currently playing in the Gulf state.**

The Trade Union Confederation (TUC) along with its international equivalent – the International Trade Union Confederation (ITUC) – is calling on UEFA to address the appalling treatment of workers and players in Qatar and back calls for FIFA to re-run the vote for the 2022 tournament should the Qatari government fail to take any action.

Harsh treatment of migrant workers in Qatar and its government's failure to improve employment rights are the unions' main concerns. Low rates of pay, excessive working hours, a ban on joining unions, poor safety standards

and numerous abuses under the country's strict visa sponsorship system have led to accusations that Qatar is acting like a 21st century slave state.

Campaigners from the ITUC and TUC will be handing over a petition detailing abuses of players' and workers' rights in Qatar, which has been signed by thousands of football fans from around the globe. The union organisations have also written to UEFA President Michel Platini, urging him to use the London Congress to:

Elect members to the FIFA Executive Committee who will be committed to reform and to upholding human and union rights.

Brief UEFA delegates attending the coming FIFA Congress in Mauritius about the difficult working conditions in Qatar – both for footballers currently signed to clubs and for construction workers tasked with building the World Cup infrastructure.

A petition from the ITUC and TUC calls on FIFA to re-run the vote for the 2022 World Cup unless Qatar reforms its ways.

TUC General Secretary Frances O'Grady said: "The number of workers killed in the construction industry in Qatar each year is up to eight times higher than in the UK and other developed countries. With the UEFA Congress here in London, we cannot let delegates ignore workers' deaths and injuries.

"Football fans everywhere will be shocked to learn of the way in which workers are treated – conditions akin to a modern form of slavery – and will want UEFA's support to put pressure on Qatar to reform or risk having FIFA re-run the vote for the 2022 World Cup."

Football fans and trade union members are being encouraged to join the campaign at [www.rerunthevote.org](http://www.rerunthevote.org) in one of the largest global campaigns embarked upon by international unions in recent years. ✪

# Dollar crisis and the coming collapse of US global hegemony

Colin Todhunter

**The US is bankrupt. Yet Uncle Sam continues to stride the world stage and can simply print more money to get by because the dollar is the world's reserve currency. Remove it as the reserve currency, and the US will no longer be able to remain supreme or fund its wars by relying on what would then be a worthless paper currency. Today, more than 60 percent of all foreign currency reserves in the world are in US dollars, and the US will attempt to prevent countries moving off the dollar by any means possible.**

When the US moved off the gold standard in the early 1970s, the dollar more or less became a de facto oil-backed currency. In return for protection and the purchase of US treasury bonds, among other things, oil-producing Arab states agreed to conduct their oil transactions in the US dollar. The dollar may no longer have been backed by gold, but its worth was guaranteed by the strength of the US economy and the fact that it was closely tied to another precious commodity, this time oil.

Since that time, the US has outsourced much of its manufacturing industry and economic policies have served to crank up a massive amount of debt – US\$16 trillion worth. Paul Graig Roberts, former Assistant Secretary of the US Treasury, notes that much of the most productive part of the US economy has been moved offshore to increase corporate

profits. According to Roberts, the US could revitalise its economy by bringing its corporations back home to employ people. The government could do so by taxing their profits abroad and via protective tariffs, but such moves would be contrary to the material interests (profits) of the ruling oligarchy, which dictates US politics anyhow.

A weak US economy inspires little confidence in the dollar, and trade in general and oil transactions in particular are moving off the currency. With little prospect of reinvigorating the economy at home, the US is responding by expanding into foreign markets and waging wars to maintain global allegiance to the dollar and US hegemony.

Over the past two decades, the US has extended its influence throughout Eastern Europe, many of the former Soviet states in central Asia and, among other places, in the former Yugoslavia, Libya, Iraq, Yemen, Afghanistan, Syria and Pakistan. And the issue of North Korea also has to be seen in this light. It has become a convenient whipping boy that is allowing the US to beef up its presence in the Asia-Pacific region. As it did with Russia, the US is now effectively encircling China.

Both China and Russia have however held firm over Syria. Syria plays host to Russia's only naval base outside of the former USSR, and Russia and China know that if the US and its proxies topple the

Assad government, Tehran becomes a much easier proposition. Ideally, the US would like to install compliant regimes in Moscow and Beijing and exploiting political and ethnic divisions in the border regions of Russia and China would be that much easier if Iran fell to US interests.

A global US strategy is already in force to undermine China's growth and influence, part of which was the main reason for setting up AFRICOM: US Africa Command with responsibility for military operations and relations across Africa. But China is fighting back by attempting to take the legs from under the US dollar, thereby striking at a key nerve of US power.

China has been implementing bilateral trade agreements with a number of countries, whereby trade is no longer conducted in dollars, but in local currencies. Over the past few years, China and other emerging powers such as Russia have been making agreements to move away from the US dollar in international trade. The BRICS (Brazil, Russia, India, China, South Africa) also plan to start using their own currencies when trading with each other. Russia and China have been using their own national currencies when trading with each other for more than a year.

Under Saddam, Iraq was not using the dollar as the base currency for oil transactions. Neither is Iran right now. Libya's Muammar Gaddafi was talking about using a gold backed dinar as the reserve



currency for parts of Africa. And we know what subsequently happened to Libya and Iraq. In 2000, Iraq converted all its oil transactions to euros. When the US invaded Iraq in 2003, it returned oil sales from the euro to the dollar. Little surprise then that Iran is now firmly in the US's sights.

In the meantime, Iran is looking east to China, Pakistan and central Asia in order to counteract the effects of US sanctions and develop its economy and boost trade. US aggression is effectively pushing the world into different camps and a new cold war is now in play between the US and its allies and Russia, China and Iran.

The US economy is in terminal decline. The only way to prop it up is by lop-sided trade agreements, by the global seizure of food via seed monopolies and the control of GM crops and their imposition on countries, by waging war to secure resources and by ensuring the dollar remains the world reserve currency. Humankind currently faces a number of serious problems. But the biggest of all is that the most militarily powerful (nuclear-armed) empire the world has known is in decline and is trapped in a cycle of endless war. pravda.ru ✪

## A ghost from the Bush era pursues Obama

Dalia Gonzalez Gado

**Guantánamo is robbing Obama of sleep. Ten years after the opening of the prison, on illegally occupied territory in Cuba, the issue had been forgotten by many until a hunger strike by hundreds of prisoners returned it to the public consciousness.**

Referring to Guantánamo, *The New York Times* wrote in an editorial that the detention centre "became the embodiment of his [Bush's] dangerous expansion of executive power and the lawless detentions, secret prisons and torture that went along with them."

Obama, hoping to indicate that he had not forgotten his campaign promise, recently said, "I continue to believe that we've got to close Guantánamo. I think it is critical for us to understand that Guantánamo is not necessary to keep America safe. It is expensive. It is inefficient. It hurts us in terms of our international standing ..."

"The idea that we would still maintain, forever, a group of individuals who have not been tried – that is contrary to who we are."

Not everyone agrees with the

President. *Washington Post* journalist Benjamin declared, "Even if Guantánamo itself miraculously closes, we'll have to build it again somewhere else."

"Guantánamo Bay prison does not serve American security interests," according to Ken Gude, from the Centre for American Progress (CAP), a Washington think tank.

But his reasoning, like Obama's, is pragmatic, not humanitarian. Even BBC Mundo stated that there was no need to keep the prisoners in Guantánamo, commenting that the site would inevitably be closed at some point.

The reality is that no steps have been taken in the direction suggested by Obama. In fact University of California professor Raúl Hinojosa commented to *Russia Today* that the hunger strike has made clear that the US is not in control of the situation, given that the administration "has no answer at this time."

According to General John Kelly, of the US Army Southern Command and the commanding officer at the prison, the detainees had hoped that Obama would close the facility and "were devastated ... when the president backed off."

The prison was opened after the September 11, 2001 attacks, to house those suspected of terrorism, although no evidence existed against them. The indefinite detentions, and testimony given by those released, have earned the detention centre an appropriate reputation as a concentration camp. Different forms of torture are practiced there, including isolation within cells at extreme temperatures and waterboarding.

Guantánamo is one of the worst legacies of George W Bush, who showing no sign of remorse, recently stated that he felt fine about the "hard decisions" he had made "to protect America."

The legal limbo in which 166 prisoners live – there had been more than 700 – has generated criticism internationally, from countries as well as human rights organisations.

Although Obama may not have the political will to close the prison, he could at least exert pressure to reinstate this process halted two years ago.

Granma ✪

**\$17**  
Including postage  
within Australia

**MAY DAY**  
by  
**Philip S. Foner**

*A Short History of the International Workers' Holiday 1886-1986*

74 Buckingham St, Surry Hills, NSW 2010  
02 9699 8844  
shop@cpa.org.au  
www.cpa.org.au

Pay Pal cpa.accounts@cpa.org.au  
Credit cards \$20 minimum. All Cheques/Money Orders to "CPA".

Letters to the Editor  
The Guardian  
74 Buckingham Street  
Surry Hills NSW 2010



email: tpearson@cpa.org.au

## Keep fighting for what matters

The Labor Party had the opportunity to manage the economy in a way that would care for people and protect our environment. Instead we got \$2.3 billion of university cuts, \$1 billion taken from clean energy and the environment and continued punishment for single parents. These aren't the measures of a caring government.

Let me be clear – the Greens have been fighting for the good measures in this budget. Investment in our schools and the NDIS – these are critical.

- a \$129 million boost to the ABC, and increase of \$30 million for SBS;
- the government have been forced into cutting funding for “clean-coal” technologies saving \$633 million;
- \$24 million to Mental Health Nurses; and
- increase in spending on public transport, \$3 billion for Melbourne Metro and \$500 million light rail for Perth.

But the Labor Party should have done better.

They've spent more time listening to mining companies, the big banks and their factions than the people.

This is where it gets important.

This budget is bad but Tony Abbott's extreme agenda would go even further.

Some more detail on what the Labor Party have done in this budget:

Deep cuts of \$627 million to renewable energy and energy efficiency, back-flipping on their commitments to the Clean Energy package

made with the Greens. This comes on top of \$258 million in cuts to the Biodiversity Fund;

cuts to the growth in foreign aid that will undermine our engagement with Asia;

only committed \$159 million to help Australia's most vulnerable experiencing homelessness;

\$10 billion spent on continuing their failed and inhumane offshore detention in their race to the bottom with Abbott to be cruel to refugees.

You can't trust Labor to stand up for the people and environment.

But you can rely on the Greens for the things that matter.

Christine Milne  
The Greens

## Divisive racism

There are a lot of discussions in the media about a racist remark directed at the Sydney Swans' player Adam Goodes and his reaction to it. Most people support

his stand and are appalled by the racist abuse; some think that too much is being made of the teenager's abusive remark during a game last week.

Clearly behaviour like that cannot be condoned under any circumstances. However, for a long time racist attitudes were not even recognised as such. The denial of institutionalised racism did/does still exist. One only has to look at the treatment of refugees in the popular media to realise how deep-rooted it is.

Every migrant in the country will have a story to tell about racism. The introduction of the notion of

multiculturalism was met with derision and hostility when first mooted, but it is the best model for developing harmonious relations based on respect. Racism will not disappear overnight with a wave of a magic wand. Capitalist society is encouraging behaviour which sets one group of people against another.

It is much easier to manipulate and rule a divided society. That's why it is so important to resist these attempts at divide-and-rule. Racism should have no place in our society.

Mati English  
Sydney

Support *The Guardian*  
by donating to Press Fund

Culture  
& Life  
by  
Rob Gowland

# The energy wars of the 21st Century

Towards the end of the 20th century certain capitalist political pundits and futurologists started tossing around the term “the energy wars of the 21st century”. They had become aware that the Earth's energy resources were not infinite and that whoever controlled them could dictate terms to the rest of the planet. Or so they thought.

It was not the first time that capitalism had been down this road. In the early years after WW2, when the US enjoyed a monopoly of nuclear bombs, American politicians and military leaders time and again tried to use the threat of atomic war to “make the Reds retreat”. But they did not take into account either the fortitude of the Reds or the anti-war attitude of the world's people.

For the people were in no mood to have another world war and the capitalists discovered that advocating war – especially nuclear war – did not go down well with ordinary people. In an effort to change this troubling mindset, big business interests persuaded the popular magazine *Collier's* to run a major multi-page feature on how the US could inflict a “first strike” attack with hydrogen bombs on the USSR, and how after the attack the Russian people would rejoice at being freed from the horror of socialism.

*Collier's* at the time was in the same class as such popular mags as *The Saturday Evening Post*, *Life*, *The New Yorker* and *Esquire*. But they badly misjudged the mood of the people with their full colour depiction of H-bombs exploding over Moscow. As soon as the special edition appeared, people began cancelling their subscriptions, advertising collapsed and it was not long before the mag folded. Only the Dulles brothers, General Douglas MacArthur and other very reactionary politicians openly advocated nuclear war (and nutters like Soviet “dissident” Solzhenitsyn).

MacArthur was the hawk who wanted to “nuke” China when US forces in Korea found themselves being rolled back from the Yalu River. President Truman, himself a nuclear hawk, had to choose between starting WW3 or sacking MacArthur. Fortunately for humanity, common sense prevailed and he sacked MacArthur. *Collier's* artists could paint pictures of happy Russian peasants in the aftermath of their fictional nuclear war proclaiming ecstatically “Now we can go to church again!”, but most people tended to look upon depictions of the world after a nuclear war in much the same way as Nikita Krushchev did: “The living would envy the dead.”

But of course, this was the era of above ground nuclear weapon tests, when soldiers were issued with dark glasses so they could observe tests from so close to ground zero that their clothing was ruffled by the blast. Then they walked over the radioactive ground where the bomb had gone off and picked up bits of fused rock as souvenirs. Meanwhile the mushroom cloud drifted over neighbouring farms, towns and even cities.

The realisation in the '50s that the USSR possessed intercontinental ballistic missiles that could put nuclear warheads on to anywhere in the USA – at will – was a serious setback for imperialism's war hawks. But while it gave the advocates of all-out nuclear war pause, it left the field open still for the advocates of smaller, “tactical” wars. In fact, since then the US has gone to war on an almost annual basis.

Actually, that is a slight exaggeration. I believe it is not quite annual, more like every 14 months. But, hey, that is not much better, is it? In fact, when President George W Bush came out in favour of what he called “permanent war” he was really only expressing his support for the status quo.

Today, the imperialist powers – USA,



Britain, France, Germany – along with their clients and hangers on are waging predatory wars against resource rich countries across Africa, Asia and South America. They do so under a cloak of supporting or defending democracy, of only wanting “regime change” that will benefit the people of the country concerned. But in fact, they seem to have moved to a new strategy that encompasses the concept of the “failed state”, by the simple expedient of destroying a country's capacity to function. In this “failed” condition, it cannot effectively resist imperialism's looting of its resources.

At the same time they are attempting to gain control of other countries' resources, by subversion, trade agreements, threats or corruption. The US encourages and funds subversion against oil-rich Venezuela, maintains the royal dictators in power in such places as Saudi Arabia, Bahrain and Yemen. They have put gangs of religious fascists in power in countries like Libya, because these gangs will sell them oil at bargain prices in return for a free hand to loot the country and exercise their own fanaticisms.

And of course they are constantly planning how they can isolate socialist governments from supplies of essential energy, fomenting coups or wars in African countries with oil reserves or other valuable resources. As well, they regularly rehearse how they can “interdict” shipping – especially oil tankers – travelling to China, the DPRK or Vietnam. Australian naval and military forces are an integral part of these planned military adventures.

Deliberately making a target out of our largest trading partner can hardly be viewed as being in Australia's best interest. But our interests are not of much significance to US imperialism. Our only value to the US is whether they can make use of us – either diplomatically (a reliable vote at the UN), or in supplying troops for US military adventures, including the mooted energy wars (to make them look “international” rather than just American), or as a base for US global surveillance operations or of course as a source of raw materials.

We used to be a British colony. Later we became an American client. What we need to be is independent. ★



Rob Gowland  
previews  
ABC & SBS  
Public Television

Sunday June 2 –  
Saturday June 8

There is no doubt that the two-part series *Whitlam* (ABC1 Sundays at 7.30pm from last week) is interesting. But that is inherent in the subject matter and the times. The film-makers themselves are rarely anything but superficial. Even their choice of “talking heads” is revealing: surviving politicians, of course, but also a swag of celebrities in lieu of actual experts, clearly chosen for their box-office appeal rather than any political acumen. Noticeably absent is anyone from the left, including anyone from anti-Vietnam-war groups like the Save Our Sons movement, despite the war and the moratorium movement being given some prominence in the commentary.

The program attempts to portray Whitlam as less a political leader than a phenomenon, the election of the Labor government as not a popular rejection of and disillusionment with decades of conservative misrule, including the selling off of innumerable public enterprises and utilities, to the impoverishment of the nation and the enrichment of a privileged few. Instead, the program credits it to Whitlam's allegedly unusual, strange or even alien personality, a personality that it claims went down particularly well with “suburbia”.

For a program about politics, what is singularly lacking is an understanding of politics. Economics rarely comes into the picture. What did

the organised working class think of Whitlam, and more importantly, why? You won't find out here.

In part two, this week, the economy “deteriorates” but there is no mention of the investment strike that big business pulled to wreck the government: a hard-earned position of full employment was turned very quickly into ballooning unemployment, capital was deliberately taken out of the country. Attempts to secure it from outside the capital markets that were now so obviously closed off to Whitlam's government were sabotaged and converted into “scandals” and “affairs”, that the media bosses – not just Rupert Murdoch – played for all they were worth.

The program was not disappointing, because I did not expect anything better. But there is no doubt that it was a missed opportunity.

“Sunday Best”, the slot where the ABC revives old documentaries, this week replays the Academy Award-winning *When We Were Kings* (ABC2 Sunday June 2 at 8.30pm).

*When We Were Kings* has been screened before and we have written about it before, so this time I will simply reprint a section of an informative review by Edward Guthmann in the *San Francisco Chronicle*.

“Leon Gast, who worked on the film for 23 years, takes us back to September 1974, when Mahomet Ali flew to Zaire for ‘The Rumble in the Jungle’, a boxing match against George Foreman, the heavyweight champion and the fiercest opponent he would ever face.

“The fight, promoted by Don King and sanctioned by Zairean dictator Mobutu Sese Seko, caught the world's attention and coincided with a three-day African music festival held in a soccer stadium, with American guests James Brown, B.B. King and the Spinners.

“But Gast also captures the tension and heat building up to the fight, shows the fighters' training strategies (‘I think Ali was scared’, witness Norman Mailer recalls) and documents the frustration and anger



*My Year Without Sex* (SBSONE Saturday June 8 at 9.30pm).

when Foreman cuts his eye and the fight is postponed six weeks.

“On a deeper level – and this is where *When We Were Kings* exceeds its expectations and becomes a great film – Gast examines African American pride. He records a time when Ali, loud and ‘pretty’, became a worldwide symbol of black self-determination and gave his brothers a bolder, stronger image of themselves than they'd ever known.

“‘I live in America,’ Ali says in the film, ‘but Africa is the home of the black man. I was a slave 400 years ago, and now I'm going home to fight among my brothers.’ By portraying the young Ali as hero and moving beyond the media image of the poetry-spouting peacock, Gast reminds us that Ali didn't follow the path of earlier black superstars or earn his stripes by conforming to white society's expectations.

“In the '60s he outraged whites and blacks alike when he dropped his name of Cassius Clay, joined the Nation of Islam and took a new name. During the Vietnam War, when he refused to be drafted and said, ‘No Viet Cong ever called me ‘nigger’,

the US Supreme Court gave Ali a five-year jail sentence – which was later dropped on a technicality.

“*When We Were Kings* builds to a smashing finish, when Ali and Foreman finally battle on October 30, 1974. That final bout is the heart of the film, and it's presented beautifully ...”.

In 2007 an episode of the US television comedy series *Robot Chicken*, was devoted to a parody of *Star Wars*. Seth Green won the Annie Award for Best Directing in an Animated Television Production for the episode; it was also nominated for Best Animated Television Production. Two sequels were created: *Robot Chicken: Star Wars Episode II* (SBS2 Monday June 3 at 9.30pm), and two years later *Robot Chicken: Star Wars Episode III*.

That this witless load of juvenilia could be given an award – any award – is a sad comment in itself.

*My Year Without Sex* (SBSONE Saturday June 8 at 9.30pm) is an Australian film written and directed by Sarah Watt. Set in Altona (suburban Melbourne), it is about a 30-something couple,

Ross and Natalie, and their children, after Natalie suffers a brain injury and is forbidden from having sex for 12 months.

Watt has said “My ideas were so broad, about anxiety and non-sustainable consumerism and how a non-ruling-class family were coping with how to save for the future and the uncertainty in the work force.

“And sex seemed a good way to corral it. A lot of our consumerism is about looking sexually attractive or being anxious.”

*My Year Without Sex* received strongly favourable reviews, and was touted by *The Sydney Morning Herald* as “possibly the best” Australian film of 2009 as well as “the most accomplished” local film of 2009 by *The Age*.

Natalie is played by Sacha Horler, a brave actor who can handle difficult parts superbly.

Look for “Antoinette”. This is Watt's husband, William McInnes in drag. Another important character is Margaret, the one-time junkie pop singer, who essays a change as a priest, then surprises us all in the end. ☺



\$25 each  
incl p&p

74 Buckingham St, Surry Hills, NSW 2010 Ph 02 9699 8844  
shop@cpa.org.au www.cpa.org.au  
Pay Pal – cpa.accounts@cpa.org.au

Credit cards incl card type, name, number & exp date. All Cheques/Money Orders to “CPA”.

### Subscription to *The Guardian*

12 months: \$100 (\$80 conc / \$150 solidarity)  6 months: \$55 (\$40 conc / \$80 solidarity)

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

POSTCODE: \_\_\_\_\_

Pay by  Cheque  Money order (Payable to “Guardian Publications”)

Phone in details on 02 9699 8844

Or send to: Guardian Subscriptions

74 Buckingham St, Surry Hills, NSW 2010

or by credit card:  Mastercard  Visa \*\$20 minimum on cards

Card# \_\_\_\_\_

Amount: \_\_\_\_\_ Expiry Date: \_\_\_\_/\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_

### The Guardian

Editorial Office  
74 Buckingham St, Surry Hills, 2010  
Ph: 02 9699 8844 Fax: 02 9699 9833  
Email: guardian@cpa.org.au

Editor: Tom Pearson

Published by  
Guardian Publications Australia Ltd  
74 Buckingham St, Surry Hills, 2010

Printed by Spotpress  
24-26 Lillian Fowler Place Marrickville 2204

Responsibility for electoral comment  
is taken by T Pearson,  
74 Buckingham St, Surry Hills, 2010

### Enmore Newsagent

195 Enmore Rd (near Edgeware Rd)  
Enmore, NSW

This Sydney newsagent  
regularly stocks *The Guardian*

Sydney

# POLITICS in the pub

May 31

## WHY AUSTRALIAN INVESTORS HAVE LOST \$10 BILLION IN THE LAST DECADE – AND WHAT CAN BE DONE ABOUT IT

Gerard Minack, Global Cross Asset Strategy, Morgan Stanley;  
Joe Nagy, Economist and Financial Risk Analyst;

June 7

## NO MEETING

Long weekend, holiday;

June 14

## GENOCIDE IN SRI LANKA: WHY NO RESPONSE FROM AUSTRALIA?

Gordon Weiss, former UN spokesperson on Sri Lanka, author of *The Cage: The Fight for Sri Lanka* and *The Last Days of the Tamil Tigers*;  
Sam Pari, Dr, Spokesperson for Australian Tamil Congress;

June 21

## REMEMBERING RACHEL CORRIE

Rihab Charida, Daughter of Palestinian Refugees and Film Maker;  
Vivienne Porzolt, Spokesperson for Jews Against the Occupation, Sydney;

Lisa Arnold, Apheda Project Officer, Middle East;

June 28

## THE DISGRACEFUL SHORT FALLS IN THE NSW HEALTH SYSTEM

John Kaye, MLC, NSW Greens;  
Tad Tieze, Dr, Psychiatrist and campaigner;

Every Friday 6pm 'til 7.45

**Gaelic Club**

64 Devonshire Street Surry Hills

Charles Bradley 02 9692 0005  
odl\_bradley@pacific.net.au

www.politicsinthepub.org.au

# Haiti's poor majority pushed to the margins

Sokari Ekine

**"Now is the time to seize opportunities in Haiti, a nation which can provide 'incredible value' to other countries as well as to itself, especially by virtue of its private sector," says an article I just read on actor Sean Penn meeting with World Bank officials.**

Another article, this time in the British *Guardian* in 2009, advocates that Haiti should seize the "window of opportunity" by mirroring Bangladesh's garment industry. But Haiti should be running as far away as possible from the Bangladesh model which has, on more than one occasion in the past few years, resulted in the deaths of garment workers. Recently, over 1,100 people died in a factory collapse. Imagine the uproar if that number of US workers had died as a result of negligence – just so that we can buy T-shirts for \$3.00 in Walmart.

After three years of regular visits and four months of living in Haiti, I have seen and heard so much bullshit being spouted about what is supposedly happening here. It bears little relationship with the Haiti I see around me, and the people I speak with on a daily basis.

In Caracol, farmers sold their land for US\$1,200 to make way for an industrial park. This is one of the problems in the new "open

for business" Haiti. Poor farmers and displaced people are being offered meagre sums of money to sell land or to move from camps. It's hard to resist and consider the long term when you have nothing.

I attended a May Day protest by some of the women workers who make T-shirts for Walmart. Caracol is a fortress which looks like a detention camp. It lies next to a small village of the same name and beyond that there are new box houses being built for workers. They complained of a wage cut as well as verbal and, in one case, physical abuse by the overseers. On the positive side, the workers are members of the Confédération des Travailleurs Haïtiens [CTH] trade union, which was founded in 1998 and is particularly strong on women and youth workers' rights. It is through them that the Caracol workers (mostly women) continue to negotiate for better working conditions.

Martelly's government has introduced some social programs which include providing the most vulnerable with money to help with children and giving families small amounts of food – "baskets of solidarity". News reports tell us that so far there have been some 100,000 beneficiaries across the country.

There are two problems with these programs: One is that they are contradictory; at the



same time as women are being handed out free bags of food, market vendors are being driven off the street – making it impossible to earn a livelihood. Secondly, people need to produce both their ID and voter registration cards. The possibility then exists for the government to add the names of the participants to their party numbers. Surely it would be better for women to earn a living selling in the market or have the opportunity to run small urban farms?

Just as the infrastructural and commercial changes have become significantly visible, so too has the increase in the level of poverty. The cost of food is rising and consequently more people

are hungry. Market traders, mostly women, are struggling to sell on the streets as they engage in a constant battle with the police.

The government of Haiti and its US masters are determined to build a prosperous new country. Whether they succeed or not will depend on whether they are prepared to make this an inclusive prosperity or continue, as in the past, leaving the popular masses on the physical and financial margins – on hillside wastelands or in periphery neighbourhoods such as Cité Soleil, Jalouzi, Carrefour and Caracol.

*New Internationalist* ✪

## Mexico resists Monsanto corn

Jen Wilton and  
Liam Barrington-Bush

**Saturday May 25 was a chance to say "no" to genetically modified foods, with actions taking place all over the world against GM giant, Monsanto. The movement in Mexico is growing considerably, as local people are challenging the introduction of Monsanto corn in the crop's historic birthplace, out of concern for what it could mean for traditional cultures, local diets and the biodiversity of the broader environment.**

In late April, world renowned Indian "seed activist" Vandana Shiva travelled to the southern Mexican state of Oaxaca to join a gathering of Mexican farmers, Indigenous leaders and environmentalists, fighting to protect Mexico's native corn crops against the imposition of genetically modified alternatives.

The group gathered for the "Pre-audiencia Nacional: Contaminación Transgénica del Maíz Nativo" in the shadows of the Sierra Juárez mountain range, in response to the Mexican government's proposal to allow the seeding of 12 million hectares of genetically modified corn. The proposal followed an initial pilot project in which Monsanto was allowed to plant GMO corn in test sites in 2009. While many local communities remain adamantly opposed to the move, extensive lobbying by Monsanto, with

support from the world's richest man, Mexican Carlos Slim, and considerable efforts by the Gates Foundation, have raised real fears that local concerns may be ignored.

While Slim, the Gates Foundation and Monsanto argue that GMO technology will feed the world's poor, many locals deem the imposition of transgenic crops a serious threat to the native varieties of corn that have been at the core of rural Mexican cultures for millennia.

"On every ground transgenics are wrong," Vandana Shiva told the Oaxaca audience of several hundred, "but they are hugely wrong in the centre of diversity of maize here in Mexico."

The historic birthplace of corn, and home to several thousand varieties of the crop, corn is more than just a staple in the Mexican diet. Beyond its prevalence in local cooking, corn is a symbol at the heart of countless Indigenous traditions and holds great spiritual significance. An Indigenous Nahuatl man from the state of Hidalgo explained that his community hosts a festival to celebrate corn every year in which "we dance with the corn and we celebrate the Earth Mother."

Echoing this sentiment, a woman from an organisation representing Indigenous communities in the south-east of Mexico and Guatemala said, "When we care for and cultivate our cornfields, God is with us. He gives us the food that

we need. He works with us and he rests with us... The corn that God gives us, lives with us, sings and dances with us, and in certain moments it also cries with us."

A nationwide campaign was born in Mexico in 2007 called "Sin Maíz, no hay país" (Without corn, there is no country). "Corn is the life of the towns," said event organiser Neftalí Reyes Mendez, of the Oaxacan Collective in Defence of Territories in an interview following the event. "Corn is the base of life, the base of resistance for the peoples of Oaxaca."

Aware of the crop's supreme importance in Mexico, Vandana Shiva travelled more than 30 hours to share her experiences of fighting GM-giant Monsanto in India. "We started the seed saving movement in India," she explained, "with the commitment to not obey laws that make it illegal for us to have our own seeds, because [seed] saving for biodiversity, continuing our heritage, receiving what we have received from nature and our ancestors, looking after it with love and care to pass it on to future generations is not a crime. It is our sacred duty."

Shiva went on to explain the catastrophic effects that the widespread planting of BT cotton in India has had, relating how within one season only Monsanto seed was available to cotton farmers. Subsequent crop failures and the rise of indebtedness, following an 8,000-fold increase in seed prices, have devastated the fabric of

community life. Shiva poignantly told the gathered crowd, "150,000 people have been killed in the criminal violence of organised crime in Mexico. In India, 270,000 Indian peasants have committed suicide because of the criminal violence of the organised crime of Monsanto. ... Don't allow Monsanto to make Mexico a suicide economy."

With what critics have called "The Monsanto Protection Act" having recently passed into law in the US, some Mexicans fear Peña Nieto's government will follow suit and approve the widespread commercial planting of GM corn, making seed sharing illegal and making it far harder for farmers to maintain non-GMO-contaminated varieties of corn. Dr Alejandro Espinosa Calderón, a nationally recognised expert on GMO corn in Mexico, echoed this fear, stating emphatically, "The Mexican government does not defend Mexicans, they defend Monsanto."

GM advocates argue that scientific tests show no harmful health or environmental results. But Shiva has heard these arguments before. "All the tests they do for safety are not tests, because they work with surrogate proteins. They don't work with the transgene," Shiva explained. Her concern is backed up by a 2006 report by Friends of the Earth UK, on the allergenic qualities of GMO foods. The report argues "surrogate proteins may not reflect the toxicity or allergenicity of the plant-produced

protein to which people are actually exposed... The use of surrogate proteins is not acceptable – protein produced by the GM plant that will actually be eaten must be used in allergenicity assessments."

Similarly, a 2009 report from the Indian Academy of Sciences recommends "carrying out acute toxicity studies with native (not 'surrogate') protein."

"They say this is natural," Shiva explains incredulously. "It is substantially equivalent to your corn and therefore we don't have to really test because it is equal. ... They say it is just like nature, but when it comes to owning the seed they say, 'We are the creators. We made it, we are the inventors. We own it, we have the patent. It is our intellectual property'. So the same thing is new, when it comes to owning, and it is natural when it comes to shedding responsibility for the environmental, health and socio-economic impacts. I call this ontological schizophrenia."

Shiva concluded by reiterating the connection between Indian and Mexican seed activists, despite their geographical separation – "We are doing what you are doing and we are part of one movement that is planetary, while being deeply local. We have started a global citizen's movement for seed freedom, to say no to transgenics, no to patents, no to Monsanto's empire to destroy the planet, and our lives and our food systems."

*New Internationalist* ✪



Communist Party of Australia

Website: [www.cpa.org.au](http://www.cpa.org.au)  
Email: [cpa@cpa.org.au](mailto:cpa@cpa.org.au)

Guardian

Website: [www.cpa.org.au/guardian](http://www.cpa.org.au/guardian)  
Email: [guardian@cpa.org.au](mailto:guardian@cpa.org.au)

**Central Committee:**  
**General Secretary:** Dr Hannah Middleton  
**Party President:** Vinnie Molina  
74 Buckingham St, Surry Hills, 2010  
Ph: 02 9699 8844 Fax: 02 9699 9833  
**Sydney District Committee:**  
Brian McGee  
74 Buckingham St, Surry Hills, 2010  
Ph: 02 9699 8844 Fax: 02 9699 9833

**Newcastle Branch:**  
PO Box 367 Hamilton NSW 2303  
Ph: 02 4023 8540 / 0401 824 386  
[newcastle@cpa.org.au](mailto:newcastle@cpa.org.au)  
**Riverina Branch:**  
Allan Hamilton  
2/57 Cooper St Cootamundra 2590  
**Tasmania Branch:**  
[tas@cpa.org.au](mailto:tas@cpa.org.au) Ph: Bob 0418 894 366

**Melbourne Branch:**  
Andrew Irving [viccpa@netspace.net.au](mailto:viccpa@netspace.net.au)  
Box 3 Room 0 Trades Hall  
Lygon St Carlton Sth 3053  
Ph: 03 9639 1550 Fax: 03 9639 4199  
**West Australian Branch:**  
Vinnie Molina [perth@cpa.org.au](mailto:perth@cpa.org.au)  
PO Box 98 North Perth WA 6906  
Ph: 0419 812 872

**Brisbane Branch:**  
PO Box 33, Camp Hill, Qld 4152  
Ph: 0449 202 189  
[cpabris@live.com.au](mailto:cpabris@live.com.au)  
**South Australian State Committee:**  
Bob Briton, PO Box 612, Port Adelaide BC,  
SA 5015 Ph: 0418 894 366  
[www.adelaidecommunists.org](http://www.adelaidecommunists.org)  
Email: [sa@cpa.org.au](mailto:sa@cpa.org.au)