

# The Big Picture

Issue 103  
18 December 2010

“News to use & bemuse”



Editor: Mike Bolan

## Across the news

Professional pundits were upstaged by the community in recognising the threat to Vic Labor before the election...

Myki fiasco : we could have bought an off-the-shelf solution from one of the many successful operators of integrated public transport in the world (Tokyo, HongKong, Singapore, Paris, London, NY...). Hospitals. Public transport. Melbourne growth boundaries. Planning. Tim Holding. Justin Maiden. Rob Hulls. "Smart" meters. Law and order. No anti-corruption body. Secrecy. Mockery of FOI. Sweet deal between the police and private operators to spy on citizens (North South pipeline, desal plant, others..? For God's sake, how many more reasons do you need to kick-out a bunch of smug, arrogant, aggressive and incompetent idiots who play with other people's life and money? And they are surprised? Just shows how out of touch they are. Good riddance, and please never come back. And to think I voted Labor.. once. [John in TheAge](#)

An innovative approach to leadership is everywhere...

THE City of Sydney is battling to evict a group of homeless students occupying a building in Redfern because it wants to use the premises as a centre for young homeless people. [SMH](#)

Evidence of a caring government still elusive...

I derive no pleasure from pain. I don't enjoy standing on a forestry road beside a creek being reduced to tears by industry management who say there's nothing that can be done, literally begging to have my natural water supply and surrounding environment better protected. I don't enjoy being conned and manipulated, told by the industries Minister, if push comes to shove he'll lie to save his own and the industries fake skin. I find it extremely distressing to have to try and scoop out gasping dying fish out of drying out creek bed, putting a water container out for a thirsty platypus, encouraging a spotted quoll to forsake the dog kennel because it's home has been ransacked, burnt, smoked out. Just how public native forest was ever allowed to be clear felled and converted into a monoculture for little purpose but to supply a non-existent pulp mill is astounding. [TasmanianTimes](#)

The careful marshalling and deployment of our money...

The list of (federal government) bumbles is frightening: schools infrastructure involving enormous waste of taxpayer funds, massive commitments to a broadband system not properly evaluated, pink batts which kill, solar energy rebates which exacerbate the problem they were designed to solve, proposed offshore asylum centres based solely on a phone call to a bemused head of state, bodyguards attending national security meetings in lieu of ministers, on-again-off-again climate change approaches, as well as a higher education policy which will make university education out of reach for many Australians, and place our great educational institutions in jeopardy.

And only last week we learned that cabinet ministers were not properly consulted on the NBN legislation – which will spend some \$40 billion of taxpayers' money.

This incompetence in policy design is matched by a failure of value for money in service delivery. [BusinessSpectator](#)

Impossible to see where the problems lie really, it's clear that Labor has everything under control...

George Droutsas, who was senior campaign officer in Victorian Labor's head office from 2006 until last year, has told [The Age](#) that Mr Brumby surrounded himself with B-grade sycophants who refused to give him bad news or tough advice.

Of course, if you listen to your own marketing for long enough, you miss what's obvious to the citizenry...

Prime Minister Paul Keating's Labor successors, state and federal, have demonstrated that running a business, a department or an economy requires more than a spivvy set of duds and a pre-programmed publicist from the Hawker Britton stable.

Gauging by their sentiment, voters across the country now know that Labor cannot differentiate between spin and substance. If a minister - state or federal - makes an announcement, Labor has attempted to con punters into believing that something has really happened but, as the polls show, the voters are tired of being lied to...

Writing in The Australian yesterday, Noel Pearson noted that “one of the problems with the popularisation of the word spin is that it has trivialised what is the deliberate and systematic misrepresentation of the truth and the promulgation of misleading interpretations of facts designed to deceive the listening and viewing public.

Spin ends up trivialising a scourge in our democracy, because it sanctions a subtle process of suggestive misleading by elected representatives.”

...Try standing at a suburban railway station waiting for a non-existent train and talking to the commuters about the need to revisit the US alliance, work harder (in the dark) for a carbon-free future and spend more time rethinking our Middle East policy, or even, engage the average person on the pressing need to debate gay marriage and euthanasia and there's a reasonable chance of provoking an outburst of commuter rage. [Telegraph](#)

Government policy always devoted to helping its citizens...

IN THE three years to September, the price of electricity for the typical Melbourne home rose 54 per cent. The price of water rose 62 per cent, the price of gas rose 28 per cent. It was one of the key reasons the Brumby government lost office.

The Bureau of Statistics reports that over the three years, these price rises were the highest of any capital city. In just two years, the St Vincent de Paul Society estimates, "Victorian households' annual energy costs have typically increased by more than \$300". [TheAge](#)

Ahh Labor, under their protection what can go wrong?

While Labor has been accused of not having an agenda, the real problem is its inability to deliver its stated reforms. The derailment of the Murray-Darling Basin Authority's water reforms for the nation's largest river system is the latest example.

Even putting aside dud ideas such as Fuel Watch and Grocery Choice, and not counting massive programs involving billions in waste, such as the roofing insulation scheme and the school halls program, Labor's reform agenda is littered with blighted ideas and policies. At the heart of these failures there is either a flawed conversation with those directly affected or no consultation at all. [TheAustralian](#)

## That Was The 3 Weeks That Was

### Governance + spin

Government lacks the skills to deliver [Australian](#)  
The lies just keep coming [Telegraph](#) [TheAge](#)  
Arbib revealed as secret US source [TheAge](#) [Punch](#)  
Government knows Afghan war hopeless [TheAge](#)  
Tas govts growing reputation in Canberra [Mercury](#)  
Tassie's bloated public services [Mercury](#)  
Wikileaks is Democracy 101 [NM1](#) [NM2](#) [TheAge](#) [BusSpec](#)  
Why governments are failing us [BusinessSpectator](#)

### Food/forestry

Tas forest deal in tatters [Mercury](#)  
Tas forestry compo denied by feds [Mercury](#) [TheAge](#)  
Farms & mines to drive our growth [Australian](#)

### Climate/water/energy/resources/environment

Qld power disconnects as households cannot pay [CourierMail](#)  
Structural reasons for Vic power bill shocks [TheAge](#)  
Tasmanian water could save the Murray: Davidson [TheAge](#)  
A billion could lose homes to climate change [Guardian](#)

### Health & education revolutions/communication/defence

MySchool fiasco deepens for Labor [TheAge](#)  
Counting changes minimise mental health issues [SMH](#)  
Vermin a real problem in Vic hospitals [HeraldSun](#)  
Patients copping bigger share of health tab [SMH](#)  
Joining US in attack on China would be folly: Fraser [SMH](#)

### Economy/social/shelter/transport/free speech/World

Injured diggers denied compensation [HeraldSun](#)  
Truth in chains: Floyd on Wikileaks [Counterpunch](#)  
Free trade costing Australia millions: report [TheAge](#)  
Household debt has changed the economy totally [BusinessSpec](#)

### World

The real meaning of the Irish bail out [UKTelegraph](#)  
Russia described as 'mafia state' [TheAge](#)  
Most Americans ignorant: Brzezinski [ICH](#)  
How did the boat get so close to the cliffs: Marr [TheAge](#)  
Economics of slaughter [ICH](#)  
Airbus OK for 80, not 450 passengers: RR [CourierMail](#)  
▶▶ Twelve theses on Wikileaks [EuroZine](#)

### Videos

Wii remote hacks [TEDvideo](#)  
Dangerous memes [TEDvideo](#)  
Wikileaks and the diplomacy of secrecy (2min in) [RealNews](#)  
Thousands protest nightmare Irish economy [RealNews](#)  
Michele Obama's plea for education [TEDvideo](#)



Queueing to see Venice before it becomes Atlantis

## Labor - a cause of high taxes

December 12, 2010 Heath Aston [SMH](#)

THE NSW government has squandered more than three-quarters of a billion dollars of taxpayer money in a year.

A *Sun-Herald* review of 12 months of reports by the NSW Auditor-General has found \$778 million flushed down the toilet - more than \$2 million a day.

Cases where money has been wasted directly or where the taxpayer has lost out through poor oversight, budget blow-outs or governmental blunders include:

\$356 million spent on the abandoned CBD Metro for no result.

\$188 million overspent on the Building the Education Revolution stimulus spending scheme.

\$150 million lost on the sale of NSW Lotteries, which the Auditor-General found was too low.

\$10 million dropped on the bungled handling of the V8 Supercars contract by former minister Ian Macdonald.

Over the year, Auditor-General Peter Achterstraat also found NSW had lost out on \$8 million in coalmining royalties due to poor enforcement, and the final budget for World Youth Day had run \$66 million over forecast.

Despite Youth Day being held in 2008, the Auditor-General's report did not come out until May this year.

Mr Achterstraat, who has been scathing about the flagrant approach by the NSW government in a succession of reports, is bound by legislation not to comment outside the times when he hands down a report...

## Good question

Wikileaks's Julian Assange [told](#) the Sydney Morning Herald back in June, *"How is it that a team of five people has managed to release to the public more suppressed information than the rest of the world press combined? It's disgraceful."*

## Why a recovery is illusory

Business Spectator reports...as the retail data gets steadily worse, we've had Gerry Harvey demanding that the government tax imports purchased online to stop them cannibalising local spending. That might be a short-term fix, but the real problem is the local retail business model of selling to consumers on easy credit. That model is now last year's horse – and anyone riding it is facing the wrong way. What conventional economists, Harvey, and so many others are failing to see, is that there's something far deeper at work here – not just another cyclical pattern, but a deeper structural problem.

The missing link, the reason that 'this time is different', is the absolute level of private debt in our economy. We've breached a maximal level and have damaged not merely the confidence of businesses and consumers to borrow, but their capacity to do so. The resulting deleveraging has begun, but it has a hell of a long way to go before the word 'recovery' will have any enduring meaning.

Looking back over the past half century, there has not be a single economic recovery in Australia that wasn't also accompanied by a rebound in credit growth, and ultimately an increase in the ratio of private debt to GDP. Australia's economy, like most other developed economies, has in effect returned to the bank time after time to borrow and stimulate growth. And it has worked every time so far – but it was never going to last forever. One day we had to reach the point where borrowing could increase no more, and it appears that we did so almost two years ago...

Private debt in Australia reached its record high, as a proportion of GDP, in February 2008, at a whopping 157 per cent. It retraced a little as deleveraging began, but the intervention of the federal government's First Home Vendors' Boost kicked it back up to a mini-peak of 153 per cent in July 2009. From there it ran out of steam once more and started to slide backwards – it is currently 145 per cent. We haven't seen an absolute fall in debt, as has occurred in the US, but the rate of growth of debt has fallen below that of GDP, and the turbo-boost that rising debt used to give to aggregate demand has terminated...

But for the credit impulse to remain positive, ultimately it has to result in a yet higher ratio of debt to GDP than we currently have. But who's going to do the borrowing? The government has plenty of headroom, but households are carrying unprecedented levels of debt – more than three times what they had in 1990 and five times the level of the late 1970s – and business, despite the China boom, is rapidly deleveraging now from the record debt level set in 2008...

A large number of commentators are assuming the consumer, and businesses, will awake for their borrowing torpor any day now and start queuing up to extend their overdrafts, or withdraw equity from their homes to keep living in the manner to which they've become accustomed. After all, though they haven't been consciously aware of it, this is the force that has ended every recession in their lifetimes.

It ain't going to happen. This time it *is* different. And the flock of black swans about to fly over the horizon isn't really that surprising after all.

*Steve Keen is Associate Professor of Economics & Finance at the University of Western Sydney and author of Debunking Economics and the blog Debtwatch.*

## Wikileaks – blowing us away

*AlJazeera* Mark LeVine Last Modified: 09 Dec 2010 15:40 GMT

***Leaks have made it harder for Western governments to dupe to justify future wars.***

For professional historians the publication of the vast trove of diplomatic cables is a bitter sweet affair.

No one outside of the Washington establishment and the myriad foreign leaders shamed by revelations of their penchant for hatred, hubris and pedestrian peccadillos can seriously argue that the release of these classified documents has done anything but good for the cause of peace and political transparency.

Whether about Iraq, Afghanistan, or the minuate of American diplomacy, they have shed crucial light on some of the most important issues of the day and will make it much harder for Western or Middle Eastern governments to lie to their people about so many aspects of the various wars on/of terror in the future.

Indeed, if there's anyone who deserves the next Nobel Peace Prize more than the courageous American soldier, Bradley Manning, who is alleged to have given the documents to Wikileaks in the first place, I'd like to know.

At the very least, given what a mockery President Obama has made of the principles for which the prize is supposed to stand - evidence of which, like pressuring Spain to drop criminal investigations into Bush administration torture, have only come to light thanks to the latest WikiLeaks release - the Nobel Committee should demand his medal back and give it to Manning or whoever the leaker is.

### **A new approach to diplomacy-honesty and transparency**

Already, thanks to WikiLeaks, citizens in the West and Middle East know more than they were ever supposed to about how corrupt, misguided, incompetent and mendacious, are their leaders and the policies pursued in their name.

As each new revelation comes to light, I can't help thinking, why was this secret in the first place? Wouldn't it be better if American and other diplomats shared their concerns openly rather than hiding them from the public?

How about everyone telling the truth for once and letting the people decide? Aren't Italians better off knowing that the American Ambassador thinks Berlusconi is too old to party like a rock star and too corrupt to be trusted with his country's leadership? Shouldn't Americans know that the Saudis continue to funnel huge sums of money to militants and that Pakistanis are refusing to hand over nuclear fuel they long ago promised to give up?

Wouldn't Mexicans be better off knowing just what the US thinks of their anti-drug efforts, and Americans better off knowing just how badly the drug war is proceeding? And certainly the news that Saudi Arabia, at least, supports attacking Iran has already led Iran to tone down its rhetoric and seek to reassure its neighbors of its peaceable intentions.

As far as I can see, the best development that could come out of Wikigate would be that diplomats around the world begin tweeting their previously secret observations on a daily basis, so that everyone knows where everyone else stands and governments can no longer hide behind diplomatic courtesy to

continue with the all-too-often reprehensible "business as usual". The world has never needed honesty more than it does today.

### **Looking for shelter in an increasingly dangerous world**

If there's anyone who doesn't think the world - and particularly the United States - desperately needs WikiLeaks, I offer you "Exhibit A" of why this is the case: the star-studded official [trailer](#) for the "Call of Duty: Black Ops" first person shooter video game. Regular readers of this column might recall my November 16 article, "Nowhere Left to Run," where I discussed the cultural implications of "Black Ops" after spotting a poster for the game in a Berlin subway around the time of its release.

Since then I have seen the trailer, whose slogan is "There's a soldier in all of us" and features both ordinary people - a secretary, fry cook, hotel concierge, and the like - along with celebrities like Los Angeles Lakers guard Kobe Bryant, and late night American talk show host Jimmy Kimmel.

After watching the trailer I was so exasperated I emailed a colleague at the Centre for Middle Eastern Studies here at Lund and asked him, "Where is Ice Cube when you need him?" His reply stunned me: "LoL you don't know where Ice Cube is? He's doing the voice of Bowman in 'Black Ops'..."

In case you're not a hip-hop fan, once upon a time Ice Cube was the terror of law-abiding white citizens across America as a member of the highly political gangsta rap group N.W.A. In fact, their song "F\*\*\* Da Police" almost got them into as much trouble with the US government as is Julian Assange today.

But those days are long forgotten. Today Mr. Cube spends his time, when not playing secret service agents in movies, providing the voice for one of the lead characters in "Black Ops."

But it's not just hip-hop that's prostituted itself to violence and big corporations. The rock n' roll establishment has equally shamed itself, as none other than the Rolling Stones allowed their song "Gimme Shelter," one of the most important anti-war songs of the Vietnam era, to be used as the soundtrack for the trailer, which shows Kobe Bryant smiling widely as he and innumerable other "ordinary" people blast away an unseen enemy in a clearly Middle Eastern landscape (not surprisingly, digital sales of the song and other Stones hits spiked in the wake of the trailer's release).

### **A chilling view of American culture and values**

The "Black Ops" trailer makes for chilling viewing, as it tells viewers - successfully, apparently, given the record-breaking sales of the game - that they can derive great pleasure from taking a break from life to pretend to kill people half way around the world.

Perhaps most troubling, the colours and landscape of the trailer are eerily reminiscent of the infamous killing of a dozen Iraqis by a US helicopter crew, some of whom are laughing as they fire missiles at their targets. Not surprisingly, the only reason we know of this event is because WikiLeaks put the classified video, dubbed "collateral murder," into the public domain last April, in one of the releases that first made the organisation (in)famous.

Apparently Bryant, Kimmel, Cube, the Stones and the designers of "Black Ops" are all either ignorant of, or more likely unmoved, by the reality that ordinary Americans - fry cooks, secretaries, concierges and other working class people - have been forced to answer the "call of duty" for extended tours in Iraq and now Afghanistan during the last decade, where many have been forced into precisely the life and death situations of

extreme violence that Bryant and his famous friends were no doubt paid handsomely to pretend so thoroughly to enjoy.

This is the mindset, at all levels of American society, against which the truths revealed by the hundreds of thousands of WikiLeaks documents must stand. And the potential for changing peoples' minds is clearly disturbing enough to the US government that it has begun, when not calling for Assange's arrest and worse to warn students at elite institutions like Columbia University's School of International and Public Affairs that they risk never being hired by the State Department if they even mention the WikiLeaks documents on any social media sites in which they participate.

Like the corrupt law firm that hired innocent newbie attorney Tom Cruise in the movie "The Firm," the last thing the Government wants is for prospective employees to understand what it's really up to until they're sucked in too deep to change it.

### **Truths that must be learned-the sooner the better**

Chances are, if your government is telling you not to read something, you should be reading it twice as closely.

The detailing of all the problems the Bush and Obama administrations have had in executing policies in the Muslim world have done an invaluable service to any citizen who wants to understand whether the government's claims as well as aims in the war on terror are both reasonable and feasible on the ground (sadly, it seems more often than not, the answer is they are not).

Certainly, I will urge my own students to read the various WikiLeaks documents and compare them with documents we have from wars past, to gain greater insight into the continuities and changes in war-making, diplomacy, and the motivations behind both over the course of modern history.

But if the release of over countless classified documents has given the world a "banquet of secrets" to feast upon (as Timothy Garton Ash put it in *The Guardian*), historians might be tempted to wonder what scraps we will be left to scrounge over when it comes time to write histories of the events covered by the various WikiLeaks documents with the nuance and perspective that only comes from a certain amount of historical distance from the events in question.

And it's not merely professional jealousy by people used to having largely exclusive access to the historical record-- after all, who but historians is willing to sit in dusty archives for years searching through hundreds of thousands of documents for a few gems that can advance the state of knowledge on a topic? With easily searchable data bases, now - Heaven forbid! - anyone can be an historian, rendering judgment on events and motivations that members of the previously closed historians' guild normally have to wait decades to get access to.

Or can they?

Despite the huge volume of cables and documents released by WikiLeaks, they only offer a very partial account of the realities they discussed. The often unguarded and even eloquent language of the writers of the dispatches does not change the fact that they were written by US government employees (whether soldiers or diplomats) for their superiors, addressing issues from an American perspective and a set of interests that can't be assumed to match those of the myriad other actors in the dramas these documents reflect.

## History's lesson: multiple perspectives provide the best view

No matter how much we think we can learn about the realities of the Afpak, Iraqi or larger Middle Eastern conflicts from WikiLeaks, the limited perspective of the documents WikiLeaks has been able to obtain reveals that there is still an incredible amount to learn before we come close to having the full picture of the history-making events of the last decade.

And unless there are British, French, Iraqi, Afghan and other soldiers with a similar access to classified documents and a reckless disregard for their own future, it is likely that the full accounting of the "Wikiwars" will likely wait until the historians of tomorrow are finally allowed to peruse the far larger volume of documents that governments will work even harder than before to keep out of the public domain.

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## Arbib exposes an issue

**Senator Barnaby Joyce- Published in the Canberra Times 16<sup>th</sup> December 2010**

Canberra has become a fascinating place in the last week. However, fascinating in this instance does not necessarily bestow a grace, but might as easily raise some serious questions. Apparently, as a senior parliamentarian, when you are invited around to Embassies you can, if you choose, start giving away highly confidential information about our nation's senior office holders and the organising of changes forthwith. It had never crossed my mind, on the rare occasion I went to another nation's Embassy, to do anything but shut up about sensitive information regardless of whether I was in Government or Opposition.

I think Senator Arbib should now inform all of us in the political field about what we can say to which Embassies and when and how we go about getting that special designation that he attained from the US of "No Forn". If it is alright to tell the American Embassy things about the prospective changes at the highest level in Australia before even those office holders themselves know about it then can we also tell the British, the French, the Iranians, the Chinese, the Kenyans or are there some that we can and some that we cannot tell?

Senator Arbib apparently has an innate knowledge to determine what can and cannot be said and he apparently also has the authority to say it. If Senator Arbib could put this into a booklet it would be very handy for the rest of us to clear up any confusion at future evening soirées at the pleasure of His or Her Excellency of wherever. We could carry it with us in case we needed a guide to become really interesting, unnervingly interesting, in the middle of dinner as the guest of another nation.

It is reported that Senator Arbib told the American Embassy that he wanted the disclosure of this information to be kept secret. He did not mean secret from the US government, he meant secret from the people of Australia. Did Senator Arbib have authority to do this and if so who gave him that authority? Can the Prime Minister go on the record and confirm where his authority to act in this manner came from?

At the very least, Senator Arbib has put himself in a position

where people will be very circumspect to trust him again. His name will be associated with a very bad taste in your mouth about exactly who this person is and what he is up to. Just for the minute, imagine the hue and cry in the media if these reports had filtered back to the Australian public about a person from any other party being noted as "No Forn" disclosing information to the US Embassy about top level highly secretive political movements within Parliament House.

Because of the pathos of the Labor party at the moment you cannot help but draw the absurd spoof metaphors of the wannabe secret agent. But on quiet reflection, it is far more serious than that. If this episode just goes straight through to the keeper, then we have really lowered the bar as to what will happen next time. It's not a case of disclosure to friend and not to foe. It is a case of not disclosing to anybody outside your role and in the form clearly designated by your job.

There have been claims that these leaks to the US are the same as "backgrounding the media", but I find these issues fundamentally different. Backgrounding the media means that you are disclosing information that is meant for public consumption which you believe the public have a right to know but you are scared about what will happen if you are found disclosing it. Yes, at times, that's cowardice. To give information to another nation's government that is private or secret, is to give another nation an advantage. If the foreign power did not gain an advantage from the information, they would not be interested in it.

In an ironic way, this is one good thing which has come to light from Wikileaks and it obviously needs to be dealt with. No one is denying these discussions happened. They happened. They argue about the extent and the gravitas of it, but they are not denying that they happened. The vast majority of Wikileaks are just salacious echoes of the bleeding obvious, but these revelations about Senator Mark Arbib are something entirely different.