

# The Big Picture

Issue 14

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“News to use & amuse”

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## A new direction

In issue 13, I proposed a list of 10 priorities for government in Australia. There is a clear need for a new direction in government – our 3 tiers are excessively costly, create massive compliance costs and their methods impair private sector productivity. Australia's governments underperform, waste huge amounts of public money and create expensive and dangerous errors that put our lives and financial health at risk.

Our governments have become unresponsive to the needs of taxpayers, in part because their performance systems do not connect their incentives to outcomes for the public.

In addition many government groups profiteer from taxpayers, using taxpayers money to design, create and manage systems then charging taxpayers to use them. With this paradigm, the more government does, the poorer the citizenry becomes.

From the evidence, the outputs of our government systems are undesirable and antithetical to a functioning democracy.

We need a change in how our federalist system operates. We need to regear our priorities to include taxpayers by focussing our public services on helping Australians.

We need taxpayers to be more involved in the processes of government, providing greater input into planning and policy, so that government decisions are better informed by taxpayer needs.

## Community centres

Instead of isolation, we need people to be involved in community affairs. We need centres where people can go to discuss and develop ideas for their future.

Instead of sitting passively at Council meetings, the public needs to be actively engaged in what's going on in their area. Australia has proven time and again that Councils don't have a monopoly on wisdom or ideas.

[Herald Sun](#) has reported massive social disadvantage for over 10% of Victoria's children, with sexual abuse, neglect, bashings, abandonment, starvation and inadequate clothing and medicine for them. As a result of this kind of treatment, many of them end up abusing drugs, engaging in criminal activity and violence.

The way to help our children cannot be more of the same. We need to educate children on effective parenting as a normal part of their schooling. We need to create ways for parents to compare notes and find help. We need to stimulate people with positive ideas and easy spaces for sharing ideas. We need to move beyond postponing our lives to alcohol, shopping and TV.

Our Councils could easily begin this process by opening up initiatives to the public, learning to facilitate broad based conversations and helping to develop solutions to peoples' problems.

If we can learn to co-operate at the local level, then we can learn

to co-operate at the State level to deal with wider issues like public transport, health and education. We can create meaningful work in local supply and distribution by building meaningful local relationships.

The idea of government as a source of all knowledge is being disproven daily by media reports and by our own experience.

Participation in our own futures is so much more rewarding than watching TV and spending our last dollars in the shopping malls...and with participation comes understanding.

Participation also educates our 'representatives' on what communities actually want, on what is really important in our short time on this planet. It enjoins us and helps us to understand and defend what we want and it weakens the easy dominance of large corporates.

## Control is our responsibility

It is our responsibility to control our lives just as it is our communities responsibility to control themselves. Too many things go wrong when we deliver those responsibilities to others.

By embracing responsibility for our own lives, we create our own motivation, we develop a platform for lifelong learning and shared experiences from which we can learn.

In this way, we can start to avoid the constant sad litany of depressing stories of abuse, suicide, crime and violence by participating and enriching our own lives for our own benefit.

## Coming up

Next week we have the federal community cabinet in Launceston. We'll report on events there and, having been 'granted an interview' with one of our own paid representatives we'll report how ideas for a better Australia are received.

We're also making a presentation to the Tasmanian Senate Committee looking at the need for an 'ethics commission' and we'll report on that experience too.

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## In case you missed it

### Financial mess

Goldman delivers £7 bn bonuses after £6 bn bailout [DailyMail](#)

Europe's looming crisis [NewStatesman](#)

### Governance, fear, economy

Macklin asked for facts then ignored them [NewMatilda](#)

▶ Rudd says Aussie banks almost collapsed [Telegraph](#)

Fat cats pay surge exposed [CourierMail](#)

Working families struggle to pay bills [CourierMail](#)

Cabinet rift hits nation's building program [TheAge](#)

Shock deal – NSW power sale to raise \$10 billion [Telegraph](#)

Cap on NSW rates may go [SMH](#)

Transport blunders put hundreds of commuters at risk [SMH](#)

ETS to hit the West's economy – Buswell [Australian](#)

Failed NSW bureaucrats pocket \$5 million [Telegraph](#)

Faces of corruption [Mercury](#)

Time to think again on anti-terror laws [TheAge](#)

### Tas Forestry

Logging industry review [Mercury](#)

Landowners defer mill action [Mercury](#)

Concern over reporting standards [ABC](#)

### Climate & environment

#### Food/water

Recycled sewerage cannot be made safe [TheWest](#)

Credit squeeze may cut crops, create food crisis [Bloomberg](#)

Dogs eating better than children [HeraldSun](#)

Yarra River slowly stagnates [HeraldSun](#)

#### Health & education

Pesticides Index ratings [CSIRO](#)

Blood sucking bedbugs infest WA at soaring rate [TheWest](#)

Elective surgery wait list grows [Mercury](#)

Parents abandon private schools in downturn [SMH](#)

#### World

Europe's looming crisis [NewStatesman](#)

George Bush soon free to do what he wants [ICH](#)

This is what denial does [Monbiot](#)

#### Communications/transport

Internet filter to cause World Wide Wait for Aussies [CourierMail](#)

Telstra rival loses another partner [Australian](#)

No opting out of website censoring [CourierMail](#)

Thnx to Paul de Burgh Day & Alison Bleaney for information

## Government efficiency

### *Don't wake the inspectors* Letter from [The Age](#)

HERE in the new Sahara, we live under the iron fist of the water gestapo. Regulation 3a divides the population into two groups of gardening robots, each allotted four hours a week to keep their plants and shrubs alive. God help those who breach the rules! Water is liquid gold and jumpy Brumby troops have been trained to avoid the word "drought" at all costs (Labor MP Gavin Jennings last week called it "dryness"). Meanwhile, Dim Holding, the floundering Water Minister, despairs of water tanks: "They fill up in winter when you don't need them," he wails (and if you can follow that logic you are a better man than Mr Diary).

But come, let us stroll along Mathoura Road in leafy Toorak. Each morning, on the nature strip outside the swish new apartment block at number 89, some sort of automatic drip-system switches on at 7.15 and runs for an hour. The grass is swamped. Water runs off down the gutter (right). One astonished local has rung South-East Water to alert them. Isn't watering of lawns and nature strips banned? "Absolutely!" they thunder — but nothing happens. The local has rung again. And again. "I've called them five times," he says, "but they tell me" (and this is the good bit) "that the inspectors work 9 to 5 so they won't be able to check on it."

Excuse us! What happened to the draconian punishment threatened against householders who dare push past 8am on their 3a days? Could it be possible that, just as we are rushing to roll up our hoses, the inspectors are still in fluffy slippers, buttering their toast? What a joke!

### Thoughts of an ordinary Aussie

To my way of thinking, and I'm just your garden variety Aussie, so I'm sure you'll all correct me if I'm wrong, but maybe one of the reasons that this country is going down the gurgler is because we've sold everything we own.

Imagine if one did this to one's household. Once you spend the money you've made, you have nothing.

Australia has no industry, we make practically nothing in this country. Everything we use is imported. If it is made in this country, there are so many rules, laws and restrictions put on the product concerning quality. Yet, we import products that do not meet these conditions and until someone, usually a child, dies because of it, nothing is done.

We import fresh food products that are sprayed with all types of insecticides that are illegal to use in Australia. In the process, our farmers are going broke. Some of the obstacles in our way are the Greens and groups closely affiliated to them. They block Industry in this country because they oppose the use of coal etc, yet are quiet happy to sell our mining products to countries and then buy the products they make with them. The Farmers are constantly hindered by groups such as PETA. Yet when I go to buy meat, it states that it's made of imported products.

Our Governments are quite happy to import labor and professionals at great cost to the taxpayer yet are unwilling to adequately train the people we have here already. Then the nanny brigades complain that Aussies are unwilling to work. Industry moves it's business overseas because it's cheaper, they say. It's cheaper because these countries use what is tantamount to slave labor.

When private enterprise takes over these industries, we all pay through the hip pocket, which is already threadbare.

How can we make money if we have nothing left to sell. We continually elect leaders who are too gutless to make a decision because they fear losing the next election. When are the people of this once great country going to get off their backsides and tell the people we employ to make these decisions that enough is enough. Or elect someone who actually has a brain and a few guts to do so.

Posted by: k parker of willoughby 9:17am today

From [Daily Telegraph](#)

## **We are not climate change leaders, we are its victims**

© Crikey 31 Oct 2008

Canberra correspondent Bernard Keane writes:

The most disturbing aspect of the Treasury ETS [modelling](#) -- assuming you can handle the threat of a \$5-7 a week rise in your energy costs -- is the "reference scenario", the "business as usual" case of what happens if we do nothing about climate change.

It's not, as Treasury points out, a prediction of what the world will be like in 2050 and 2100, but a projection, one which doesn't take into account any efforts to address climate change.

It does, however, raise some troubling issues if as a planet we can't get our act together sufficiently to reduce carbon emissions. Troubling, in particular, for Australia.

The Treasury modelling and the Garnaut Review's no-mitigation scenario suggested the atmosphere would reach 750ppm of greenhouse gases in 2050 and 1600ppm by 2100. This would lead to a temperature rise above 1990 levels by 2100 of 5.1 degrees, or a worst-case scenario of 6.6 degrees.

This complements [recent work](#) by two Stockholm University economists who used a different model and a probability distribution to estimate a "business as usual" scenario for climate change and anticipated a median temperature rise (on 1900, not 1990, levels) of 4.5 degrees, with a worst-case scenario of 6.9 degrees, based on a median level of around 1200 ppm.

Greenhouse gas levels don't naturally level off, by the way -- they go on building, as does the temperature, after a lag of some years. That's the elegant thing about climate change -- even if we reduced our carbon emissions right now, we'd still have quite a few years of climate change impacts to deal with.

Garnaut discusses the likely impacts and costs of a "no-mitigation" scenario extensively. They are not confined to minor things like losing the Great Barrier Reef or Kakadu. They involve massive temperature-related deaths, coastal inundation, the destruction of much of the country's agriculture, plus little problems like our major cities experiencing extreme threats to their water supply.

The impact of a temperature rise of 7 degrees is probably getting into apocalyptic territory. You'd figure Australia, along with much of the world, wouldn't be amenable to human life much above subsistence level, if that. At least people then wouldn't be worried about where to put their investments.

The point of this is not to indulge in disaster-movie speculation. Well, not entirely. The other significant point that Garnaut made about our situation is that Australia is the single most exposed country when it comes to climate change. We're environmentally, economically and geographically right on the bleeding edge, and we're only a small nation. In short, we'll suffer more damage more quickly than everyone else, and we have less capacity to cope.

Unfortunately, as conservatives like to point out when advocating doing nothing, we're at best 2% of the world's emissions.

Think about that for a moment. Australia faces perhaps total disaster in the next 100 years, but we have no control over it. The rest of the world does. Americans. Europeans. Chinese. Indians. Russians. Our fate is in their hands.

The issue is not whether we should be leading the world or whether we're moving too fast. The issue is whether the rest of the world -- including countries like Russia that might be altogether more relaxed about global warming and its consequences for countries bordering the Arctic -- will do what is necessary to prevent massive damage to this country.

Leading the world? You wish.

We're climate change mendicants. Our fate is in the hands of foreign governments. We can only beg them to consider their own future when they're making up their minds about whether they want to take action quickly. Some of them, having watched Australia make a mozza from flogging its mineral wealth in recent years, might see the funny side of Australians suddenly deeply worried about climate change, and suggest we reduce our own per capita emissions significantly first before coming to them for help. Others might not see what the rush is, given the relative impact in their own countries is much less than in Australia.

And they're unlikely to be too fussed about losing the Great Barrier Reef or Kakadu, although our pleas might remind them they should pop down and check them out before they go.

As with many other debates, there's an irrational element of nationalism in our approach to handling climate change. It's the fault of all them foreigners, seems to be the view -- we're only 2%. Why should we do anything? Why not the Chinese? But we've forgotten the corollary of that -- if it's someone else's fault, we can only politely ask them to stop doing it and hope they see that it is in their own interests to take action as well.

## Brace yourselves

*Bush will soon be free to do just what he wants*

The raid on Syria is a dark portent. The current president has three long, unaccountable months to cement his legacy

**By Jonathan Freedland October 31, 2008 "[The Guardian](#)"**

We are about to enter the twilight zone, that strange black hole in political time and space that appears no more than once every four years. It is known as the period of transition, and it starts a week from today, the time when the United States has not one president but two. One will be the president-elect, the other George Bush, in power for 12 more weeks in which he can do pretty much whatever he likes. Not only will he never again have to face voters, he won't even have to worry about damaging the prospects of his own party and its standard bearer (as if he has not damaged those enough already). From November 5 to January 20, he will exercise the freest, most unaccountable form of power the democratic world has to offer.

How Bush might use it is a question that gained new force at the weekend, when US forces crossed the Iraqi border into Syria to kill Abu Ghadiya, a man they said had been funnelling "foreign fighters" allied to al-Qaida into Iraq. That American move has touched off a round of intense head-scratching around the world, as foreign ministers and analysts ask each other the time-honoured diplomatic query: what did they mean by that? To which they add the post-Nov 4 question: and what does it tell us about how Bush plans to use his final days in the White House?

You can choose from two versions. Call the first the "no big deal" theory. It holds that the Sunday raid was no more than standard operational procedure in the war on terror. Sure, it meant violating the sovereignty of an independent nation state, but that's not so new: there was a similar incursion into Pakistan in September. Indeed, there may be more relevant precedents. A former official in the Bush administration confirmed to me yesterday that the US has lunged into Syrian territory several times before: it's just that Damascus chose to keep quiet. In which case, the interesting question is why the Syrians went public this time.

In this "no big deal" version, Abu Ghadiya was simply too irresistible a high-value target to let slip away. "They saw something they wanted to hit and they hit it," says one European diplomat resignedly. The most extreme version of this shoulder-shrugging account holds that the decision may not even have been taken at the political level, but in the field, by General David Petraeus. Not so implausible, since Bush in effect ceded command of the Iraq war to Petraeus a long while ago.

Nonsense, says the other school of thought. It is a massive deal to strike at a sovereign state in this way: in an earlier era, before 2001, we would have called it an act of war. Pakistan is no precedent, because in that case there was a degree of cooperation. Not now.

This was a deliberate act, calculated to send a series of messages. First, to the Syrians, reminding them who's boss in the region and strong-arming them to do more to crack down on al-Qaida.

Second, to the Europeans who have been moving towards a rapprochement with Damascus. Nicolas Sarkozy may have invited President Assad to Paris and David Miliband may have

been hosting the Syrian foreign minister, Walid al-Muallem, in London this very Monday, 24 hours after the raid - but no matter. Bush gets to remind both these uppity Europeans who's in charge.

Third, the president could have been sending a message to his own administration. Perhaps this was a memo to his secretary of state, Condoleezza Rice, who had dared meet Muallem at the UN just last month in a meeting that apparently she requested. If so, it would fit with the pattern of wildly mixed signals that has emanated from the administration in recent months. Two days before Rice sat down with Muallem, for instance, Bush had used his UN address to denounce Syria as a state sponsor of terror. Might Sunday's raid have been the president's attempt to reassert himself against a senior staff all but denuded of its hawks? Rumsfeld, Bolton and Wolfowitz are long gone; the more emollient Robert Gates is at defence, widely tipped to continue under a President Obama. In these last days, Dick Cheney has only himself for company.

However we are meant to read it, the attack on Syria looks a lot like a parting shot from Bush, an end-of-the-movie reminder of what this long and bloody saga has been about. A small operation, causing eight deaths, it nevertheless captures much of the Bush ethos that has ruled the globe these past eight years. It was unilateral; it trampled on state sovereignty; and it relied on force as a first, not last, resort. As a souvenir of the Bush era, it would be hard to top.

But it may not be the final act. For we have not yet entered the twilight zone proper. That will come only when polls close next Tuesday. When the transition begins, all kinds of surprises are possible.

Spool back 20 years, to the dying days of the Reagan administration. In January 1989, the president officially recognised the PLO as the representatives of the Palestinian people. It was a farewell gift to Reagan's successor, George HW Bush: the old man took the flak so that the new president would not have to.

In December 1992, Bush himself proved rather less helpful to his replacement, saddling Bill Clinton with the deployment of US forces in Somalia, an episode whose humiliating conclusion badly hobbled Clinton thereafter.

Eight years ago, it was Clinton's turn. He sweated until his final hours in office trying to close a deal between Israel and the Palestinians, who seemed then to be just inches apart. The legacy was the Clinton parameters, still regarded as marking the basic contours of any future agreement for Israel-Palestine.

So what will emerge from the twilight of George W Bush? Most diplomats are bracing themselves. "They're not going to sleep," says one senior British official. The optimists hope for a repeat of Reagan and Clinton, something that helps Middle East peace. It's true that Rice and Bush have been eager for a breakthrough, if only to have a presidential legacy untainted by Iraq. Perhaps Israel and the Palestinians might initial a provisional document, proof that their labours since Bush's Annapolis summit of 2007 have not been entirely fruitless.

But the bad timing that has cursed the Middle East so often has struck once again. Israel is entering an interregnum of its own, following Tzipi Livni's failure to form a coalition. It's hard to believe an interim, caretaker administration could forge a peace deal.

That leaves other options. Bush could ape Reagan and decide to

speak to Hamas. More likely would be a shift in policy that helps future peacemaking efforts: he might, for instance, declare that any changes to the 1967 borders must be equal, with Palestinians compensated inch for inch for any West Bank land conceded to Israel. Or he could look further afield in the region, contradicting himself and Sunday's raid, by reaching out to Syria. Or, as some hawks fear, he could step up the tentative dialogue with Iran. A symbolic gesture would be to open a US visa section in Tehran.

Of course, Bush may be thinking of a parting gift more in keeping with the record of the last eight years. He and Cheney might decide, what the hell, we have one last chance to whack Iran - and let the new guy clear up the mess. Not likely, but possible. For in the twilight zone, anything can happen.

## Wall Street Bonus Madness

*"It's Hard to Live on Just a Half Million a Year"*

By STANLEY HELLER

You created an economy that is so unstable that the bankruptcy of a few big firms would mean worldwide catastrophe.

Your policies lost the world \$10 trillion on stock markets in the last month alone.

You've started a worldwide recession/depression that will go on for years.

So for a punishment we're giving you \$20 billion in bonuses.

No, this is not a Saturday Night Live gag. It's what will happen this year in the good old U S of A. It's all spelled out nicely on Bloomberg.com. The [article](#) by Christine Harper and Serena Saitto starts off by explaining that Merrill Lynch will hand out \$6.7 billion in bonuses even though it has lost money for five straight quarters and saw its stock fall in value by 70%. (The company also sold itself off to the Bank of America.) \$13 billion is being set aside at Goldman Sachs and Morgan Stanley. Even some employees at Lehman Brothers will be given big fat end of the year envelopes even though the company has gone bankrupt.

Merrill Lynch is actually raising bonuses this year by a couple of thousands. They've laid off 3,000 people so even though the pot is smaller there's more for the survivors to feast on. The average bonus will be well over 100K. The better off Wall St. companies will be giving twice that amount.

You see this is what is expected on Wall Street. If you want to keep your "talent" you have to reward them. Otherwise they will go to .....hmmm. The hedge funds are shedding jobs by the thousands. The investment banks are now bank holding companies and laying off like mad. Foreign companies can't use them. Ah...if they don't get the bonuses the talent will undoubtedly run off to big careers managing homeless shelters.

The article quotes Bill Coleman at the Massachusetts software firm Salaries.com as saying that Wall St. has created such an "obscene" standard of compensation that the big shots really believe "it's hard to live on just a half million dollars a year." This does not appear to be much of an exaggeration. The Federal Reserve Bank of New York reported securities-industry employees averaged \$400,000 a year in salary alone last year.

But how can the banks pay out so much money? Oh, I forgot, the US treasury is sending \$700 billion into the banks to prop them up and hundreds of billions more to keep them "liquid". (as if bankers lived in deserts and were in constant danger of

dehydration.)

This actually doesn't have to happen. These flat world whiz kids have literally wrecked the world economy. We're just at the beginning of the collapse. It's funny how they are afraid to use the word "recession". The word "recession" was invented so they wouldn't have to use the word "depression". Depression itself was in its day a non-threatening alternative for the older term for business bust, a "panic". Heck, why not just call it a "reverse upwards boom"?

The idea of basing world business on trillion feet high mountains of sliced and swapped debt is horse manure. We need completely new thinking, ideas for government owned banks to lend out money to worker-community corporations that actually produce things. There's hundreds of thousands of people out there with the technical and financial education to create such a system. They'll be happy to do the work and you won't have to pay them half a million apiece.

In the meantime, here's a proposal. Some artist needs to come up with an angry vulgar graphic that can be emailed by the thousands to the Wall St. companies and to Congress along with a short sweet message in 50 size font:

"Not a cent of Wall Street bonuses this year. Not on my dime. Let those con artists feast on white bread and margarine. Use the billions to keep people in their homes."

**Stanley Heller** has started a website with the grand goal over reaching the average person by talking about economics in plain everyday language. It's [www.EconomicUprising.8k.com](http://www.EconomicUprising.8k.com)  
Contribute ideas at [Stanley.Heller@yahoo.com](mailto:Stanley.Heller@yahoo.com)