

The Big Picture

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"News to use & amuse"



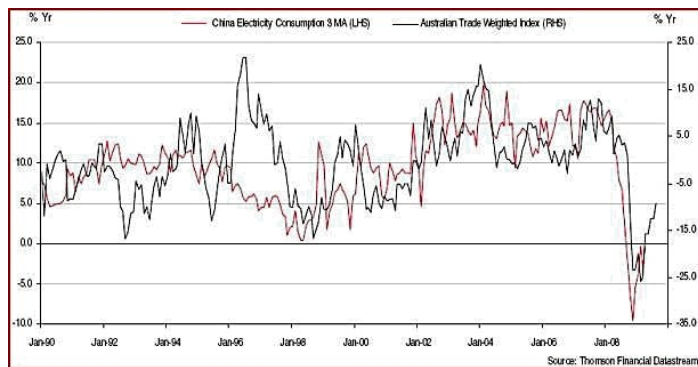
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The meaning of good

Writing in Kohler's Eureka Report Robert Gottlieb makes some very interesting points.

First a graph of China's electricity consumption (an indicator of economic activity) versus the Australian Dollar that shows that the value of our dollar is tracking China's economic activity very closely.



After some predictive statements about the importance of this graph, RG says..

China now has a country (Australia) in which it can invest and where there is no currency risk. China is currently making many of the big bids for Australian resource operations, but what will be just as big will be their purchase of Australian property and Australian debt. We are currently seeing Chinese interests buy residential property and already that is spreading to commercial property. These trends will accelerate.

So there you have it. He states (probably correctly) that our economy is now totally dependent upon China's and that problems in China will mean problems here and so on. He also reports that China is buying up Australian interests and that activity is likely to increase in the near to medium term.

Then he says...

That's the good side.

There you have it. Our economy controlled by China, our resources and assets being bought by China...all good.

Apparently the bad side is that we'll have to put up interest rates every time China's economy improves.

Ah well, who cares if we don't control our own economy and resources?

The Magic Pudding

Why are Tony Burke and Penny Wong SO excited about trees?

In November last year, the Labor and Liberal parties passed into law the planting of 35 million hectares of trees in Australia for use as carbon sinks. ([here](#))

Let's look at the maths here...

35 million ha of trees, growing at a rate of 10 tonnes per year will sequester 350 million tonnes of carbon each year (or

thereabouts).

That quantity of carbon, valued at \$30 tonne, is worth over \$10 billion! And each year thereafter an additional \$10 billion worth of carbon permits can be sold, so that'll be \$20 bn in year 2, \$30 bn in year 3 and so on. In just 10 short years, Australia could be earning \$100 bn per year just from its stock of trees!

It's money from the air as trees magically lock carbon into wood, thereby allowing some of the planet's biggest polluters to just keep on polluting.

Don't worry, there's plenty of money to be made. After all much of the costs of planting and growing the trees will be picked up by taxpayers so that institutional and high worth individuals can 'invest' in carbon sequestration and make a killing. Mom & Pop investors will make a motzah on their super too!

The downside?

Apart from requiring just about all of Australia's water (70 million million litres a year) and just about all of Australia's arable land - there is no downside.

And no worries there either. It's all gravy. Easy money!!

Compared to the money that carbon sequestration offers, agriculture will be of no consequence but it won't matter because we'll be making so much money that we can just buy our food from overseas.

Another benefit is that as the federal government raises the price of carbon (supposed to reduce emissions), so Australia's income will go up!! It's like magic!

With an estate of 35 million hectares that has a claimed tonnage of 100 tonnes (10 T/yr growth) the income would increase from \$100 billion per year to \$140 billion. This means that increases in the carbon price, which is supposedly a penalty, are offset by increases in income from the carbon estate!!

Increases in the price of carbon thus become a benefit!

Plus in Australia the forestry industry can 'process' those trees into pulp and paper to fund the entire process and keep the industry alive - more free money!!

That hasn't stopped the Government and the forestry industry trying to convince the rest of the world to change the rules. They've even sent research teams out to old landfill sites around Sydney to dig up copies of newspapers from the 1930s to "prove" paper can act as a carbon sink.

Wow! It's all so clear now. We can all relax as China takes control of Australia while we make squillions by growing trees.

It's so beautiful and elegant it's almost like a dream...a fantasy.

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That was the week that was

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Scratch A Journo - Find A Lefty

By Jason Wilson 7 Aug 2009



John Howard's speech about the media at Melbourne University was a reminder of just how much one man's ideological obsessions continue to shape our national conversation, writes Jason Wilson

It's only been 18 months since John Howard was in charge, but I'm sure I'm not alone in feeling like the intervening period has been much longer. When you hear him talk at length these days — as he did on Tuesday night at the University of Melbourne's Centre for Advanced Journalism (you can watch the speech online [here](#)) — you get a bit of a shock. Despite the defeat of his government, despite losing his own seat, despite the abysmal state in which he left his party, his world view is utterly unchanged. Indeed, he's able now to reveal it even more clearly, free as he is from the confines of day-to-day politics.

He was asked by the centre to speak about the Australian media — "the good, the bad and the ugly". In doing so, he offered a retrospective assessment of his own relationship with the media. As he outlined his views, I realised how much one man's hunches, strategies, and ideological obsessions shaped, and continue to shape our national conversation. It was also a reminder that Howard left Australia's public sphere in a far worse state than he found it.

Surprisingly, Howard confided that had he not gone into the law and politics, he may well have opted for journalism as a career. He recalled with fondness his time as a columnist at *The Australian*, during a stint on the back bench after his first period of Liberal leadership, and under the editorship of the late Frank Devine. His journalistic ambition and experiences did not give him much sympathy for the profession though. He repeated succinctly the claim that he made in various guises throughout his career: that journalists are, by and large, and with few exceptions, of a "centre-left" persuasion.

He didn't offer anything to substantiate that claim and he never really has. The evidence for Australian journos being leftists deep down inside is weak and mixed, and his own government's protracted persecution of, and repeated inquiries into, the ABC never turned up any solid proof of bias where it counts: in what journalists say and do in their professional practice. But it's clear that this belief of his was always sincerely held, and was the underpinning of his own treatment and use of the media. Journalists, for Howard, were basically the enemy; scratch a journo and you'll find a lefty. Accordingly, they don't feature too prominently in Howard's assessment of the "good" aspects of the Australian media.

Instead, he spoke of his preference for talk back radio as a place to get out his messages, uncontaminated by the noise of interpretation by journalists, whom he clearly assumed would not give him a fair run. He talked at length about the virtues of Neil Mitchell, and described Alan Jones as "one of the most well researched, highly intelligent people ... that I've ever met". High praise for a man who was, during Howard's tenure, involved in both the ["cash for comments" affair](#) and the [prelude to the](#)

[Cronulla riots](#) — and it's telling that Howard offers it to someone who doesn't actually engage in any journalism.

In the speech, Howard claimed that talk back hosts would disagree with him and ask him tough questions *when they were warranted* — but with Jones at least, the former PM could be comfortable in the knowledge that any criticisms would be made from the populist right, the same part of the political spectrum that he himself occupies. Quite simply, on a show like Jones's, Howard faced no uncomfortable scrutiny on issues of substance and pretty well had a free rein.

When describing the "bad" in journalism, Howard took the media to task for what he described as its tendency to "cynicism". Many other people would probably make that very same criticism, but not for the same reasons. When Howard talks about the media unjustly vilifying people, he doesn't talk about Mohammed Haneef or the many legitimate refugees on the MV Tampa, but about short-lived Governor-General, Peter Hollingworth, whom he says was treated "disgracefully". Howard concedes no ground to the view that, given Hollingworth's mishandling of sexual abuse of vulnerable people, he was unfit for high constitutional office.

Howard was reasonably restrained in talking about the "bad" aspects of the mortal foe of his political imagination — the ABC — confining himself to the observation at one point that especially on the national broadcaster, "there is an unwillingness to accept ... any suggestion that there could be some doubt ... about climate change". I recall him saying something similar, very early in his prime ministership, regarding reconciliation: that the media had trouble accepting that there was a "legitimate conservative position" on the topic. In these kinds of attitudes, Howard displays the conviction that room ought to be made in the media for the uncritical transmission of any conservative position, no matter how wrong headed, and that the problem with getting his "legitimate" messages out through the media was the inherent left-wing bias of journalists.

Over his 11 years in power, these personal beliefs became elements of media strategy, and then actually began to frame the way the media conducted itself. Despite being cleared by a series of inquiries demanded by Howard's hatchet man, then communications minister Richard Alston, there's no doubt that the ABC lost some of its critical edge over Howard's tenure, began self-censoring, and eventually made counter-productive broadcasting decisions that were never going to placate its partisan critics.

Howard's dubious gift to the Australian media, and especially the ABC, is a continuing adherence to an utterly spurious version of "balance". The assumption that journos are lefties by default, and that this inflects their work with bias, has been institutionalised. It's the assumption that makes room for the likes of Piers Akerman and Andrew Bolt on the couch at *Insiders*. In fact, it's difficult to discern the political leanings of many other regular guests — who knows how George Megalogenis, Malcolm Farr, Lenore Taylor or Chris Uhlmann actually vote? But the analysis such guests offer is derailed by ideologues who are putatively there in the interests of "balance", but who simply run partisan lines.

Howard's preference for appearing in media outlets that didn't offer too much scrutiny has been continued by Kevin Rudd, who has never appeared on *Insiders*, and favours softer options like FM Radio or *Rove*. While there's no doubt that a cadre of writers at *The Australian* were, and are, little more than a Liberal Party cheer squad, that doesn't mean that Rudd's apparent desire to freeze out News Ltd, and to use his prime ministerial platform to

attack particular journalists is good for democracy or public debate.

But Fairfax's recent decision to publish a long essay by the Prime Minister without critical comment or context is also less than ideal.

Of course, Howard's mission now is to entrench his mythology. For example, he argued during his speech that he was the only one who really knew how to handle Pauline Hanson, and that the media made a mistake in vilifying her. No-one in the audience responded with the uncharitable suggestion that when it came to Hanson, he was making it up as he went along, and that in neutralising Hanson he dragged his party so far to the right as to be ungovernable and, in his absence, unelectable.

But we shouldn't allow Howard's own version of his engagement with the Australian public sphere stand unchallenged — understanding what happened to our key news media over the last decade or more is the first step towards repairing and renewing them.

Our parliament sabotages our future

Clive Hamilton © [Crikey](#) WED AUGUST 12 2009

Is parliamentary democracy capable of responding adequately to the climate crisis?

With scientists now warning that the enhanced greenhouse effect presents an existential threat to humanity, Malcolm Turnbull's response is to wheel out a consultant's report resurrecting a policy approach ditched long ago that everyone knows is going nowhere, all so he can avoid talking about Godwin Grech.

Jesus wept. But Turnbull is not alone in his childlike refusal to take responsibility for the future of the world. The Government is more interested in wedging the Opposition than strong policies to save the country from climate disaster.

The truth is that despite 20 years of increasingly strident warnings from the world's leading scientists that our future is imperiled, our political leaders still don't get it. They think climate policy is a game they can play for political advantage.

In the best post-modern way, Mr Rudd believes he must "balance" the claims of the scientists against those of the sceptics and the coal industry, as if the scientists too are players who manufacture their science in the same way the Minerals Council gets its "facts" by commissioning a consultant's report.

In its latest wheeze, the Opposition proposes to jettison a decade of hard-won progress on international greenhouse policy for a half-baked baseline-and-credit scheme dreamt up by some greenhouse tyros in Melbourne. Turnbull's "cleaner, greener, cheaper" solution to warming has as much credibility as the "longer, stronger, donger" remedy for waning libido.

And even less chance of getting up. If it were taken seriously it would set back progress on greenhouse policy for years. Like the carbon tax, baseline and credit was rejected as a policy option fifteen years ago. Those who now want to revive either of them don't know their climate history or seek to sabotage a decade and a half of gruelling progress.

If Turnbull's "non-policy" is breath-taking for its sheer bloody-mindedness, what on earth is Nick Xenophon doing mixed up in it? What would induce a good man, who made his way in politics speaking for the exploited, to support a scheme whose "benefits" are bought by cheating poor countries out of future opportunities to cut their emissions?

Why would he join the march-past of those who want to offload Australia's huge moral burden on to poor countries desperate for foreign exchange?

As if the plague of economists had not already blinded our leaders to their duty, we were informed on Tuesday that Oxford Economics has calculated the worth of the Great Barrier Reef at \$51.4 billion. That's in net present value terms, taking account of tourism and the "willingness to pay" of ordinary punters for... whatever. That's \$2500 for every man, woman and child punter.

If the economists at Oxford Economics had chosen a discount rate of 5 per cent instead of 2.65 per cent (for which a legitimate argument could be made) the value of this numinous, precious and irreplaceable attribute of planet Earth would be worth perhaps half that amount. But, hell, \$25 billion, \$50 billion, \$100 billion—it's all play money conjured from nowhere because "autistic economics", as the French call it, assumes we don't give a damn about anything unless we can cash it out.

So screw the Reef, where can I pick up my \$2500? My government won't take responsibility so why should I?

Responsible governments accept that major structural change is

always painful; their job is pain-management. It is inevitable that people will lose their jobs in the old energy industries; indeed, they must. The best indicator of how effectively we are cutting our greenhouse gas emissions will be the number of jobs lost in the old energy industries and the number created in the new ones.

Yet the parties continue to insist that we can keep the polluting industries growing and avoid job losses. Treasury modelling of the CPRS shows coal production and employment growing under all scenarios, and so does the dodgy modelling being spruiked by the Minerals Council.

Instead of the "23,510 jobs lost in the minerals industry by 2020", the study by Concept Economics (read "Brian Fisher") actually shows no jobs lost in the mining industries at all. Slightly slower growth in employment is spun into a media release declaring a "job-destroying impact", with jobs "lost", "destroyed", "shed" or "eliminated". It's all a lie.

The dismantling of tariff barriers and the introduction of competition policy were far-reaching structural reforms that caused a great deal of pain for some people, but almost everyone accepts now that they were needed.

The Hawke and Keating Governments showed a level of political courage missing in the Rudd Government, even though there has never been a better time politically to act on climate: the public wants leadership, the Government is in an impregnable position in the polls and the Opposition is in disarray.

Yet up on the hill, Rudd and Turnbull, Wong and Robb, squabble over their petty games while the planet locks itself onto the path of no return. At a time when our most esteemed scientists issue another public warning—of approaching "severe disruptions to marine ecosystems", "a high risk of irreversible decay of the Greenland ice sheet" and looming climate tipping points—our political leaders are consumed by the own egos.

Every day of delay is a death sentence for another village of Bangladeshis, a swathe of the Amazon, one more vulnerable species. They don't care. So accustomed are they at pretending to care they have forgotten how to care. They are like the undercover cop who spends so long in deep cover that he forgets who he is.

Most MPs are not party robots when they get elected, but the modern parliamentary system requires them to check their consciences and their capacity for independent thought at party headquarters, to be collected on the way out.

Our democratic system is capable of responding to the enormity of climate change, but it almost certainly will not.

With the exception of the Greens, our elected leaders will be seen as failed men and women who were unable to understand or accept the momentous responsibility that their positions demanded of them.