

The Big Picture

Issue 91
31 July 2010

"News to use & bemuse"

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Across the news

The cracks are starting to show...

"The Labor Party has changed forever," one Labor MP told me recently, and he didn't mean it as a compliment. He was mourning the sacrifice of principles, the treachery, and the total abandonment of any semblance of loyalty to any cause other than winning. [Australian](#)

A whiteboard leak from Vic Labor showed their 'election' strategy...

Under a third heading, "Better at politics", the notes suggest Labor improve the selling of its message and concentrate on inner-city seats where government MPs are under threat from the Greens. [TheAge](#)

Nowhere was the idea of improving services, lowering taxes or preparing for an uncertain future even considered.

Labor might get away with it this time because we're ignoring the big issues...this from Niall Ferguson...

The most obvious point is that imperial falls are associated with fiscal crises - sharp imbalances between revenues and expenditures, and the mounting cost of servicing a mountain of public debt.

Australia's post-war foreign policy has been, in essence, to be a committed ally of the US.

But what if the sudden waning of American power that I fear brings to an abrupt end the era of US hegemony in the Asia-Pacific region? Are we ready for such a dramatic change in the global balance of power?

Judging by what I have heard here since I arrived last Friday, the answer is no. Australians are simply not thinking about such things.

A favourite Australian phrase is "No dramas". But dramas lie ahead as the nasty fiscal arithmetic of imperial decline drives yet another great power over the edge into chaos. [Australian](#)

Modern media has turned politics into a soap opera that has rapidly convinced politicians to behave like TV stars rather than concerning themselves with service, representation and results.

Instead of concerning themselves with the people, Western politicians have collapsed into spin and TV appearances, sound bites and baby kissing.

In the US a young returned serviceman puts it like this...

We need to wake up and realize that our real enemy is not the ones living in a distant land the people whose names we don't know and cultures we don't understand. The enemy is people we know very well and people we can identify. The real enemy is a system that wages war when it's profitable, the enemy is the CEOs who lay us off our jobs when it's profitable, the Insurance Companies who deny us Health care when it's profitable, the Banks who take away our homes when it's profitable. Our enemies are not five thousands miles away they are right here home. [ICH video](#)

The other brief stories in this week's edition show what other commentators are saying.

Labor simply doesn't appear to have the knowledge or experience to develop and manage large organisations and businesses. They stuffed up the UK, now it's our turn.

That Was The Week That Was

Governance + spin

Labor secrets of policy success revealed on whiteboard [TheAge](#)

Legal bid to oust Abetz [Mercury](#)

Flawed 1st home scheme locks buyers out [HeraldSun](#)

Government buck passing on pokies costing us dearly [Mercury](#)

Forestry/Food/Agriculture

Marketing meat focusses on words [SMH](#)

Climate/water/energy/resources/environment

Vic rego up \$80 to pay for tree planting [TheAge](#)

Health & education revolutions/communication/defence

DOCS forces chemo on dying girl [Telegraph](#)

Lives lost in mental health funding shortfalls [Age](#) [Mercury](#)

School heads dismayed by building scheme [TheAge](#)

Wikileaks a new media method [TheAge](#)

Tasmanian NBN blackspots [Mercury](#)

Internet addresses run out in less than a year [SMH](#)

Crushing workloads for doctors put patients at risk [TheAge](#)

Economy/social/shelter/transport/free speech

26 kids died last year under Vic child protection [TheAge](#)

Remember the fire victims [TheAge](#) Official [Report summary](#)

HR functions failing staff [TheAge](#)

\$700 k slug after fair work investigation [NewsLtd](#)

Qld Rail safety policy labelled a 'joke' [CourierMail](#)

World & GFC

Afghan papers leak condemned by US [TheAge](#)

▶▶ Interesting speech by young war veteran [ICH video](#)

Decline and fall of the US: Ferguson [TheAge](#)

Enjoy the freedom of rail travel ([Age](#))



Labor Party fails to deliver lower living costs

Barnaby Joyce

Whilst the rolling Greek tragedy that is the Labor Party continues, the price of utilities continues to take away the spare cash of many Australian families.

The Labor Party went to the election saying that they would ease the squeeze and assist with the cost of living but this is another promise which they have never delivered.

In fact they were increasing the debt and increasing pressure on interest rates while they made life harder not easier for people.

Australians are quickly coming to the conclusion that life under Labor is an erratic roller coaster which the wheels will fly off at any moment.

After promising to reduce the cost of living, since Labor was elected:

- Electricity prices have gone up 34%
- Water prices have gone up 29%
- Gas prices have gone up 26%
- Overall, utility bills have gone up 31%

To compare Labor against the Coalition on an annual basis (and correcting for inflation):

- Electricity prices are going up 9.3% a year under Labor. They went up 0.5% a year under the Coalition.
- Water prices are going up 7.6% a year under Labor. They went up 1.2% a year under the Coalition.
- Gas prices are going up 6.5% a year under Labor. They went up 1.3% a year under the Coalition.
- Overall, utility prices are going up 8.2% a year under Labor. They went up 0.8% a year under the Coalition.

Australia can't afford another three years of Labor.

(Figures sourced from ABS)

Julia, Oh Julia

Alan Kohler

Speaking of innovative ways to self-destruct, what about the Labor Party? According to this morning's Neilson poll in the Fairfax papers, they have managed to give up their lead in the polls to the Coalition – 48% to 52%; the reverse of what it was when the election was called.

The problem, in my view, is that they executed the Prime Minister saying the government had lost its way, and then replaced him with his deputy who had been in all the meetings and shared all the decisions.

It didn't seem to matter at the start because she was a fresh face and there was some excitement about having the first female PM. Turns out it does matter because she's campaigning on eggshells, the most timid campaigning PM in living memory.

That's because she can't rely on Labor's record (it's why Rudd was sacked), and she can't promise a whole lot of new programs because the government's in a fiscal straitjacket of its own making – promising a budget surplus in 2013.

There were only three things she was able to change, having swept into power: the mining tax, the asylum seeker policy and climate change. They were the ostensible reasons for getting rid of Kevin (the real reason was that they couldn't stand him any more). But they have all turned out to be disasters.

The small miners are now advertising against the new mining tax, and I interviewed Andrew Forrest yesterday for *Inside Business*, as he ranted about the tax and how unfair it is.

The campaigning PM announced a processing centre on East Timor before telling East Timor, at which everyone laughed; and then she announced that climate change policy would be set with reference to a "citizen's assembly", at which everyone laughed even louder.

The "sustainable population" wheeze at the start of the campaign got no traction because it was a statement of the obvious and a transparently sly attempt to beat the Coalition on their home turf of xenophobia. No one would ever want an "unsustainable population", so campaigning for a sustainable population is not going to be surprising, or, um, sustainable, and nor could Julia keep up the pretence that she's really a racist xenophobe. It's not believable, whereas with John Howard it kind of was.

And now someone – maybe Kevin, maybe one of his mates – is leaking to Laurie Oakes against Julia, while someone else leaks to Robert Gottliebsen against Kevin.

And then to cap it all off, Kevin goes for the sympathy vote by coming down with gallstones as a result, presumably, of his excess of bile and is carted off to hospital to get the gall bladder out before returning to the campaign nationally, apparently, as a serious stone in Julia's shoe.

So we have a government that can't campaign effectively on its record because it sacked the leader, but with limited policy options, no money, treachery within and the sacked leader stealing the headlines.

Could Labor actually lose this election?