

Insanity Wins in Australian Election

by Allen Douglas

Prime Minister John Howard's Liberal/National Party Coalition went into the national election Oct. 9 with a narrow edge over the opposition Australian Labor Party (ALP), under Sydney Member of Parliament Mark Latham, but emerged with a decisive victory. Some 15-20% of the vote is not yet counted, but the Coalition is projected to win 84 seats to the ALP's 58, with 3 independents, and five races presently too close to call, for the nation's 150-member House of Representatives. Moreover, Howard is expected to control the 76-member Senate, either through Coalition senators directly, or, with the aid of one member of the religious fundamentalist party, Family First.

Howard is a second-generation fascist, the chief ally of the Cheney/Bush and Blair governments in their disastrous war on Iraq, and a notorious liar, repeatedly denounced as such in the pre-election period by hundreds of senior figures, including diplomats and military leaders, doctors, academics, and others. How did such a man win a fourth term, increase his lead by a dozen House seats, and gain de facto control over the Senate—the first time in two generations that a party has controlled both the House and the Senate?

Several kinds of insanity were afoot. The first was that of the ALP, which was advised by the degenerate U.S. political consultant, toe-sucker Dick Morris, to ignore its own base and the economic collapse destroying the country, and to concentrate instead on suburban “aspirational voters.”

The second form of insanity—religious fundamentalism—was also notable in the meteoric rise of Family First, a fundamentalist party based upon the millennialist, barking-in-tongues pentecostals of the Assembly of God churches. This party emerged out of nowhere to garner 2% of the vote nationally, to strike a national deal on votes and “family policies” with the Coalition, and to win at least one, and possibly two Senate seats. (See *EIR*, Oct. 8, 2004.)

The third form of insanity was that of the legions of desperate homeowners who ignored Howard's war-and-domestic fascism agenda, in favor of his charge that the ALP might raise interest rates, and thus turn them out of the homes for which they pay 40-60% of their monthly income. Exit polls showed this concern as decisive, which is lawful, given that Australia has a worse real estate bubble than either the United States or the United Kingdom.

The one spark of sanity in the otherwise-crazy electoral landscape, was the large increase of votes for LaRouche's associates in the Citizens Electoral Council. With 80% of the vote counted, the CEC's vote is 90% above its 2001 federal total, and should finish at well over double 2001. In the smaller states of Tasmania and the Australian Capital Territory (ACT), the CEC's vote was 350% and 450%, respectively, above 2001. In individual races, CEC state secretaries Ann Lawler in New South Wales scored 3.28%, and Jan Pukallus in Queensland scored 2.73% of the total. The CEC's Sleiman Yohanna registered 2.28% of the vote in the Melbourne, Victoria, electorate of Calwell, while 11 other CEC candidates hit around 1% or more.

The CEC ran 96 candidates for the House, the sixth largest of any party, and polled tenth of the 26 parties on the ballot, with 0.35% of the vote nationally. This was despite the usual barrage of nasty libels in the Rupert Murdoch-dominated major media, and despite several establishment-promoted operations to suppress the CEC's vote, such as the last-minute entrance of Family First, and local populists promoted for the same purpose.

The Idiocy of the ALP

Howard has been Prime Minister since 1996, and has done much to immiserate Australia's population, one-fifth of whom live in poverty. He should have been a target as wide as a barn door—except for one small problem: Despite its opposition to the Iraq war and its more pro-labor orientation, the ALP itself pioneered the deregulationist, globalist policies Howard has pushed, including the wholesale sell-off of the nation's once-proud infrastructure.

Beginning in 1983, ALP Prime Minister Bob Hawke and his treasurer Paul Keating floated the Australian dollar, deregulated the economy, and began privatizing state assets, which Keating continued as Prime Minister, from 1991 to 1996. Typical of the insanity ruling the ALP, ALP National Secretary Tim Gartrell said on TV on Oct. 10, “Paul Keating and Bob Hawke left Australia with a pretty good economy and they reformed the Australian economy, and that part of their reforms are what John Howard's benefiting from now.”

But even if the ALP had decided to ignore the elephant in the middle of the room—the economy—and had conducted a bare-knuckles campaign on Howard's chronic lying—including his leading Australia into a war which his own intelligence services had told him was based on lies—it still could have won the election, as witnessed by the results in Howard's own blue-ribbon Liberal electorate of Bennelong in suburban Sydney. There, the courageous former Office of National Assessments (ONA) analyst Andrew Wilkie, who had quit ONA (Australia's premier intelligence service) just before the Iraq war in an attempt to stop it, ran as a Green party candidate against Howard. In a loose alli-

ance with a group of disaffected Liberals under former Howard supporter and Liberal Party president John Valder, and with some hard-hitting campaigning in the electorate by the CEC, Wilkie reduced Howard's margin of victory by 4%, even while there was a national swing to the Liberals of 3.2%!

The same thing happened in the adjoining electorate of Howard's attorney general, Philip Ruddock, who pushed through 30 fascist "anti-terror" bills for the Coalition in the past two years.

The Real Economy: A Snapshot

Contrary to the pipe-dreams of both Howard and his nominal ALP opposition, Australia's economy is in the same disastrous shape as Europe and the United States, a reality temporarily papered over by the "wealth effect" and accompanying insanity of the greatest speculative bubble in history. Look at just a few indicators of that reality.

- **Water:** Australia is in perhaps the worst drought in a century, which is discussed in the nation's press almost every day. Reservoirs for major cities like Melbourne and Sydney are at record or near-record lows, and 62% of the nation's agricultural land is officially in drought. However, as the CEC demonstrated in its February 2002 issue of its newspaper *New Citizen*, Australia has huge, unused volumes of water in its northwest, north, and east, which now flow out to sea, but could be utilized to drought-proof the continent.

The Coalition's "solution," however, is "water market reform": Jack up the price of water, and cut back supplies, which will cost billions in lost agricultural production.

- **Energy:** ever since the privatization of much of Australia's energy grid in the 1990s, blackouts have hit major cities, and thousands of the poor have had their utilities cut off, because they can not pay their bills. The Coalition/ALP solution? To build hundreds of "wind farms," which are incapable of supplying even the amount of energy it costs to build them.

- **Transportation:** Much of the country's rail grid has been shut down, while most of the rest has been privatized. The rail systems are notoriously unsafe, and, with the exception of a few small lines—notably those used by Rio Tinto to pull raw materials out of the country—are becoming more and more antiquated, while highways are increasingly congested and dangerous.

- **Health Care:** This is a national scandal, with disaster after near-disaster covered daily in the major media. Ten public hospitals have been shut down under Howard, and virtually all the nation's hospitals are dangerously overcrowded. The sparsely populated Northern Territory leads the nation with a pathetic 3.76 beds per 1,000 people, while Victoria has 2.26 beds per 1,000. (The benchmark U.S. Hill-Burton standards mandate around 5 beds per 1,000.)

It is not uncommon for Sydney's hospitals, for instance,

to go on "code black," when they shut down their emergency departments to all patients. In addition, one can frequently see lines of ambulances waiting as long as nine hours to unload their patients. Waiting lists for surgery are in the tens of thousands, and thousands more just drop off the waiting lists out of despair. Howard's solution has been to offer 30% rebates for private health insurance, amounting to billions of dollars, as part of his plan to slash the public health sector, and privatize health care—for those who can afford it. Already, patients' costs to see a doctor have gone up 72% under Howard, in a system which, in the mid-1970s, was a model for the world of virtually free health care for everyone.

- **Manufacturing:** This sector has been ravaged by free trade, and manufacturing workers now comprise only 11% of the nation's workforce, the lowest in the OECD. Manufacturing imports were the single largest contributor to the record trade deficit of \$24.68 billion for 2003-04, 75% above the previous year. The current account deficit for 2003-04 is a record \$47.4 billion, which is a shocking 5.4% of GDP.

Foreign debt has doubled under Howard, to \$393 billion. Most of this is private, a large proportion of it for real estate. The total debt would have been much higher, had not some \$60 billion or so from one of the largest privatization programs in the world been used to pay public foreign debt. Notwithstanding this gigantic sell-off, there is \$85 billion in unfunded superannuation (pensions) for a rapidly graying population.

Household indebtedness has risen from 80% of annual income to 140% under Howard, while the additional tax burden since Howard took office is \$2,000 per household! Private sector debt soared \$126 billion (15%) this year, to June, 80% of which was used to buy property—a bubble which Howard himself pumped up by offering \$14,000 to any first home buyer in the run-up to the 2001 election.

Perhaps the single most telling marker of the actual state of the economy, is the catastrophic suicide rate among youth, a rate in which Australia is a world leader.

Notwithstanding this grim reality, the CEC's election campaigns, while still modest in vote totals, have had a deep impact on the electorate. Both the reality of the global financial collapse, and Lyndon LaRouche's solutions, have been the topic of extensive discussion throughout the country. Although the national media continued its blackout or libel campaigns, the CEC garnered an extraordinary amount of positive local media coverage, in addition to its paid advertising campaigns on radio and TV. The terror in which Australia's establishment holds LaRouche, is evident in the way the CEC was treated in Australia's complex "preference" voting system, where a voter numbers his or her first choice, and then all other choices from two on down. Almost all parties of any significance put the CEC dead last on its ballots, despite the protests of many parties' local candidates. "By their enemies, ye shall know them."