

## Australia Dossier by Allen Douglas

### Kennett gives sleaze a bad name

*Victoria's premier is a shameless lackey for the Mont Pelerin Society's program of privatization, drugs, and genocide.*

On May 15, officials of the Business Council of Australia (BCA), whose members represent one-quarter of Australia's GDP, held a press conference to laud Victorian state Premier Jeff Kennett as the nation's only leader with "vision." Intoned BCA President Stan Wallis, who had just finished chairing a nationwide commission which recommended the further deregulation of the financial sector, "Vision is not an easy subject for politicians to deal with," making clear that Kennett had it, while federal Prime Minister John Howard did not.

Within days, the BCA's praise for Kennett goaded Howard to announce new austerity measures, including tax hikes and anti-union moves. Howard's government has hardly been shy about pushing privatization, union-busting, health care cuts, etc.; however, no one can top Kennett as a bootlicker for the Mont Pelerin Society, the chief economic warfare unit of the British Crown. Kennett's "Victorian model" is now held up as the path Australia must follow.

The man publicly acknowledged as Kennett's mentor is John Gough, the former chairman of the ANZ Bank, the most British of all Australian financial institutions, and a prominent council member of the Institute of Public Affairs (IPA), the Mont Pelerin Society think-tank that led the Thatcherite revolution in Kennett's Liberal Party, which brought him to power in 1992. Kennett's closest associates are all drawn from two sources: board members of the IPA, and Victoria's huge gambling and casino interests,

grouped around Melbourne's Crown Casino—the largest in the world.

While gambling has flourished, poverty has soared, as Kennett has carried out these "reforms":

- He has sacked 44,000 state workers, and offered Victoria's chief public servant a bounty of \$5 per head for every additional worker she sacked (which Kennett hoped to be a further 50,000, until word of the deal got out).

- He has privatized \$15 billion in state assets, mostly electricity. The bulk of the assets went overseas, while the bulk of the \$15 billion went to the banks, in debt service. The ensuing shutdowns and retrenchments turned whole areas of Victoria into ghost towns.

- He has slashed health care to the point that people are dying because they cannot get hospital care. He plans to close another six hospitals.

- He has reduced local government councils from 204 to 97, so the average citizen has less possibility to fight the reforms.

- He has licensed thousands of gaming machines, and fostered the establishment of Crown Casino, which dominates downtown Melbourne; the press has reported rumors that Crown's huge cash flow includes laundered drug money. Gambling revenues now constitute 14% of Victoria's state budget.

Kennett's gambling affairs are typical of the sleaze which dominates his government. Crown Casino got its start in September 1993, when Hudson Conway, a construction company owned by Liberal Party treasurer and

Kennett mate Ron Walker, the former chairman of a Rio Tinto Zinc subsidiary, Sir Roderick Carnegie, and Australia's richest man, Kerry Packer, won a controversial bid to establish Melbourne's first legal casino. Kennett had extended the deadline for bids by a week, after Sheraton Hotels, which ultimately lost, had submitted its final offer; Crown was inexplicably allowed to increase its bid by \$30 million, to win. Kerry Packer had been named by the Costigan Royal Commission in 1983 as allegedly involved in a number of crimes, crimes never proven after the commission was suddenly shut down, and which included pornography, drug running, and murder. Packer's Nine Network TV paid Kennett a rumored \$400,000 in an out-of-court settlement of a defamation suit. "Defamation suits" are an Australian way of paying off politicians—not that Kennett would be complicit in such activity, of course.

The Crown's casino license has effectively been a license to print money. Crown's chairman Lloyd Williams, Walker, and Packer are all members of Australia's Rich 200 list, which for Williams and Walker is attributable to the government-guaranteed success of Crown. Williams said at the recent opening of their official premises, "I would not have attempted it [the casino] because you need encouragement from the government . . . you need leadership, and what Jeff Kennett has done for this state has shown great leadership."

Whatever the source of Packer's \$4 billion wealth, banks and gaming interests are notorious for washing drug money. It was little surprise, then, when Kennett, against intense public opposition, tried to ram through measures legalizing dope in May 1996, an action defeated by a campaign spearheaded by Lyndon LaRouche's associates in the Citizens Electoral Council.