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We stand by the people of Palestine

Vinnie Molina

Once again we are in shock as we see the images of Palestinian children, women and men who are victims of the current Israeli attacks on Palestine. Since Tuesday more than 135 Palestinians have been killed and close to 1,000 mostly civilians injured.

Israel must stop the attacks on the Palestinian people and end the occupation of Palestine, its intent at the elimination of an entire people, an ethnic cleansing to erase Palestine off the map.

The division of Palestine in 1948 and even more particularly the 1967 Israel occupation of several other territories have decimated the map of Palestine, the shocking result of the Israeli aggression.

Palestine has the right to self-determination; its people have the right to elect their own authorities as they did in Gaza in 2006 with the election of Hamas. The killing of civilians and the spreading of more hatred is not a solution.

A political solution is possible, both Israel and Palestine have the right to live in peace.

Is peace possible? In our view it is but the occupation must end and Israel must return to the Palestinians their 1967 borders in accordance with UN Resolution 242.

The international community must act responsibly; there cannot be neutrality in this process. Any international "neutrality" such as the stand taken by the United States amounts to appeasement of Israeli aggession and support for the occupation.

There is no comparison between the two forces in the area. Israel must stop its genocide in Palestine. There is no issue of security that can act as an excuse to extinguish an entire people. The collective punishment must end.

The Israeli government plans to continue the bombing and now have special forces troops on the ground in the occupied terrortory. The Australian government is well aware of this and has called on Australian citizens to leave Gaza.

Australia must use its position on the UN Security Council to call a halt to Israel's aggression.

Peace is possible; we all must rally in support of Palestine and a two state-solution that establishes the State of Palestine with East Jerusalem as its Capital. The CPA stands side by side with the Palestinian people and supports the boycott of Israel until the occupation ends.

A rally in Sydney over the weekend against Israel's attacks on the people of Palestine. (Photo: Tom Pearson)

Prison ships and lawless cruelty

Bob Briton

The chilling consequences of the Abbott government's racist "stop the boats" rallying cry continue to mount. Despite a wall of official secrecy, disturbing details of "Operation Sovereign Borders" are filtering out. Only the issuing of a High Court injunction preventing the handing over of 153 asylum seekers to the Sri Lankan navy managed to drag the truth out of Immigration Minister Scott Morrison about recent events. The people aboard a leaking boat had been intercepted by the Australian navy recently and transferred to the customs vessel Ocean Protector, a virtual prison ship. The intention was to deny them the right to proper assessment of their request for asylum.

Some of the Abbott government's cheer squad in the corporate media are uncomfortable with the latest scandal. They remained loyal despite the fallout from the riots at the Manus Island detention centre. The sight of navy ships dragging specially designed orange capsules containing terrified asylum seekers back to Indonesian waters didn't bother them. Neither did news that there have been several risky mid-ocean transfers of asylum seekers to Indonesian naval vessels.

But the prison ship development is a hard sell for even the most committed supporter of "fortress Australia". The United Nations has spoken out. It views "with profound concern recent reports in the media and from the community in relation to the interception at sea of individuals who may be seeking Australia's protection," a statement said. "Requests for international protection should be considered within the territory of the intercepting state, consistent with fundamental refugee protection principles."

Morrison and his department are remaining tight-lipped but the minister has said he believes the government's position is sound and that Australian law doesn't apply in the case of intercepts made outside the country's territorial waters. He's hoping that this sort of military assault on refugee rights can continue and the government's boast of no boat arrivals since last December can be preserved regardless of the human or financial cost.

The experience of 41 asylum seekers already handed over to the Sri Lankan navy is telling. A letter from 14-year-old Jasmine Saparamandu is full of praise for the efforts of Australian navy personnel in saving passengers aboard a crippled fishing vessel bound for New Zealand. She wrote that the treatment once they were transferred to a Customs and Border Protection vessel changed dramatically. Another passenger also reported a lot of shouting directed at the asylum seekers. One passenger had an allergic reaction to a meal which unknowingly contained beef. "How do I know you can't eat beef? How can I read your f---ing mind, man? We are not on land, we are now in the f---ing boat so shut your mouth," a Customs and Border Protection officer is reported as saying.

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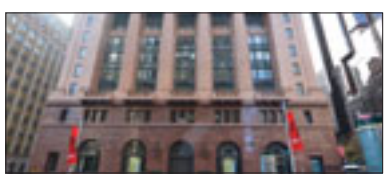
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Guardian

Issue 1647 July 16, 2014

The long battle for Indigenous equality

Seven years ago the late Peter Symon, general secretary of the Communist Party of Australia, wrote: "People and organisations from all over the world wonder how so many Indigenous people in Australia continue to live in appalling Third World conditions in such a rich and prosperous society."

Matters have not improved since then. Recent studies have revealed that almost one in three children who contact homelessness agencies now are Indigenous, even though Indigenous children only represent 5.5 percent of the entire Australian child population.

Medical services in remote areas are inadequate to meet the needs of Indigenous residents. Indigenous children are nearly eight times as likely to be hospitalised with injuries as non-Indigenous children. Their injury death rate is twice as high.

Many Aboriginal people are desperately in need of legal assistance. Indigenous children are 17 times as likely to be under youth justice supervision as non-Indigenous children. Yet the Abbott government cut funding for the Aboriginal Legal Service by 4.5 percent in January and now wants to cut funding for the NSW/ACT Prisoner ThroughCare program, which helps Aboriginal prisoners before and after release from jail – and helps them stay out.

The government refuses to recognise that soaring crime rates and social breakdown result from demoralising poverty and inadequate basic services. Abbott even subscribes to the colonial fiction that Australia was "terra nullius", a land with no human occupants, ready to be taken over and exploited, prior to white occupation.

In a recent stumbling defence of foreign investment in Australia he declared: "… our country owes its existence to a form of foreign investment by the British government in the then unsettled or, um, scarcely settled Great South Land." Labor Senator Nova Peris described the statement as highly offensive, dismissive of Aboriginal people, incorrect and destructive of bipartisan efforts to recognise Aboriginal and Torres Strait Islander people in the Constitution. She commented bitterly: "British settlement was not an investment, it was occupation. The comments from the Prime Minister have not just offended Aboriginal people but many people around the country."

And now it seems some Indigenous leaders can't wait to help implement corporate plans for big new developments on Aboriginal land. Three years ago Abbott's advisor on Aboriginal affairs, Warren Mundine, was the part-owner of Indigenous Investment Management Pty Ltd (IIM). That company was hired by Rewards Minerals to convince the Western Desert Lands Aboriginal Corporation to drop its opposition to a Rewards mine at Lake Disappointment, a sacred site for the Martu people in the Pilbara.

Mundine now claims that Indigenous people are still impoverished because of environmental groups such as the Wilderness Society, which helped Aboriginal people defeat proposed new developments on Indigenous land, like the James Price Point gas hub scheme in the Kimberleys and the Muckaty Station nuclear waste dump in the Northern Territory. These schemes were supported by some leaders of the local Indigenous land councils. However, they were defeated because of opposition from the Traditional Owners, who asked the Wilderness Society to become involved.

Wilderness Society Spokesman Lyndon Schneiders commented: "… problems facing Aboriginal people … include poor health and education services, poor community infrastructure, few sustainable and long-term economic opportunities, underdeveloped skill bases and poor community governance – but not … the environmental movement."

There have been some wonderful victories in the Indigenous people's struggle for genuine reconciliation, land rights, better living conditions, preservation of their culture and recognition of their human rights. But as Peter Symon observed, although Australian governments have produced policies that appear dedicated to addressing these issues they have still failed to achieve progress in this area because that "would threaten the corporate stranglehold of this country's vast land and resources."

Environment groups do not pose a threat to the interests of Indigenous people, nor for that matter do communists or others who have supported the Indigenous people's struggle for equality.

The real threat comes from corporate capitalism.

PRESS FUND

Statistics released last week revealed that the seven richest people in Australia hold more wealth than the poorest 1.73 million families in Australia. The combined wealth of the seven richest is estimated to be $56.2 billion. Are you unhappy with that shocking state of affairs? We certainly are, and production of the Guardian is one way we intend to rectify those figures. However, that requires your support, by way of contributions to the Press Fund, so if you possibly can, please send us something for the next issue. Many thanks to this week's supporters, namely:

D Cartwright $20, H North $80, Mark Mannion $5, "Round Figure" $13.60, Sasaki Tatsuo $81.40, Noel Hazzard $20, Armador $32

This week's total: $231 Progressive total: $4,341

Statement

Historic breakthrough

The following is an official statement to the general public and to the Chilean community of Australia from the National Campaign for Truth and Justice in Chile

The President of Chile, Michelle Bachelet, has rescinded the appointment of James Sinclair as ambassador of Chile in Australia.

This is a historic moment for the Chilean community in Australia and the relatives of disappeared detainees. We are delighted with the news that James Sinclair will not be appointed Ambassador of Chile in Australia. (Although no official news agency has reported this. This information has been verified by reliable sources in Chile).

James Sinclair will not assume the post in Canberra. In our opinion, he does not meet the requirements to represent the government of Chile in Australia.

Sinclair's role in the destruction of secret archives of Chile's secret police during the dictatorship, the CNI (Central Intelligence Agency), is detailed in the book *The Secret Files of the Dictatorship* (El Ceibo, 2012) by journalists Carlos Dorat and Mauiritus Weibel.

There is mention of James Sinclair as responsible for the destruction of 31 classified documents in March 1987. In April of the following year, the then Foreign Minister Ricardo Garcia, referred to the director of the CNI, enclosing a letter where the so-called "act of destruction" took place. It mentioned in detail the destruction of classified documents and was signed by James Sinclair.

The National Campaign for Truth and Justice in Chile welcomes this important and historic decision. It is a breakthrough in terms of not letting a diplomat go unpunished for his participation and responsibility for destroying secret files of the repressive Central Intelligence Agency. ✪

Solidarity call

We would like to ask you for supporting us regarding Reza Shahabi's situation. Today, the Iranian workers' movement is in the worst possible situation that could be imagined. Labour and union leaders are jailed, simply for defending workers' rights.

The case of Reza Shahabi (Treasurer of Tehran & Suburbs Bus Syndicate) who has been sentenced to seven years, needs urgent action. He has been denied medical treatment and has been transferred from Evin prison in Tehran to Rajayi Shahr prison in Karaj, while he is suffering from health problems such as chronic back pain, and low blood pressure. To protest his ill-treatment, he has gone on a hunger strike since June 1, 2014. Now his strike has passed its 40th day and his situation is of concern to his family, friends and all labour activists nationally and internationally. For example, French trade unions sent a petition to the Supreme Leader of Iran asking for the release Reza Shahabi urgently and unconditionally.

The Islamic Regime is responsible for the well-being of Reza Shahabi, because it pays no attention whatsoever to the physical and psychological health of political prisoners.

We would be grateful if you join us in supporting Reza Shahabi by sending a protest letter to Iran's officials.

Furthermore, we would be honoured to have an appointment with you to discuss possible ways of interaction and communication regarding Iran's labor movement.

I would like to thank you in advance.

On behalf of the Solidarity Committee with Iranian Workers Movement - Australia
proletarianunite@gmail.com ✪

Prison ships and lawless cruelty

Continued from page 1

Morrison claims the allegations unbelievable and offensive. One thing he can't deny is that asylum seekers are being given less and less opportunity to put their case. The young Sri Lankan letter writer claimed people were being hurried through questions put to them via a video link to immigration officials. "We said [to Immigration] we have lots of things to say, but not enough time to tell you. They are not talking nicely to us. They are shouting at us." It turns out the number of questions put to asylum seekers during this type of screening has been reduced from 19 to just 4.

The minister is also refusing to comment on reports of increased numbers of attempted suicides and self-harm at the Christmas Island detention centre. "It is long-standing government practice not to confirm or comment on individual acts of self-harm," a spokesman said. This was the line in face of reports that 12 mothers had tried to take their own lives in the belief that their children might have a better chance of obtaining asylum as orphans. Rushing to the government's defence, *The Australian* newspaper has been carrying unsubstantiated allegations that asylum-seeker advocates have coached detainees on methods for self-harm.

The moral depths to which the government and its supporters are prepared to go are breathtaking. And as Israel continues to smash civilian populations in Gaza and across the Middle East generating new waves of refugees, they show no signs of backing off. They will not face up to the problems causing the global refugee crisis. It is up to the people of Australia to act; to force change. ✪

Support *The Guardian* by donating to Press Fund

The war drums beat louder

Anna Pha

In November 2011, President Barack Obama addressed the Parliament of Australia, announcing the strengthening of military ties with Australia. He described the US's alliance with Japan as "a cornerstone of regional security." The new US pivot toward Asia would see the US playing "a larger and long-term role in shaping this region and its future, by upholding core principles and in close partnership with our allies and friends."

Last week, on July 8, Japanese Prime Minister Shinzo Abe received an extremely warm welcome when he addressed Parliament and emphasised future co-operation between the two nations in the area of security. China was the main target in Obama's speech and in Abe's address and in Tony Abbott's speech of appeasement to the ultra right-wing Japanese PM.

"Our enduring interests in the region demand our enduring presence in the region. The United States is a Pacific power, and we are here to stay," Obama told Parliament in 2011. America's defence posture across the Asia Pacific "will be more broadly distributed – maintaining our strong presence in Japan and the Korean Peninsula, while enhancing our presence in Southeast Asia."

Former Labor PM Kevin Rudd, speaking in support of the US's pivot (or rebalancing as it was later renamed) left no doubts about the target: "Without such a move, there was a danger that China, with its hard-line, realist view of international relations, would conclude that an economically exhausted United States was losing its staying power in the Pacific."

Abe signed two agreements while in Australia – the Japanese-Australian Economic Partnership Agreement (JAEPA) and the Defence Technology Agreement (DTA) which follows on from the 2007 Australia-Japan Security Declaration.

The DTA has raised alarm bells across Asia, reflecting the rise of Japanese militarism and its strengthening of military ties with the US and Australia. Abe has already gained Cabinet approval for a "reinterpretation" (read breech) of the Japanese pacifist Constitution to enable Japanese forces to fight overseas in support of an ally. Section 9 of the Constitution limits Japan's forces to defending Japan from a direct attack.

Japan has also escalated tensions in the South China Seas over disputed islands with China.

No apology

The description by Abbott of Japan as Australia's "new best friend in Asia" did not receive a warm welcome from many in Australia, China, the Philippines, Korea, Thailand and elsewhere in Asia. Nor did the announcement of closer military ties.

Japan is yet to fully acknowledge and apologise, let alone compensate its many victims in relation to its brutal treatment prisoners of war and sex slaves. They were very disappointed with last week's address to Parliament. In fact, angry and offended by his remarks and Abbott's speech.

Abe made a superficial and not very convincing attempt to put the past to rest. "Our fathers and grandfathers lived in a time that saw Kokoda and Sandakan. How many young Australians, with bright futures to come, lost their lives? For those who made it through the war, how much trauma did they feel years and years later from these painful memories? I can find absolutely no words to say; I can only stay humble against the evils and horrors of history. May I most humbly speak for Japan and on behalf of the Japanese people here in sending my most sincere condolences towards the many souls who lost their lives."

Condolences are not enough and it was not just the loss of lives. The complete omission of a reference to its fascist past, the sex-slaves and the nature of the treatment of its enemy forces indicates the PM is not serious about acknowledging Japan's past war crimes, let alone acting against its perpetrators.

The military side of Australia-Japan relations is also of concern to our neighbours, in particular China, the main target. "Today, I … state solemnly that now Japan and Australia will finally use our relationship of trust, which has stood up through the trials of history, in our cooperation in the area of security," Abe said.

"Australia and Japan have now freed ourselves from one old layer and are now moving towards a new special relationship." The "old layer" is the Second World War and the atrocities committed by the Japanese military.

Japanese Prime Minister Shinzo Abe addresses Parliament.

"Today, Prime Minister Abbott and I will sign an agreement concerning the transfer of defence equipment and technology that will make the first cut in engraving the special relationship in our future history."

The "first cut" which would give Australia access to submarine and other technology, is a step towards a full military alliance and incorporation into the US's war plans.

"There are many things Japan and Australia can do together by each of us joining hands with the United States, an ally for both our nations. Japan is now working to change its legal basis for security so that we can act jointly with other countries in as many ways as possible," Abe said referring to the "reinterpretation" of Japan's Constitution.

As if Abe's speech was not bad enough, Abbott inflamed the situation even more as he went overboard trying to prove how reliable and trustworthy an ally he was.

Abbott described "our special relationship" as being "built on shared interests and common values: democracy, human rights, the rule of law, more open markets and freer trade." The rule of law claim rang hollow in the light of Japan's continued whaling and lies about it being for scientific research. Abbott can hardly talk about rule of law when it comes to the illegal treatment of asylum seekers or democracy when he keeps Parliament and the Australian people in the dark over the brutal treatment and refoulement (forced return to source of danger) of asylum seekers.

Abbott heaped praise on the Japanese in World War II referring to their courage and "patriotism of a very high order". "We admired the skill and the sense of honour that they brought to their task, although we disagreed with what they did. Perhaps we grasped, even then, that with a change of heart the fiercest of opponents could be the best of friends."

Concerns were expressed in South Korea, Philippines, China, Thailand and around the region, including in Australia. The Returned and Services League (RSL) was outraged over the PM's insensitive and offensive references to Japanese skills and sense of honour.

"Torture, starvation, murder and forced labour are not honourable," RSL president Don Rowe said.

The Chinese Xinhua news agency accused Abbott of going too far in his comments on Japan's war record. Xu Haijing said Abbott "probably wasn't aware that the Japanese troops possessed other 'skills', skills to loot, to rape, to torture and to kill."

He also noted that Abbott did not give an explanation why Japanese leaders, including Abe, keep visiting Yasakuni Shrine where war criminals are enshrined.

The Australia-Japan defence agreement is another of those provocative and dangerous policies which threatens peace in the South Pacific and Asian regions. ✪

Pete's Corner

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WA "Block Supply in July" rally

Richard Titelius

On a cold and wet winter's day on July 6 more than 200 people did not let the weather deter them from protesting against Prime Minister Tony Abbott and his government's austere anti-people budget. The rally was organised by March Australia Perth and similar rallies took place around Australia including Adelaide, Melbourne, Sydney, Brisbane, Canberra and regional centres around Australia.

In Perth, Curtin University Student Guild Education Vice President Miranda Wood spoke of the "Rule for the Rich" agenda of the Abbott government where ordinary Australians will be asked to choose between medical and hospital care or a week's food and other bills.

Alex Bainbridge from March Australia Perth echoed what many in the crowd and around Australia feel: "We are living at a time when the government brings out an outrage every week if not every day."

Bainbridge acknowledged that independent MP from Tasmania Andrew Wilkie was one of the few parliamentarians who had responded to his constituency by voting against the budget in its entirety. The measures proposed by the budget hit the working class, poor, the vulnerable of our society and reward the rich and fund those parts of the state apparatus that keep the ruling class in power.

The measures announced by the Abbott government through its first federal budget so heightened the antagonisms between the haves and the have-nots in our society that for Bainbridge it amounted to "a declaration of class warfare … that will destroy our lives and our livelihoods."

Claudia from Refugee Rights Action Network pointed out that the people threatening our lifestyle were not the refugees but the government behind the racist policy that allows what amounts to piracy to occur with the boarding of asylum seeker vessels on the high seas.

Claudia concluded by saying that to lock up refugees is not only hard on refugees but is also illegal. The secrecy with which it is being done is eroding our democracy.

Rachel Siewart, Greens Senator for Western Australia, told the rally that PM Tony Abbott had miscalculated if he thought he could implement the most austere budget ever without resistance from the Australian people whom it adversely affected.

Unlike Tasmanian MHR for Denison, Andrew Wilkie, the Greens would not block the budget but sought to, "knock off the budget and its supply Bills one bill at a time". It was an interesting irony commented Siewart, that the Abbott government can say that there is a budget emergency when the facts do not support this assertion.

Further rallies are planned for late August against the budget and the Abbott government's attacks on the working class, its brazen promotion and support of imperialism and domestic capital, and the diminution of the rights of the poor, weak and vulnerable in our society. ✪

Replace dirty coal with solar

Len Lean

Alinta Energy is now considering the commercial viability of a solar thermal 50MW stand-alone tower with 15 hours of storage to replace dirty coal-fired power stations at Port Augusta, SA. This is a huge step for everyone in Port Augusta who has been fighting for a solar thermal future for their community.

The two highly polluting power plants, the Northern and Playford, have been and will continue to pollute the township and surrounding countryside until the renewable plant is commissioned and built.

The number of cancers in Port Augusta is double that of the state average. It is known that coal-fired power stations emit toxic particulate, gases, radioactive materials, heavy metals and contaminated waste ash that can cause cancer in humans, contaminate soil, waterways and underground water. Exposure to pollution from the power stations can occur from direct inhalation or indirect exposure, i.e. subsequent ingestion of water, soil, vegetation or meat, eggs, dairy produce and fish that become contaminated through accumulation in the food chain.

Heavy metal toxins

Pollutants for which indirect exposure is especially important include mercury, arsenic, cadmium, and lead. Pollutants are absorbed and distributed in the body and produce systemic effects distant from the entry point of the lungs such as the brain, blood, liver, kidneys, as well as in the lungs.

Will the rate of cancer cases be reduced?

Not unless soil testing is carried out in all residential, commercial premises and farms in the contaminated area around Port Augusta. This needs to be carried out by independent soil testing companies; the results must be made public and remedial action taken. It may include some soil removal as happened at Port Pirie over high lead levels. Water tanks, ceiling spaces, schools and playgrounds need to be tested and decontaminated to reduce the number of future cancers and other illnesses from power station emissions.

The Port Branch of the Communist Party of Australia wrote to the state government on May 22 over pollution in areas of concern at Port Adelaide, calling for atmospheric testing and soil testing. Some areas of Port Adelaide have cancer rates 36 percent above the state average; Port Augusta has 100 percent above and Whyalla 51 percent above the SA average cancer rate. No satisfactory response regarding these three areas of concern has been received at the time of writing. ✪

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Seven years on, Intervention under attack

Mez Fisher

Protest rallies were held in Sydney and Alice Springs on June 21 to mark seven years of the NT Intervention, calling for an end to the controversial legislation and for Aboriginal people to be empowered to solve their own problems.

Up to 150 people joined the Intervention Rollback Action Group (IRAG) on the Courthouse Lawns in Alice Springs to protest against the laws, introduced in 2007 by the Howard government and continued under Labor with the "Stronger Futures" legislation.

IRAG founding member Marlene Hodder said the government has not listened to the people. "The Intervention has done untold damage for Aboriginal people, in demonising them and creating lack of respect," she said.

"It's increased racism – but people are going to start standing up now. It's about empowering the people."

IRAG claims the laws "were founded on an ideology of land acquisition, control and assimilation" and that children are being taken away from their parents in higher numbers than at any stage during the era of the Stolen Generations because of so-called neglect.

But Hodder said it was poverty that was a direct result of years of government policy cutting funding for Aboriginal services, education, health care and real jobs in communities.

"The underlying issue is that the government wants to get people off the land," she said.

That view was echoed in Sydney, where more than 200 people at the rally organised by the Stop The Intervention Collective Sydney (STICS) heard how "$1 billion had been spent on these draconian laws which have only resulted in the further disempowerment of the people".

Aboriginal representative of the National Union of Students Kyol Blakeney asked the gathering exactly what "emergency" the government was responding to.

"I can tell you, it's not the health of Aboriginal people and it's not the wealth of Aboriginal people, not housing, not infant mortality or deaths in custody. What they are responding to is the natural resources below those sites, the land itself," he said.

Indigenous Social Justice Association president Ray Jackson said the Intervention "was brought in on gross lies, on a smoke screen to cover up the theft of land already won back by the traditional owners of the Northern Territory. The lands were now lusted after for their minerals".

In the NT, IRAG is now organising a strategic campaign to bring about an Intervention rollback and galvanise support for the cause.

The group has prepared a statement for Prime Minister Tony Abbott and NT Chief Minister Adam Giles, calling for change.

"The Howard government implemented policies to justify their blatant lies of our men, demonising them, by labelling them as paedophiles, sex offenders, organising sex slaves rings. This was the Howard government's excuse to further control; to destroy self-determination, ownership of land; implement Stolen Generation, income management (what we eat, where we shop, what we buy, etc)," the statement reads.

"It is now our time to expose the blatant lies to all our people and the rest of the Australian people, to take actions upon these false allegations."

Koori Mail ✪

Expanding the power of financial institutions

Anna Pha

As many as 400,000 customers may have been victims of fraud and other improper conduct by the Commonwealth Bank of Australia (CBA) between 2003 and 2012, and yet the government stands by and does nothing. In fact, it is doing worse than nothing. It is not only rejecting the findings of a Senate Committee and its calls for a Royal Commission into fraud at the CBA and other banks but is pressing ahead with plans to further deregulate the finance sector.

The apology for "poor advice" by the bank's CEO Ian Narev and its limited review process is enough as far as the Abbott/Hockey government is concerned. In fact, the process announced by the CBA is more of the same. The CBA refuses to have all accounts externally and independently reviewed or to notify all customers who might be eligible for compensation.

Instead, it has offered to carry out its own internal review of the accounts of those who come forward and if they are not satisfied they can then take their case to an "independent review panel" appointed by the bank. One can only wonder what else are they hiding!

An apology to shareholders for being caught out might have been more credible.

The Senate Committee investigated accusations concerning a group of financial planners at Commonwealth Financial Planning (CFPL) and Financial Wisdom Limited (FWL), CBA subsidiaries, who a whistle-blower had accused of putting clients' money into risky investments without their permission, the forging of documents and earning hefty commissions along the way.

"Unlawful activity"

"These actions were facilitated by a reckless, sales-based culture and a negligent management, who ignored or disregarded non-compliance and unlawful activity as long as profits were being made," Senate Committee chairman Senator Mark Bishop said.

"ASIC appears to miss or ignore clear and persistent early warning signs of corporate wrongdoing, or troubling trends that place the interest of consumers or investors at great risk," Bishop said. Bishop didn't mince words: "To be blunt, the committee found ASIC [the Australian and Securities Investments Commission] wanting."

The government has so far refused to call a Royal Commission to investigate the operations of major banks, in sharp contrast to its eagerness to spend millions of dollars on a Royal witch-hunt into the trade union movement. But it has cut funding to an already under-resourced ASIC. ASIC should also be the subject of a Royal Commission into banks.

Merilyn Swan, who fought the bank on behalf of her parents, said recently: "It's the 'can' bank; I've found that they can be deceptive; they can be misleading; they can certainly ruin your financial future; they can cover up and they can go out of their way to make life extremely difficult for you.''

The new unofficial name of the Comm Bank is the Con Bank, and its marketing slogan "Commbank Can" has become the "Commbank Con".

The government, instead of tightening financial regulations, has introduced a package of measures to wind back Labor's quite limited Future of Financial Advice (FoFA) reforms that were introduced following the global financial crisis.

The FoFA reforms included a ban on conflicted remuneration structures, such as commissions and volume-based (eg percentage of amount invested) payments for signing up new investments; a duty requiring advisers to act in the best interests of their clients when giving personal advice; and a requirement for advisers to obtain client agreement to ongoing advice fees (opt-in rather than automatic). One of its aims is to prevent bank-employed financial advisers being rewarded for recommending the products of their employer's investment companies.

The appointment of David Murray to the Abbott government's review of the financial sector is rather ironic. Murray was CEO of the CBA from 1992-2005. He is tasked with making recommendations to reduce the "the regulatory burden on the financial services sector" which has control over $5 trillion in banking, superannuation, insurance and financial investments – much of it workers' savings.

The government is also involved in secret talks around the Trade in Services Agreement* (TISA) and the Trans Pacific Partnership Agreement** (TPPA) which aim to further deregulate the financial sector.

Commonwealth Bank of Australia building in Martin Place, Sydney.

International agreements

The main drivers of these agreements are the global financial conglomerates who sit at the negotiating table instructing the US, the EU, Canadian, Japanese, Australian and other governments.

One of the main aims of these agreements is to establish investment regimes which enforce the right of corporations to pursue maximum profits while removing and undermining restrictions which seek to regulate their activities in the interests of people (eg banking, investment, health, jobs, etc), the environment, trade union or other democratic rights and national sovereignty.

These treaties are being negotiated under conditions of the strictest secrecy. While corporations draft and share the negotiating texts, the people who will be adversely affected by their decisions are denied access in the name of "national security". WikiLeaks has provided an important public service by exposing the nature of some of their contents.

Further deregulation on agenda

The financial services sections prohibit any restrictions on the repatriation of profits or funds. Governments may not impose capital controls to halt attacks on their currencies or restrict "hot money" flows, even in a crisis.

Financial services include banking, life and non-life insurance, reinsurance, trading derivatives and foreign exchange, funds management, credit ratings, financial advice and data processing. The rules apply to measures that "affect" the supply of financial services through foreign direct investment (including takeovers of domestic banks, etc) and offshore provision by remote delivery or services purchased in another country (cross-border).

They also aim to achieve a minimalist regulatory regime, preferring a self-regulatory (i.e. no government intervention) model of financial regulation.

They seek the lifting of all restrictions on cross-border data flows and transfers and the processing and storing of data offshore. Never mind privacy concerns or control over personal data. These would be over-ridden.

Restrictions would be lifted on the buying and selling of financial products across borders and providing investment advice, without establishing a commercial presence and without being subject to separate licensing and approval requirements that generally apply to firms commercially present in a market.

Australia would be required to treat foreign institutions "no less favourably" than domestic ones. This includes the right to hold a licence, to government assistance during a crisis, and so on. They would be given what is known as "national treatment".

The government would have no control over the corporate ownership or structure (eg branch, 100% owned subsidiary, joint venture, etc) of foreign operators.

One of the most dangerous provisions is a prohibition on the introduction of tighter regulations and rules governing the financial sector after signing the treaty. The reversal of privatisations would not be permitted.

The other extremely dangerous and alarming provision is the inclusion of investor-state dispute settlement (ISDS) commitments. ISDS provisions allow corporations to directly sue governments for damages in closed international tribunals for which there is no appeals process. The outcomes could be costly to taxpayers. For example, the 2012 US$1.77 billion award to Occidental Petroleum for Ecuador's termination of a contract (breaching ISDS provisions of an investment treaty with the US) has now swelled to over US$3 billion with the addition of compound interest calculated from the date of the "violation".

Foreign financial institutions would not only be free to have a commercial presence without restrictions on the transfer of capital, but protected from expropriation and dispute settlement requirements as presently required by domestic banks and insurance companies.

As can be seen by the provisions being negotiated, such treaties completely over-ride the sovereignty of nation states. Democratic processes are completely ignored with elected members of parliament having no say or access to documents, let alone an open public discussion. In some of these treaties it could be some years after signing that their details are revealed! They make a mockery of parliamentary democracy and undermine Australia's sovereignty. They increase the risks of financial crises and the loss of superannuation and bank savings.

It is also evident that Abbott's winding back of FoFA, refusal to hold a Royal Commission into the CBA, its cuts to ASIC, and the Murray inquiry into the financial system are moving in the direction dictated by finance capital and the outcomes they expect from their secret treaty negotiations.

The Multilateral Agreement on Investment and the Free Trade Area of the Americas agreement were defeated by massive international campaigns. There is a global campaign against the TPPA and action is also required against TISA calling for them to halt negotiations and make details public. *Guardian* readers are urged to write to Trade Minister Andrew Robb and their local MPs and Senators. For more information visit:

aftinet.org.au
iuf.org, *Trade Deals That Threaten Democracy*.

*TPPA – between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam.

* TISA – Australia, Canada, Chile, Chinese Taipei, Colombia, Costa Rica, European Union (representing its 28 members), Hong Kong, Iceland, Israel, Japan, Liechtenstein, Mexico, New Zealand, Norway, Pakistan, Panama, Paraguay, Peru, South Korea, Switzerland, Turkey and the US. ✪

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The end of public higher education in Australia

Paul Kniest*

Australia's system of public higher education will come to end if Christopher Pyne and Tony Abbott are successful in getting their proposed changes to higher education regulation and funding through both Houses of Parliament. No longer will entry into a public university be determined on the basis of a student's academic ability but on their ability to pay. In the new privatised, higher education sector merit will no longer matter, money will.

Cuts to funding for CSPs

In a series of policies euphemistically referred to in the Budget papers under the broad heading of "expanding opportunity", the government will:

- Cut funding for Commonwealth supported places (CSPs) on average by 20%
- Open up CSPs to non-university higher education providers, including for-profit providers, and
- Expand CSP funding to sub-bachelor higher education qualifications.

In aggregate, these measures are forecast to increase total CSP enrolments by 80,000 full-time equivalent students, and save the Commonwealth in the order of $1.1 billion.

The cuts to government funding vary considerably from discipline to discipline. While the average cut of 20% represents an average cut of $2,120 per CSP, funding for engineering, surveying and science will be cut by $4,717 per student (-28.1%). social studies by $3,567 per student (-37.2%). On the other hand funding per mathematics and/or statistics student will increase by $2,458 (+25.6%).

Government Discipline Funding Rates

The critical point about these changes to funding is that with the exception of mathematics and statistics universities have little or no capacity to reduce fees assuming they will need at least the current level of resourcing to provide a quality education. Indeed in the vast majority of cases universities will be forced to increase fees, and in the case of engineering, surveying, science and social studies by over 50% simply to maintain the same level of resourcing as they currently receive.

Therefore, it is highly disingenuous for the Minister to say that it is entirely up to universities to set their fees and it has nothing to do with the Government.

Other higher education cuts

Other cuts to higher education announced in the Budget include:

- 10% reduction in government funding to Research Training Scheme places (saving $171 million over four years) and the consequent introduction of tuition fees (capped at $3,900 per year) for higher degree research students to make up the gap.
- $51 million of savings over four years by cutting participation grants under Higher Education Participation and Partnership Program (HEPPP), and
- $121 million of savings over four years by ceasing reward funding.
- $87 million of savings over four years by abolishing HELP benefits scheme which provided a discount on HECS repayments for graduates who take up related occupations or work in specified locations.

The Commonwealth forecasts savings of more than $200 million over four years by indexing all higher education grants to the Consumer Price Index (CPI) from 2016, which in the vast majority of cases will be far less generous than the current Higher Education Grants Index (HEGI).

While this measure might only save relatively small amounts of money in the short term, over the longer term it will be a significant loss of funding to the sector. For example, the government's forward estimates show while it will save only $24 million in 2015–16 that will have risen to $109 million by 2017–18 and will grow exponentially from there.

While the Australian Research Council had a 3.25% efficiency dividend imposed upon it (saving $75 million over four years), the government found an additional $140 million over four years for 100 mid-career Future Fellows. While this is only half the number available in previous years, it was a welcome extension of this program.

There was also a $150 million grant in 2015–16 for National Collaborative Research Infrastructure Scheme (NCRIS). Funding beyond 2015–16 is yet to be determined.

Cuts to science and research agencies

The Budget also included significant cuts to a number of major science and research agencies. Totalling about $880 million over four years, they include:

- $111.4 million cut from CSIRO.
- $120 million cut from the Defence Science & Technology Organisation (DSTO).
- $27.6 million cut from the Australian Nuclear Science and Technology Organisation (ANSTO).
- $7.8 million cut from the Australian Institute of Marine Science (AIMS).

Money raised by the Medicare and other health co-payments is supposed to be invested into the Medical Research Future Fund (MRFF) until it reaches $20 billion in about 2020. Dividends from the MRFF (expected to be $1 billion by 2023) will be used to support medical research, although there is already scepticism about this.

Changes to student scholarships

Two of the largest cuts in the Budget were to student scholarships. The government will save over $800 million by abolishing existing student start-up scholarships and cutting out relocation scholarships for students moving between or within capital cities. Despite these dramatic cuts the Minister for Education has continually referred to a massive increase in scholarships for disadvantaged students.

What the Minister is referring to are his new "Commonwealth" scholarships which will be funded from $1 out of every $5 of increased student fees. As has been pointed out, these scholarships are highly inequitable on a number of different levels.

Changes to student fees

In an attempt to allow the market to work its magic in relation to higher education the government has decided to completely deregulate university fees and open up public funding to non-university providers including for-profit private providers. As the article on the similar policy framework for VET in Victoria shows the market is more likely to weave mayhem than it is magic. As the evidence shows the contestable market model in Victoria is an example of policy and market failure.

From 2016 universities and other providers can charge Commonwealth supported students whatever they think the market will bear. While it is impossible to know the full impact of unregulated prices and competition, educated estimates can be made based on factors like:

- The relative popularity of different degrees – the more popular, the higher the price.
- The levels of income students expect to earn from different types of qualifications – the higher expected income, the higher the price.
- The likely level of competition from non-university providers (based on the costs of delivering a degree and the need to obtain professional accreditation) – the greater the level of competition, the lower the increase in price.
- There will be substantial increases in fees and in the majority of cases this is likely to be in the range of 30% to 100%. There will however be examples of massive increases in fees in some disciplines. According to Professor Ross Milbourne, Vice-Chancellor of the University of Technology, Sydney, the deregulation of university fees will see the cost of some degrees rise to as much as $100,000 or $200,000. Modelling by Universities Australia, following that by the National Tertiary Education Union (NTEU), comes to similar conclusions. This is not denied by the Minister.

Changes to HELP

The Budget changes to HELP will mean that the costs students face in servicing their HELP debts will increase considerably. The HELP repayment thresholds will be lowered and students will be charged market interest rates on outstanding HELP loans by indexing them to the 10 year government bond rate, not CPI as is currently the case. To offset these, administrative fees of 20% and 25%, which currently apply to some HELP loans, will be abolished at a cost of $23 million over the forward estimates.

These changes will not only dramatically increase the cost of servicing student debt ($2.1 billion over four years), but are highly inequitable. Students whose families are in a position to pay their fees up-front will avoid having to pay real interest on HELP loans.

In order to understand the impacts of fee increases and the changes to HELP; the NTEU has undertaken a comparative analysis which demonstrates the impact of the proposed changes using the example of a student undertaking a three-year accounting degree under conditions which applied before Budget night, and anyone undertaking a similar degree under the new arrangements.

The analysis (which is undertaken in current 2014 values and assumes a real interest rate above the inflation rate of 2%) shows that if the student was enrolled before the Budget they would have a HELP debt of $30,255 which would take about 10 years to repay. If however, that student enrolled after Budget night that student might graduate with a debt of $75,000 (as a result of fee deregulation), take 23 years to repay it and end up paying a total of $99,000 including $24,000 in interest.

While these changes are worrying in themselves, when the analysis is undertaken for someone taking a career break to care for family members for example, it shows they will suffer from cumulative outstanding debt and interest payments mounting up over time. If a student undertaking a three year $75,000 accounting degree takes a six year career break, they would end up taking 36 years to repay a total of $120,000 which includes $45,000 in interest payments, in 2014 dollars. It also shows how compounding interest impacts with the level of outstanding debt being higher when they return from their career break.

Conclusion

There is little doubt that the changes to higher education funding and deregulation announced in the first Abbott Budget will have profound and radical implications for our universities, their students and the communities they serve. The removal of the upper limit on university fees together with cuts to government funding will result in higher fees for students.

For the first time higher degree research students will be asked to pay tuition fees of up to $3,900 per year. It is yet to be determined what impact this will have on the number of students prepared to undertake a PhD.

Higher fees together with the imposition on real interest rates on student debts will also increase the cost of servicing student debt. As the analysis shows this is highly inequitable especially for students taking a career break who are predominantly women.

*Paul Kniest, NTEU National Office

A Coup? Nonsense!

Israel: "Not a state that has an army, but an army that has a state"

Uri Avnery

Soldiers of Israel's 33rd Caracal Battalion take part in a graduation march in the northern part of the southern Israeli Negev desert.

The existence of the army in a truly democratic state represents a paradox.

The army is supposed to obey the elected government. This obedience is unconditional. But the army (including land, sea and air forces) is the only potent armed force in the country. It can carry out a coup d'etat and grab power at any given moment.

In recent months alone, army commanders have carried out coups in Egypt and Thailand, and perhaps in other places, too. So what prevents army commanders carrying out coups everywhere? Just the democratic values, on which they were raised.

In Israel, a military coup is unthinkable.

Here is the place to repeat the old Israeli joke: the Chief of Staff assembles his senior commanders and addresses them: "Comrades, tomorrow morning at 0600 hours we take over the government." For a moment there is silence. Then the entire audience dissolves into hysterical laughter.

A cynic might interrupt here: "Why should the army bother with a coup? It governs Israel anyhow!"

In civics classes, we learn that Israel is a democracy. Officially: "A Jewish and democratic state". The government decides, the army follows orders.

But, as the man said: "It ain't necessarily so."

True, there has never been a case of high level military disobedience in Israel. The nearest we ever got was the case on the eve of the 1967 war, when Prime Minister Levy Eshkol hesitated to give the order to attack, and several impatient generals threatened to resign. Also. a colonel resigned in protest against the plan to attack Beirut in the 1982 Lebanon war.

But even during the 2005 withdrawal from the Gaza Strip, a moment of supreme emotional crisis, when the public was deeply split, there was no act of refusal. The army carried out the orders of the government.

But the role of the army in national politics is far more complex.

Just now, the army is involved in the annual ritual of the budget fight.

The army says it needs much more than the Finance Ministry says it is able to give. It is a question of national security, nay of national survival. Terrible dangers are mentioned. After a bitter dispute, a compromise is reached. Then, a few months later, the army comes up and demands some billions more. A new danger is looming on the horizon. More money, please.

The finance people argue that a huge chunk of the military budget is spent on pensions. In order to keep the army young and fresh, officers are pensioned off at the ripe old age of 42 – and for the rest of their lives receive very generous pensions. This applies not only to combat officers, who spend much time in the field and neglect their families, but also to paper shifters, wallahs and technical personnel, whose job is essentially civilian. Timid suggestions to pay less from now on are angrily rejected.

When a general goes home, the army considers it its comradely duty to provide him with a suitable civilian job. The country is swimming with ex-generals and ex-colonels who hold central positions in politics, public administration, government-owned corporations and services etc. Tycoons employ them for huge salaries because of their influential connections. Many of them have founded "security"-related companies and are engaged in the worldwide import and export of arms and military equipment.

Almost every day, these ex's appear on TV and write in newspapers as experts on political and military affairs, thus exercising enormous influence on public opinion.

Few of them are "leftists" and propagate pro-peace views. The vast majority propound opinions which range from "centre-right" to the fascist right.

Why?

The same cynic may put forward a very simple explanation. War is the army's element.

The essence of the military profession is making war and preparing for war. Its entire existence is based on war-making.

It is natural for every professional person to long for an opportunity to show his or her professional proficiency. Peace rarely provides such an opportunity for military officers. War is a huge opportunity. War brings attention, promotion, life-long advancement. In war, a military officer can show his mettle and excel in ways unsuspected in peace.

(Senior officers like to declare that they hate war more than anyone else "because they have seen its ravages". That is pure nonsense.)

Occupation is also, of course, a kind of war. It is, to quote Clausewitz, a continuation of politics by other means.

I am not a cynic, and do not tend towards the cynical view, which is necessarily simple and superficial. I am ready to accept that the great majority of present and past career military people are, at least in their own view, true idealists. When their comrades finish their compulsory army duty and embark on well-paying civilian careers, the officers remain in the army out of a sense of duty and patriotism. If they believed in peace, they would have sacrificed everything for peace.

Trouble is, they don't.

The army creates an outlook, a worldview that is inherent in its very nature. It tells the soldier from the very first day that there is an "enemy", against whom he must be ready to fight and, if necessary, sacrifice his life. The world is full of potential enemies, evil and cruel, who endanger the fatherland. One does not need to be a Jew and remember the Holocaust to know this (though it certainly helps).

Could Hitler, once in power, have been overthrown except by war? Was there another way to save the world?

Clearly not. Despised as he may be in peaceful times, in times of need it is the general to whom everybody looks and who is expected to save the nation.

This conviction, repeated every day for years and years, shapes the military mind. It will continue to do so until mankind succeeds at long last in setting up a world-wide governance structure to make war a thing of the past.

All these trends are even more extreme in Israel.

The state of Israel was born in the middle of a long and brutal war. From day one, its existence depended on the moral and material strength of its army. The army is the centre of national life, the darling of its Jewish citizens. It is by far the most popular institution in today's Israel.

This reminds one of the German Reich of the Kaiser, where it was said that "Der Soldate / ist der beste Mann im Staate" ("the soldier is the best man in the state"). Perhaps it was not an accident that the founder of Zionism, Theodor Herzl, was an ardent admirer of the Kaiser's Reich.

Partition

In my ongoing internet dialogue with my lady friend in Lahore, I was again struck by the similarity of our two countries. Pakistan and Israel were born at the same time, in former British colonies, after a painful partition with much bloodshed, in which masses of people became refugees. Both are based on a religious-ethnic ideology and live in constant conflict with their neighbours

Both are democracies – ruled, behind the scenes, by their armies and intelligence establishments.

Every young Jewish Israeli is supposed to serve in the army. Men serve for three years – the most formative years in the life of the human male, the years of idealism, still unburdened by families, ready to sacrifice.

(In practice, almost 40 percent do not serve at all – both Arab citizens and Orthodox Jewish citizens are exempted, though for different reasons.)

The army is the melting pot for native-born youngsters, immigrants from Russia, Morocco, Ethiopia and many other countries. During 1,100 days and nights, the army forges their common denominator and their common outlook.

They come to the army already prepared. The Israeli education system is a factory for Zionist indoctrination, from kindergarten on. These 15 years, crowned by the three army years, produce a vast majority of narrow-minded, nationalist, ethnic-centred men and women. From there the professional military officer starts his career, however far it may go, taking his ideological baggage with him.

Leaving the army at 42 and starting on a civilian career does not mean shedding these blinkers. On the contrary, army officers remain army officers even when donning civilian garb. One could say that the officers, present and past, constitute the only real party in the country.

This is not the same army I swore allegiance to on the day it was founded. At the time, many officers were Kibbutz members, brought up in the spirit of socialism and solidarity. After 57 years of occupation, the army has become brutalised, many officers are settlers, many wear nationalist-religious knitted kippahs. The extreme right-wing religious parties make a deliberate effort to infiltrate the officers' corps and succeed on a large scale.

More than 200 years ago, Count Mirabeau, a leader of the French revolution, famously said that Prussia is "not a state that has an army, but an army that has a state".

The same can be said today about the only Democracy in the Middle East.

International Clearing House ✪

Is Israel planning Gaza's "final solution"?

Felicity Arbuthnot

Yet another massive assault on Palestine is underway, where, of course, according to the Balfour Declaration, the Jewish population are guests not occupiers since: " ... the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of (this) it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine ..."

Overnight (July 8-9) however, 160 targets were initially hit [at the time of going to press more than 1,000], including the European Gaza Hospital (a war crime without a war.) More than 120 people were killed at the time of writing and untold numbers wounded, adding to the unending onslaught on Palestine from the day the Zionist cuckoo took over the Palestinian nest, homes, gardens, history, culture, ancient sites, cemeteries, villages, valleys, olive and apricot groves on May 14 1948 ignoring, jack booting and bulldozing entirely the "civil and religious rights" of the population, accompanied by subsequent decades of mass murder and demolitions.

The current onslaught is apparently in response to the deaths of three youths from settler families, for whom no one has claimed responsibility and many questions remain. However, homes of two Palestinian "suspects" were arbitrarily destroyed by the Israeli military with no arrests, trial, recourse to law for the dispossessed victims of any kind.

Subsequently in an apparent revenge killing, Palestinian teenager Muhammad Abu Khudair was kidnapped and murdered, his body doused in gasoline, which was also reportedly poured down his throat before setting him alight. Muhammad's cousin Tariq Khudair, visiting from Florida, was apprehended and beaten so badly by the Israeli police that he seemingly: "woke up in hospital."

This all led to rockets being fired into Israel, though no injuries have been reported. Israel responded by targeting Gaza (Palestine of course, has no meaningful defence forces) with: "400 tonnes of bombs and missiles" with "440 targets being hit" and with: "The battle against Hamas (to) intensify over the coming days; it will exact a huge price." The tiny Gaza Strip is just 41 kilometres long and between six and 12 miles wide and home to 1,816,379 people. Nearly 45 percent of the population is under 14 years.

Israel is clearly planning another "turkey shoot" reminiscent of General Norman Schwartzkopf's infamous boast of his aerial slaughter on the Basra Road, of those seeking safety, with nowhere to hide, in the first Gulf war.

With the UN in the form of Ban Ki-moon flaccidly urging "restraint" and world leaders mute, as ever, on Israel's murdering misdemeanours and homicidal excesses, it must be noted that 2000-2014, Palestinian child fatalities "as a result of military and settler violence" to date are 1,407.

Article 33 of the Fourth Geneva Conventions is unequivocal: collective punishment is a war crime. "No person may be punished for an offence he or she has not personally committed. Collective penalties and likewise all measures of intimidation ... are prohibited ... Reprisals against persons and their property are prohibited."

It is a supreme irony that when unspeakable crimes were committed against the Jewish people, their rights, their property, the Nuremberg trials were meticulous in their findings, retribution and laying down of laws to attempt to guarantee "never again", against any race, group or society. In 65 years of unspeakable crimes by Israel against their fellow Semites, the Palestinians, international law has remained deaf mute.

Since US aid to Israel is US$3 billion annually, they too are partner in yet another Middle East crime against humanity.

Pravda.ru ✪

From the Sydney rally on the weekend against Israel's offensive. (Photo: Tom Pearson)

A better option than Panama Canal

MANAGUA: The recent announcement of an inter-oceanic canal in Nicaragua is now seen as a further step in realising this project and as an opportunity to optimise global trade. Alberto Vega, of the company ERM – in charge of feasibility studies on the project – said in Managua that if this pathway becomes reality, it will meet current global demand for commercial transport.

The new canal will provide service for the ships with a deeper keel and the route will be shorter between Asia and modern ports on the east coast of the United States and Europe, he said.

He explained that in the coming years, world trade will grow more than three times, which will create a greater demand for shipping capacity and will create more congestion in the Panama Canal in the next decade. To this is added the increase in the size of vessels which will exceed the capacity of existing canals and therefore a second waterway in Central America will help satisfy the demand at a lower cost, the expert explained. The same opinion is shared by Dong Yunsong, representative of HKND Group, the Chinese company based in Hong Kong and partner in this project.

For him, a canal through Nicaragua would take five percent of the world transportation trade. During the presentation of the final route on Monday, Yunsong made reference to the economic benefits; that this work is the infrastructure for the country, which could double its Gross Domestic Product and become one of the richest in Central America, he said.

The Nicaraguan canal will have a length of approximately 278 kilometres, of which 105 will be a stretch of the lake Cocibolca. Its route will pass through the delta of river Brito, in the Department of Rivas, about 110 kilometres from Managua, cross the lake and be carried forward by the river Tule to the mouth of the river Punta Gorda, in the Autonomous Region of the Southern Atlantic.

Besides this infrastructure will be built two deepwater ports, an area of free trade, a resort, an international airport and the various connecting roadways. According to HKND, this channel will allow the passage of 5,100 vessels annually, including ships of large size, and the transit time is about 30 hours.

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Biggest walkout in a generation

Conrad Landin & Luke James

BRITAIN: Striking workers rallied last week in what could be the largest walkout since 1926, demanding an end to government-imposed pay freezes and attacks on pensions. Nurses, firefighters, transport workers, teachers, local government clerks and many more joined picket lines a day after Tories threatened to impose new anti-union laws if they win the next election.

Public sector workers are speaking out on the pay rise they need to keep their families fed and sheltered.

Thousands of schools were closed, scores of council services were halted and emergency services relied on a skeleton staff.

TUC [Trade Union Congress] general secretary Frances O'Grady damned the government for leaving public-sector staff "locked out of the recovery." She said: "Workers are on strike today to say enough is enough. Year after year pay has failed to keep up with the cost of living.

"Nearly half a million local government workers earn less than the living wage. But even as the economy starts to grow, ministers have told them that the pay cap will last until at least 2018."

She spoke as new research from the TUC revealed that pay freezes and below-inflation pay rises have left workers £2,245 [AU$4088] worse off in real terms. And a new report has poured scorn on government claims that the pay freeze is beneficial to the economy.

Former Institute of Fiscal Studies senior economist Howard Reed has used IMF figures to demonstrate that every 1 percent increase in public sector pay would generate between £710 [AU$1293] million and £820 [AU$1495] million in tax receipts.

A public sector pay rise could also create up to 18,000 full-time jobs, the report also reveals.

National Union of Teachers general secretary Christine Blower warned that low teacher morale was being exacerbated by the stubbornness of Education Secretary Michael Gove. She said: "The profession is on its knees. Michael Gove can avoid further disruption by engaging in serious negotiations and making changes to policy."

But privileged Prime Minister David Cameron pinned the blame on low-paid teachers for "disrupting" children's education. And he ended Prime Minister's Questions by saying: "The time has come to look at setting thresholds in strike ballots.

"It's time to legislate and it will be in the Conservative manifesto."

A spokesman for Labour Party leader Ed Miliband told journalists that the Labour leader is clear Chancellor George Osborne's pay freeze is the cause of today's strike.

When challenged on Tory hypocrisy over ballot turnouts, a spokesman for Mr Cameron said: "Let's not pretend disruption caused by a strike is the same as low turnouts in an election."

RMT [National Union of Rail, Maritime and Transport Workers] general secretary Mick Cash branded Cameron's administration "an aggressive, anti-union government that is mired in its own cesspit of scandal." "We will take no lectures in morality from them," he added.

Morning Star ✪

It's still 1945 in Europe – in Washington's view

Eric Margolis

Just how independent is the European Union? Given recent events involving the United States and its European allies, one really must wonder.

First, there was the US National Security Agency brazenly tapping German Chancellor Angela Merkel's private cellphone and, very likely, many more VIPs in Germany, a key US ally and Europe's most important nation.

Washington and the NSA shrugged off this incident with the usual "well, everyone does it."

Not true. Imagine the stink if Germany bugged President Barack Obama's Blackberry. Chancellor Merkel was humiliated but she downplayed the scandal, unable or unwilling to chastise the US by taking any real punitive action – like closing one of the 69-year-old US military bases in Germany.

Next, Britain's Mutual Defence Agreement with the US is up for renewal. This 1958 pact is the foundation of the much ballyhooed US-British "Special Relationship."

This writer has reported for years that Britain cannot fire its nuclear-armed missiles without Washington turning the key via special codes. Now, we learn that Britain's nukes also contain components that only the US can provide. France, at least, has an independent nuclear force.

In 2003, US CIA agents kidnap a Muslim cleric off the street in Milano. Italian courts indict and convict 23 US agents of this crime and orders them extradited to Italy. The US refused the legitimate extradition request.

US officials charge UBS bank with helping Americans avoid taxes – a perfectly legal act in Switzerland, the bank's home.

The head of UBS wealth management, Raoul Weil, was arrested in Italy and sent to the US under house arrest where he awaits trial. Washington shut down a second important private Swiss bank and sends others running. The Swiss banks, no angels, risked seeing their US operations shut down unless they violated the basic Swiss bank secrecy law by giving up many of their clients' names.

Now, France's leading bank, BNP, is being forced to pay a mammoth fine of US$8.79 billion for violating US and New York State sanctions against Sudan, Iran and Cuba. Such dealing was entirely legal under French and EU law, but the US was determined to expand its punitive laws to Europe – a process called "lawfare". BNP's business in the US was threatened. BNP's humiliation was hailed as a victory by Israel against Iran.

Shockingly, France's government made no more than a few peeps of protest, yet another example of abject weakness by President Francois Hollande who is often compared to a large jellyfish by French critics. Paris could have told the Americans "non!" and threatened to seize US assets in France. Instead, it grovelled.

Of late, two Americans were caught red-handed spying on Germany's government. The CIA station chief in Berlin was ordered expelled. Germany repeatedly asked the US to be included on its lily-white list of allies supposedly not to be spied upon: Canada, Britain, Israel, Australia, New Zealand. The US refused.

No one knew whether President Barack Obama was actually aware of this espionage. He will, of course, deny being in the loop. But further serious damage was inflicted on US relations with Germany and the European Union.

Unwisely, Washington still deals with Europe and the EU as if dealing with minor vassal states: "Foot soldiers for America's nuclear knights," in the pithy words of Germany's late defence minister, Franz Josef Strauss. Washington's arrogance and contempt for Europe was best illustrated by State Department neocon Victoria Nuland's reply when asked if the EU should get more involved in US attempts to overthrow Ukraine's pro-Russian government, "f--k the EU".

Washington has never accepted any European state or the EU as an equal. While official US policy backs a united Europe, unofficially the US has sometimes tried to thwart or delay unification – particularly a European armed force. NATO – 76 percent financed and run by Washington – is still the EU's police force and America's big stick in Europe.

At times, it looks as if not so much has changed in Europe since 1945. The Soviets are gone, but the Americans are still around.

Information Clearing House ✪

Detained for blocking nuke convoy

Rory MacKinnon

BRITAIN: Four peace activists were arrested last week after blockading a military convoy transporting nuclear weapons through Scottish streets under the cover of darkness. The four were picked up after briefly halting nuclear warhead-laden lorries near Loch Lomond in the early hours of the morning.

Monitoring group NukeWatch said they believed the four converted trucks – part of a convoy of more than 20 military vehicles – were carrying around half a dozen warheads.

The convoy snaked up the M74 through south Glasgow en route to Coulport – part of a Ministry of Defence project to overhaul its nuclear arsenal. Scottish Campaign for Nuclear Disarmament (CND) co-ordinator John Ainslie said it was hard for people in Glasgow to imagine the peril they had endured while they slept.

"This is an insult to the people of Glasgow and the rest of Scotland," he said.

"Only 10 weeks before we vote on whether to be independent, the UK government have sent this massive convoy of weapons of mass destruction through the centre of Scotland's largest city."

Meanwhile Glasgow Anniesland Member of the Scottish Parliament (MSP) Bill Kidd told the *Morning Star* he would be demanding an explanation from Westminster Defence Secretary Philip Hammond.

Mr Kidd, who also presides over the international network Parliamentarians for Nuclear Non-Proliferation and Disarmament, said the convoys represented "a totally unacceptable risk to the public. Weapons of this nature can never be used responsibly. They're against humanitarian law and, while they do exist in the world, we shouldn't be transporting them on public roads in the dead of night when ordinary people pass in cars and surrounded by people sleeping in their homes," he said.

Ministry of Defence officials said the department carries out triannual exercises to test its emergency response to a crashed nuclear convoy and resulting radiation leaks.

But an internal report from a 2011 dry run released last June described "major difficulties," with emergency services at the scene in Glasgow stranded without help from the ministry's weapons experts for more than five hours.

An MoD spokesman declined to comment on the movement of materiel "for national security reasons."

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Region Briefs

An 11-storey building in Chennai, India, collapsed in the afternoon on June 28 after rain. At the most recent count 61 workers died and 29 were injured. The government arrested the contractor, one architect and two engineers of the building, and the families of the deceased only received US$12,000 compensation from the state government. The Confederation of Real Estate Developers Association reported major flaws in the building, such as poor quality building materials and weak load bearing beams. The Tamil Nadu Construction Workers Federation condemned the government because it had approved the construction and exposed the construction workers to exploitative working conditions.

On July 9, the Communist Party of Vietnam's General Secretary Nguyen Phu Trong held the fifth meeting of the Central Steering Committee for Prevention of Corruption. Secretary Trong pointed out the institutional shortcomings and legal loopholes that lead to corruption. He suggested that government departments and agencies increase communication and coordination to fight and prevent corruption. The meeting discussed the results of a report on anti-corruption in the first half of the year; 3,500 administrative inspections and 78,000 specialised ones were conducted, uncovering economic violations involving US$470 million.

On July 9, the Democratic People's Republic of Korea hosted a warm reception for families of overseas Korean and Chinese comrades who had helped President Kim Il Sung fight Japanese invasion and had been active in revolutionary activities. The families included Chinese anti-Japanese invasion martyrs and Koreans who fought the Japanese in China. The Workers' Party of Korea (WPK) Central Committee Secretary Kim Ki Nam and the WPK Party History Institute of the Central Committee Kim Jong Im welcomed the families.

On July 10, the State Council of China's Information Office published a white paper on foreign aid to other developing countries from 2010-2012. The People's Republic of China has been providing foreign aid since 1950, a year after its establishment. According to the white paper, from 2010-2012, China as the largest developing country has provided US$14 billion foreign aid in the areas of agriculture, education, medical services, public welfare facilities and emergency humanitarian aid to 51 African countries, 30 Asian countries and nine Oceania states. During this period, it helped build 17 agricultural technology demonstration centres and sent its agricultural experts for planning and training in 17 countries; it has trained 1,000 teachers in vocational and technical education from other developing counties; the Chinese government offered 76,845 scholarships to foreign students from other countries; and it has spent US$32.5 million on building 80 medical facilities and sending 120 batches of medical equipment and medicine. The white paper also states that China provides foreign aid without imposing political conditions or interfering in the recipient countries' internal affairs.

Letters to the Editor
The Guardian
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Fast-tracking fracking

The NSW government is attempting to sneak through changes to gas drilling regulations that will hasten approvals for a coal seam gas project at Gloucester and allow fracking to start less than 400 metres from family homes.

The proposed changes to the State Environmental Planning Policy (Mining, Petroleum Production and Extraction Industries) 2007 were quietly uploaded to the planning department's website last week. The amendments are on exhibition until July 16.

One part of the proposed amendments appears specifically designed to allow AGL to get approval for an exploratory fracking project near Gloucester, without completing a full Environmental Impact Statement (EIS).

This amendment appears quite innocuous at first glance but careful examination reveals it will clear the way for AGL to begin fracking at Gloucester without completing a full EIS. That appears to be the sole purpose of this particular amendment.

AGL are seeking approval to conduct exploratory fracking at four gas wells next to family homes in Gloucester. We wrote to the government months ago pointing out that under current regulations, a full EIS is required due to the proximity of other gas wells to the proposed fracking project. We had no response from the gvernment on this matter until this week – when they announced their intention to change the law for AGL's benefit.

The proposed amendments will allow the government to give AGL the green light for this project without completing a full EIS. How can the NSW government allow AGL to conduct fracking operations so close to family homes, without even making them do a proper environment study?

This is the latest example of the state government bending to the demands of the coal and gas industries at the expense of the public interest.

The changes don't need to go to parliament and could be put into planning regulations with little public scrutiny. This is not open and transparent government.

We call on the government to abandon its continual backdoor attempts to bring in policies that only benefit mining interests and instead to uphold the public's right to full disclosure and full environmental assessment of high risk projects.

Steve Phillips
Lock the Gate Alliance

Tender to replace work done by FASS

NSW Health Pathology currently propose to close their Food Testing Laboratory in Lidcombe and the work they do for the NSW Food Authority will be put out to tender for private laboratories. NSW Health has advised that their Chief Health Officer has worked with the NSW Food Authority in the preparation of the tender documents to ensure that there would be no reduction in the standards of testing or safety of food once the work has been passed over to the successful tender.

The tender documents have now been released and it's clear from reviewing them that standards will drop and the safety of food is being put at risk.

Whilst the tender covers virus testing we believe that we are one of the few laboratories in Australia that does virus work in food and environmental samples.

While these reductions in tests will pose an immediate risk to food, safety this tender also ignores the training obligations for the Food Testing Laboratory and its role in the long term protection of food safety. While The Forensic and Analytical Science Service has university students undertaking three week placements as part of their training, there is no comparable obligation for private labs in this tender. This will reduce training opportunities and lead to a reduction of safety standards in the long term.

Access by Food Authority staff to analysts and scientists has also been reduced. The current agreement explicitly provides for a range of scientists and analysts to be available for telephone consultation 24 hours a day seven days a week. The tender document has no such provision.

Both the tender document and the current service level agreement (between FASS and the NSW food Authority) have clauses for Continuous Improvement; the tender, however excludes the Benchmarking provisions that feature in the service level agreement. This provision allows for a third party to review the supplier's performance particularly in terms of, quality, effectiveness, efficiency, accuracy completeness and integrity; particularly in comparison to standard industry benchmarks. This provision is an important safeguard on testing standards that is now being dropped as part of the tender process.

The tender requirements for the private, for profit, laboratories could lead to a serious reduction in standards. Not only are there fewer types of tests done, training of new scientists is being ignored; access to scientists and analysts being reduced and the mechanisms to maintain the efficiency and accuracy of the laboratories are being removed. This is being done with NSW Health refusing to state how much this laboratory closure is projected to save.

We are now calling for this tender to be withdrawn immediately, and NSW Health and the NSW Food Authority to carry out a thorough risk assessment on the closure of the FASS Food Testing Laboratory.

Pina Peters
HSU

Culture & Life

by **Rob Gowland**

Private prisons and Fascism

With privately run prisons becoming more prevalent in Australia – and likely to become even more so under our present Liberal Party state and federal governments – here is a cautionary tale from the home of the private prison industry, the USA: a judge in Pennsylvania has been sentenced to 28 years in prison for conniving with the operators of prisons in the state to maximise the supply of inmates.

The more time an inmate spends in a facility, the more of a profit the prison operator reaps from the state, so the scam was simple: all young people who came up before Judge Mark Ciavarella were given the maximum sentence. In return for his helpful sentencing, Ciavarella received bribes and kickbacks totalling millions of dollars (which indicates the kind of money the operators of these private prisons must be making from state and federal governments in the US).

As well as receiving state subsidies, private prisons in the US (and here in Australia, let us not forget) also put their unfortunate inmates to work on an industrial scale, at everything from operating call-centres to manufacturing electronic components. Prison labour is union free of course, so employers can achieve maximum exploitation. They are also free of all other regulations, such as occupational health and safety. In other words, it's slave labour, a boss's wet dream.

Where sending people to prison becomes an opportunity for profit, efforts by greedy entrepreneurs to boost their profits through encouraging longer sentences, lobbying for the criminalisation of minor misdemeanours, and otherwise distorting the law for their corporate benefit, will inevitably increase.

The horrors perpetrated by the Nazis and their assorted imitators in (and before) WW2 put "old style" Fascism distinctly beyond the pale for some years afterwards. However, the desire of the most reactionary and aggressive elements of big business to impose their direct rule over peoples and countries remained.

With traditional Fascism so much on the nose, the corporations that favoured it had to be satisfied with a slower, softer approach, establishing the institutions and the laws to support a Fascist form of state by stealth. In short, they had to work within the confines of bourgeois democracy, when their earlier and preferred method would have been to simply abolish democracy altogether.

It has taken years, but now capitalism has established Mussolini's goal of the "corporate state" in large parts of the developed world. Fascism in effect, without the odious trappings. But while big business chose to achieve its ends through and within bourgeois democracy, the *lumpen* thugs and demoralised middle class elements that make up the foot-soldiers of Fascism on the streets were still there, in bikie gangs and racist political parties.

Today, with reaction so well entrenched, the corporate backers of Fascist ideology have begun to abandon their democratic façade and instead to openly support and utilise full-blown "old fashioned" Fascist forces. Ukraine is the most visible example of this but it can be seen all over Europe, as well as in other parts of the world.

French Fascist leader Marine Le Pen has set up a group of traditional-style openly Fascist parties within the EU. Claude Moraes, an anti-fascist Member of the European Parliament, commented: "The European Union now has openly Nazi and Fascist parties in government, propping up governments and influencing governments."

The flaws inherent in capitalism and the system's need to find scapegoats to divert attention away from its own failings has always meant it has a vested interest in encouraging racism, fear of foreigners and religious bigotry. So even while "old style" Fascist organisations were out-of-favour, racist and anti-immigrant parties like Britain's UK Independence Party (UKIP) sought to fill that void.

Britain's economy is in tatters and the austerity measures imposed on the unfortunate British people by their Tory-led coalition government have made the plight of the bulk of the people worse. Not surprisingly, in these circumstances, the UKIP has made some headway, garnering a disturbing surge of votes in local government and EU elections, etc.

Naturally, the capitalist media – less interested in accuracy than in making political capital – have claimed that these votes were won in working class areas and were won from Labour. However, at a Unite Against Fascism conference in London last month, Steve Hart from the giant trade union Unite presented statistics showing that most UKIP votes came from disaffected Tories and Liberals and former supporters of the equally reactionary but now defunct British National Party. In other words, from the traditional base of support for Fascist-leaning parties.

Significantly, outside the conference, a group of Fascist thugs organised as the "English Volunteer Force" tried to disrupt proceedings by demonstrating but were kept away by police and anti-fascist stewards. There weren't many of them, but the fact that they openly demonstrated in support of Fascism is significant.

Fascism is a weapon in the arsenal of capitalism, a weapon they pull out when bourgeois democracy no longer serves to keep the masses in check. Fascist groups may be small now, but they can grow exponentially when big capital throws large chunks of money at them and backs it up with admiring media coverage.

The spread of openly Fascist organisations across Europe, South America and elsewhere is a danger signal that should not be ignored. Fascism has rightly been described as "the last resort of capitalism in decline", and there can be no doubt that capitalism is certainly in decline. So the message is surely "Be Vigilant!" ✪

Rob Gowland
previews
ABC & SBS
Public Television

Sunday July 20 –
Saturday July 26

The disparity between the illusion they are constantly fed about life in the "greatest country on Earth" and the reality they face every day goes a long way to explain why Americans give so much of their attention to celebrities, television, sport and recreational drugs. They are searching for an alternative, but they are told that none such exists. So they try to escape.

US Federal law prohibits the growing of marijuana, but in California state law allows it to be grown for personal use. With its perfect climate and soil, Humboldt County is renowned as the best place in America for growing weed. Known for hippy growers working plots deep in the Redwood forest, it's long been a haven for small scale, "mom and pop" marijuana farmers.

But now, Mexican Cartels have moved in with large-scale plantations. This is big business protected by gun-toting mobsters, and made pot growing in Humboldt a deadly game. The short series ***Pot Cops*** **(ABC2 Tuesdays from July 22 at 9.30pm)** follows a team of California sheriff's officers risking their lives and limbs to bust these criminal growers.

I have little sympathy for the profit-making and criminalising that lie behind the "war on drugs" – which should be dealt with as a health problem not a crime problem – but this series succeeds in making you sympathise with the cops as they struggle against the big money that drives the drug trade.

Who would have thought that a program about fixing up old cars could be so enthralling? Mind you, go to any rural show and one of the most popular exhibits is the display by amateur enthusiasts (usually retired mechanics) of old working machinery: pumps, chaff cutters, you name it. And of course, there is the perennial popularity of steam locos and (back to our starting point) vintage cars.

But ***For The Love Of Cars*** **(ABC1 Wednesdays at 9.30pm)** is not about vintage cars. All the cars restored on this program are post-WW2. Nevertheless, they have their fans and their enthusiasts. In this week's episode, actor and car fanatic Philip Glenister and car designer Ant Anstead find a *Land Rover Series 1* that has been sitting in a barn for over 41 years – un-driven and covered in cat poo. It has a damaged chassis but is in otherwise remarkably original condition. They pay £6,000 for this rusting derelict and set about restoring it.

Born in 1948, the Land Rover helped revive the British car industry after the War. It went on to conquer the world. Rugged, simple, but with only just 39,000 made, there are only a few hundred Mark 1 Land Rovers left. The restoration process is interesting in itself, with two upholsterers who worked on the original Land Rover seats recreating their craft with original materials. The finished vehicle is justifiably well received by a gathering of Land Rover enthusiasts.

Secret **State (ABC1 Fridays at 9.30pm)** asserts that it is "inspired" by the 1982 novel *A Very British Coup* by British politician Chris Mullin. In fact it is a remake of the novel's 1988 television adaptation, which won Bafta and Emmy awards, and was syndicated to more than 30 countries.

The plot of *A Very British Coup* involves the election of Harry Perkins, a working class, very left-wing

Philip and Ant with their Landie – *For The Love Of Cars* (ABC1 Wednesdays at 9.30pm).

leader of the Labour Party as Prime Minister in what was then the near future, March 1991. The priorities of the Perkins government include dissolving all newspaper monopolies, withdrawal from NATO, removing all American military bases on UK soil, unilateral nuclear disarmament, and true open government. Perkins is shafted by a combination of a newspaper magnate, elements within British political and civil service circles, especially MI5, with the United States the key, but covert, conspirator.

The book was written in 1981, and was strongly influenced by the rumours that have circulated over the years about attempts by members of the British security services, and other wings of the British Establishment, to undermine and depose Harold Wilson's Labour government of the mid-1970s. It was also influenced by the US-inspired removal of the Whitlam government for proposing to close US military bases on Australian soil.

Secret State is an attempt to update that scenario to today's Britain. There is a greater emphasis on corporate involvement (inevitable after the way Big Oil directed the Iraq crisis) and on electronic surveillance (Britain is the most surveilled country on the planet).

As an attempt to make viewers aware that non-elected forces actually control the governments of supposedly democratic countries, the series is important. The actual production, however, is a serious letdown.

Direction and dialogue are frequently cringe-worthy, as Sarah Dempster demonstrated in the British newspaper *The Guardian*: " 'The country needs you, Tom,' hisses reptilian chief whip John Hodder (Charles Dance), cufflinks oscillating with indignation. Doughty Deputy Prime Minister Tom Dawkins (Gabriel Byrne) is unconvinced. 'I'm not a leader,' he mumbles, peering gloomily out of his Downing Street window. 'You give off stability,' persists Hodder. 'People are craving that. We need someone (voice rises, eyebrows scrunch) … WITH BALLS.'

"There is a phalanx of steeple-fingered, baddie-eyed American executives, a pair of monumentally irritating counter-intelligence flunkies and a ball-flattening [female] Home Secretary with a penchant for bursting into the gents and snarling 'fuck the polls' as startled frontbenchers attempt to wee. It's a Jacuzzi of obviousness. A journalist in a raincoat (Gina McKee) pops up every so often to deliver a plot development via whispered aside or cryptic text message ('WHOSE PLANE?'), then buggers off again. At one point, someone says 'a military background like yours comes in handy at times like this, I suppose' and we duck for cover as another slab of exposition crashes from the rafters and lands on credulity's skull.

"*Secret State* is *Spooks* with its head in a bucket of dumb. It's *Tinker Tailor Soldier Sigh*. Brains and depth are all very well and good but sometimes you just want something (voice rises, eyebrows scrunch) … WITH BALLS." ✪

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POLITICS IN THE PUB

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Would you lease your town?

GUNBALANYA: The Northern Land Council (NLC) has serious concerns about plans by the federal government to negotiate a 99-year township lease at Gunbalanya. Federal Indigenous Affairs Minister Nigel Scullion has said a lease to the Commonwealth, through the Office of Township Leasing, would open up economic opportunity and home ownership for Aboriginal people.

The lease would be negotiated under section 19A of the Aboriginal Land Rights Act, an amendment enacted by the Howard government in 2006. But the NLC's Chief Executive Officer, Joe Morrison, is concerned by suggestions that a s19A lease is the only way to achieve positive development and rental outcomes which accord recognition of traditional ownership.

"It is self evident that this is not the case," says Morrison.

"The same positive outcomes are also occurring under s19 leases which have always been available under the Land Rights Act."

The difference between s19 and s19A leases is fundamental.

Section 19 leases are approved by the NLC's full council (or, by the Minister if they are of high value or long duration) with the prior, informed consent of traditional owners. Multitudes of s19 leases have been executed over housing developments, private businesses and government facilities in the NLC's region.

Importantly, the leases are held by the Aboriginal Land Trust, and traditional owners retain control over their lands. Section 19A township leases are held by a Commonwealth public servant, the Executive Director of Township Leasing. Decisions on subleases and development will be made by the Executive Director, not the traditional owners.

"This is the case notwithstanding that the Executive Director will consult with the traditional owners," Morrison said.

"Regrettably, the way the Commonwealth has presented its proposal has tended to pass over this by incorrectly portraying the Executive Director as the traditional owners' friend or agent and the equivalent of a Land Council.

And what happens should disputes arise? Morrison points out that the Executive Director is appointed by the Minister; "And where disputes arise he will perform his functions from that perspective," he said.

An immediate attraction of a township lease at Gunbalanya is that backdated rent will be paid for the 40-year s19 SIHIP lease for community housing, which was granted in 2009 for a peppercorn rent.

At the NLC's insistence, all SIHIP leases in its region provide for backdated rent if a s19A lease is negotiated.

But that deal might not necessarily be realised. Although the Commonwealth has indicated it would pay backdated rent, the Territory has given no such commitment. Nor has the Commonwealth committed to picking up the tab if the Territory doesn't.

The NLC's position is that written commitments about backdated rent must be obtained before the Commonwealth's lease proposal could progress.

The NLC has also questioned financial costs which would arise from a township lease arrangement with the Commonwealth.

Schoolchildren from Gunbalanya wait for a school assembly. (Photo: Sam Mooy)

Whereas a land council can't recover its administrative costs from lease monies, the Executive Director of Township Leasing who would hold a section 19A lease over Gunbalanya would recoup his operating expenses from sublease rentals, after the first five years.

Morrison says the Executive Director's expenses are likely to be significant.

They would include costs of administrating and complying with the lease, all legal obligations, the costs of preparing land for subleases (including negotiations, drafting, etc) and the cost of managing subleases.

One significant cost would be insuring the Executive Director for loss, destruction or damage ($20 million minimum), public liability ($100 minimum) and workers compensation.

"This is an extraordinary and unjustifiable expense to impose on traditional owners," Morrison said. The NLC has said it would not be prepared to execute a township lease for Gunbalanya if traditional owners had to foot the Executive Director's operating expenses.

The complexity of a township lease arrangement and the legal requirement for traditional owners to understand the significant and long-term diminution of their rights are a worry to the NLC.

"Some traditional owners may not properly appreciate that the legal effect of a township lease is that they give up their power to decide what happens on their land for 99 years to 2113 and a foreshadowed renewal for another 99 years to 2212 – a period spanning many generations," Morrison said.

Land Rights News

Normalisation: What does it mean?

In June 2004, Clare Martin's Labor government laid the groundwork for Commonwealth legislation which two years later delivered a new legal framework for township leasing on Aboriginal land in the Northern Territory.

In a so-called concept paper, "Tenure and Town Planning in Remote Communities" the Martin government identified a "legal and planning vacuum for individual stakeholders and communities".

"The serious concern over continuing unacceptable (and sometimes worsening) social and economic conditions in communities and remote towns has focused in part on the extent to which this legal and planning vacuum is a contributing factor," the paper said.

As ideological and evidence-lacking as the NT government paper was, its rhetoric was roundly trumped by members of the Howard government when it introduced amendments to the (NT) Aboriginal Land Rights Act in 2006 which enabled the Commonwealth to introduce its program of township leasing.

The amendments were driven by a perceived need for individual property rights in Aboriginal communities.

Home ownership was at the heart of it – an aspiration championed by neo-liberal ideologues like the late Dr Helen Hughes from southern think-tank, the Centre for Independent Studies.

In his second reading speech to the amendments, then Indigenous Affairs Minister Mal Brough spoke of residents in NT Aboriginal communities being "mostly marooned in unsafe settlements devoid of economic opportunity and hope for the future".

Ignoring the fact that leases of Aboriginal-owned land had always been available under the Land Rights Act (section 19), Brough wrongly asserted that residents in Aboriginal communities had no choice but to live as tenants. If they wanted to own a house or start a business, they had to move, he claimed in Parliament.

"The bill provides for a new tenure system for townships on Aboriginal land that will allow individuals to have property rights," he said. "It is individual property rights that drive economic development.

"The days of the failed collective are over.

"Much more needs to be done to normalise life for these Australian citizens."

And so the word, "normalise" was introduced into the debate about tenure of Aboriginal land, and, later, about the provision of services and infrastructure.

NLC lawyer Kirsty Howey wrote an MA thesis in 2012 that said:

"Normalising what? Aboriginal land tenure reform in the Northern Territory of Australia."

She tracked the proliferation of the term in four years of parliamentary debates, after Brough's first use of it. Federal politicians used the term 52 times after Brough and the CLP's Nigel Scullion (now Indigenous Affairs Minister) was the most prolific.

Howey wrote:

"Not only were Aboriginal communities described as anti-economic and cultural sanctuaries during debate about township lease reforms, they also allegedly harboured the very worst type of social dysfunction. Indeed, although the references were ostensibly about stimulating economic development, (Mal) Brough and (Dave) Tollner often seemed to focus more on the alleged abuse, violence and lack of 'social norms' in Aboriginal communities."

Such language reached a crescendo with the introduction of the federal intervention in mid-2007.

As in colonial times in the Northern Territory, wrote Howey, it was the inherent "Aboriginality" of communities which was considered in part responsible for their inferior and "abnormal" state. "While in the 19th century Northern Territory, the characterisation of Aboriginal society as one of hunting designated it 'uncivilised', 'savage' and inferior, normalisation discourse viewed the property regime enshrined in the Land Rights Act, including communal land holding and the permit system, as harmful expressions of anachronistic tradition, serving to lock away Aboriginal society from wider society," she wrote.

In short, and in effect, attacks on Aboriginal culture itself were at the heart of the federal government's original justifications for township leases, and the later five-year leases of Aboriginal communities in the Northern Territory which were imposed as part of the federal Intervention.

Land Rights News

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