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Media, money and political power

Why we need Alternatives

NWTP 2005 National Conference "Dumb Down" briefing paper prompts me to raise other important aspects necessary to defeating the well established and well funded "Dumbing Down" process.

Persuing particular issues is essential to any realistic political activity. However we need also to increase our awareness of the degree to which a few people with wealth and power largely set and control the political, social and environmental agenda. And to think hard about and work on developing an overview, - a strategy as well as program points about the sort of society we need if humanity is to survive.

Some words of wisdom from Ronald Wright's 2004 Massey Lectures are pertinent here. [Pub. Text Melbourne 2005] *"If we want to live in an earthly paradise, it is up to us to shape it, share it, and look after it."* P9 And discussing the lifestyles possible over two centuries for many in the "... lucky countries of the west ... **Our age was bank rolled by the seizing of half a planet, extended by taking over most of the remaining half, and has been sustained by spending down new forms of natural capital, fossil fuels. In the New World, the West hit the biggest bonanza of all time And there won't be another like it...**" Page 117 .(emphasis MB)

On page 113 Wright had made the point about the invasion of the Americas that *"Europeans did not find a wilderness here, the American historian Francis Jennings has written, they made one."*

The biography of a very capable, rich, ruthless and now ex Australian is revealing in terms of modern methods of accumulation of excessive wealth and power. I refer to *Murdoch A Biography* Jerome Tuccille [Pub Judy Piatkus ISBN 0-86188-975- 4] Murdoch is, of course, not the only politically powerful individual who has never been elected. A report published in the Hobart *Mercury* 21/6/05 begins with the ominous message *"Kerry Packer has strengthened his grip on the Internet ..."* There is also the ongoing scandal of the influence corporation donations have on the major political parties.

To return to the Murdoch biography Page. 38 -39 *"Murdoch claimed that he had grown disillusioned with Whitlam because of the failure of his policies; ... (Whitlam) ... stated publicly that his refusal to grant Murdoch a bauxite development license in Western Australia was the true reason for the publisher's change of heart. Other observers thought that Murdoch was acting at the behest of the U. S. State Department, which promised him support in his negotiations with American banks. ... Murdoch's political perspective was taking on a genuinely more conservative cast. He was developing a valuable political relationship with the Nixon administration, whose influence could possibly help him advance his own business interests. ..."*

... *"The Australian,"* (Newspaper) *a money loser since its inception, had finally paid Murdoch back in the form of political capital. If he had any doubts about its influence prior to the campaign of 1975, they were finally laid to rest from that moment on."* Like other political activists who lived through this period I am aware that, as Truccille suggests, there were several factors involved in the demise of Whitlam but Murdoch and the media in general were certainly a big part of it all.

Controlling other people's money

After explaining (on PP 60-61) Murdoch's methodology for controlling "the Murdoch empire" Tuccille writes: *"There were a number of reasons for all of this financial wizardry. Some of it had to do with accounting and tax considerations, but primarily it was a question of Murdoch keeping control of his sprawling empire. As Murdoch himself explained it, the overlapping partnership structure allowed him to reinvest profits back into his various operations instead of being required by the banks to pay out dividends to share-holders. 'In this way,' Murdoch said, 'a central bank in London or Australia can't order you to pay dividends, since you don't have control stock. It means you can plow back profits. The value of being able to reinvest profits in production instead of paying out dividends to share holders can't be over-stated'."*

Another aspect to the "wizardry" involved in becoming ultra rich is referred to on page 123.

After several pages of details of a 'contest' which took place about who was to control "the St. Regis Corporation - a forest products company: paper & building supplies - Tuccille writes: *"Once again, Murdoch had failed to gain control of a company he was legitimately interested in owning. But in the end he came out in better shape financially. The run-up in share prices gave him a profit of about \$37 million for the stock he owned, not too shabby-particularly coming as it did so closely on the heels of his \$40 million profit in Warner Communications. ..."*

the following year marked the beginning of Murdoch's expansion at a pace that dwarfed all he had accomplished in all the years of his life until this time".

Questions which should be asked include - was any new wealth created in this profit binge - and - how many small shareholders lost much of their life's savings to enable these massive profits for Murdoch? The above quotes reveal that one large shareholder can control enough shares to control a company and the use to which all its shareholder's money will be put. There is also a capacity to influence share prices to major personal advantage.

Possible alternatives

How can we establish a more democratic, socially just and economically and ecologically sustainable society? There are those who favour a return to a more Keynesian approach. **"... Ideas, knowledge, hospitality, travel - these are the things which should by their nature be international. But let goods be homespun where ever it is reasonable and conveniently possible, and above all, let finance be primarily national."** (John Maynard Keynes *National Self - Sufficiency* 1933 as quoted by E. L. Wheelwright in *Political Economy of Development* ABC Radio pub 1977).

While the above quoted ideas of Keynes have merit revisiting Keynesian economics is not enough as Galbraith wrote in 1977: *"... There are other problems. Keynesian support to the economy has come to involve heavy spending for arms. This we've seen, is blessed as sound while spending for welfare and the poor is always thought dangerous. With time, too, it has become evident that Keynesian progress can be an uneven thing: too many automobiles, too few houses; too many cigarettes, too little health care. The great cities in trouble. As these problems have obtruded, the confident years have come to an end. The age of Keynes was for a time but not for all time."* (Galbraith 1977 p p 225-226)

To address the obvious problems with any 'solution' which is based on faith in market forces we need to have legislation and programs to enable ordinary people to make meaningful inputs to economic as well as social and environmental policy directions. We require regulation of the market by elected Governments rather than by corporation chiefs and their hired representatives. Such regulation needs to be open and democratic and not simply a rerun of behind closed doors bureaucratic regulation. Secrecy about public affairs encourages corruption.

In order to break through the grip the greedy few have established over public opinion and our lives, we need to be part of changing ideas about what really constitutes the good life. The ugly and quite stupid concept that greed is good has invaded our societies in a variety of forms and guises. A system geared to increasing production of modern ways of injuring and killing people and War itself are highly profitable for a few, but disastrous for many people and for our environment.

The failure of Soviet and Chinese bureaucratic 'socialism' demonstrated that a new society cannot be built under highly centralised controls from above. Vanguards are not the answer. Concentration of power in a few hands, whether these are capitalist or so called communist hands, leads to corruption and other negative consequences. A democratic movement within which ordinary people can learn how to participate in public affairs and gain some control in their own lives and destiny is essential to genuine democracy. That means a movement within which people with differing political cultural perspectives, but common concerns, are prepared to listen to others and learn how to better develop their own thinking and cooperative efforts.

There is growing concern for the human future on the part of intelligent and caring people around the world. In our own country, Australia, it is recognised by a growing number of people that we are facing a whole series of crises in water, land use, green house gas and other forms of pollution. Conditions of life continue to deteriorate for those at or near the bottom of the social and economic ladder and more people are joining the poor as the number of millionaires grows.

Current economic and social approaches and practices are resulting in looming ecological crises of a devastating character. As the Wentworth Group of scientists put it in their Nov. 2002 paper in Australia: **"We are taking more resources from our continent than its natural systems can replenish. That, by any definition, is unsustainable."**

This warning further localises the problems discussed above. But again for reasons which include faulted decision making structures and inequitable power and wealth distribution, we continue to fail to address the real dangers to a human future posed by the current direction of economic policies and social attitudes.

Trees, Banana stems, Water and Paper

Leaving aside the attacks on democratic liberties for the moment let us look at one of the economic planning issues raised in the "Woodchips, Lawsuits and Democracy" papers. [*This collection of papers, published by NWTP Tas. Project, are available on NWTP web site and also in hard copy*]. I refer to the need to protect old growth forests, and to recognise that tree plantations are beginning to seriously damage river systems.

And also that, for example paper can be made from banana stem waste. Government funded tests have shown that paper made from banana stem waste is **"...300 times stronger than pulp ... grease proof, waterproof and fire resistant yet totally biodegradable. No water, chemical glues or dyes are used in its production. ..."** [*Australian Horticulture* October 2004] Amongst other things such paper would likely be an excellent alternative to plastic for bags.

The issues which have to be addressed to change from forest destruction to use of banana stem waste or even to hemp paper making are many and varied. They include a reorientation of capital investment and a reorientation of skills training and development in the industry. Yet real changes will likely be forced on the industry in the not too distant future as, in Tasmania at least, old growth forests are destroyed and tree plantations degrade our river systems. For an introduction to details of this latter process see paper "How Well is Water Managed in Tasmania" in above mentioned Woodchips, Lawsuits collection.

Would it not be better to begin to move towards change now while we still have some old growth forests and the damage to river systems has only recently become apparent? In the face of the future crises confronting the wood pulping industry the Lennon Labor Government has high jacked over a million dollars of public moneys to promote a polluting and outdated wood pulp mill development.

The Lennon State Labor Government, and Liberal Opposition, like John Howard ignore facts and fail to understand obvious trends. For example, and apart from other important considerations involved in the pulp mill issue, development these days, whilst it can generate short term jobs, results in the replacement of human labour with new technological processes. In all too many instances the communication of information has become the communication of misinformation.

The employment problem, and massive loss of jobs in forest based industries in recent decades, is the result of Corporation chiefs and managers using technological innovation to reduce labour costs. What could happen is that technological innovation could be managed to shorten hours of work and improve the quality of life. But the greed is good band have control and we are faced with growing unemployment and reduced quality of life. We need ecologically sustainable development and we need fair, and appropriate trade. Not development that destroys opportunities for a human future and trade driven by corporate greed rather than human interest and need.

Food and Water

Another example, this time the issues raised by the already mentioned Wentworth group of Scientists, namely the unsustainability of our agricultural practices. This takes me back to the earlier quote from Keynes about more localised production, and forward to some issues raised by Colin Tudge, a Research Fellow at the London School of Economics.

Tudge writing in "*Australian Options*" Winter 2005 examines the destructive effects on people and third world economies of imposing industrialised farming on under developed countries. Tudge argues that "*most countries could easily provide enough food for themselves*" and that "*... in India 600 million work on the land*". He estimates that as a result of forcing industrialised farming 600 million people will be thrown off the land. Thus massively increasing the numbers of unemployed in third world countries.

Tudge argues the need to end the push to impose industrialised farming on the third world and to make efforts towards helping to find ways to improve the life of third world farmers whilst leaving them employed on the land. This sort of approach has a bearing on the steps needed to arrest Australia's race to still more ecological disasters. Sooner rather than later the growing water crises, exacerbated by practices that hasten the climate crises, will be a factor for pushing many off the land in Australia.

People Power

The concept of the USA, Australia and a few other countries as producers of food for the billions in third world countries will also receive heavy blows from the effects of any free trade agreement with China. Cheap imports are already affecting our manufacturing industry and in Tasmania at least farmers are waging and propose to make national a major campaign to have vegetable imports clearly labeled.

There are many other examples which could be written about to further underline the point I am seeking to make. That point is - collective tolerance of the nonsense preached and practiced by those who live by the creed that greed is good has put us on the road to ecological and consequently

economic and social disaster. Hope for a future rests on the ability of ordinary people to collectively impose a change of direction. The race to excessive wealth for a few and growing poverty for many is destroying people and societies. Cooperation, living and sharing together is what made human society possible and needs to be at the core of any project concerned to ensure a human future.

This briefing paper was written by Max Bound for the third national Now We The People conference: Advance Australia Fair – Building sustainability, justice and peace, 30-31 July 2005, Melbourne Trades Hall.

For more information about the conference, how to register, this particular workshop and the Now We The People network, please visit www.nowwethepeople.org. Email info@nowwethepeople.org

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