Australia Dossier by Allen Douglas

A wolf in sheep's clothing

The leader of the Labor Party has launched a mad crusade for free trade, thereby proving himself to be a lackey of London.

Well, it had to happen, sooner or later; in fact, there had been rumors about it in Australian Labor Party (ALP) circles and in the trade unions for many months, given the "sweeping policy review" under way. On June 18, the ALP's corpulent parliamentary leader, Kim Beazley, finally did it: He mounted the podium at Monash University in Melbourne, threw open his raincoat, and exposed the ugly reality. He triumphantly proclaimed that, henceforth, the ALP would outdo the ruling Liberal-National Party Coalition, in the latter's merciless commitment to free trade.

Beazley praised globalization, by name; he denounced the ruling Coalition for not advocating free trade strongly enough, in the World Trade Organization and elsewhere; and he crowed, in the best New Age fashion, that "Labor's vision for Australia is that of the knowledge-based society." Beazley even thumped the tub for two raving free trade lunatics: Deputy Prime Minister and Trade Minister Tim Fischer, whom he lauded as "energetic and avuncular," and Graham Blight, a roving ambassador for free trade for the present government. This, though many of Fischer's own National Party members would like to cut his throat, because his policies have devastated the Nationals' rural constituency, while Blight is the former president of the National Farmers Federation, a "free market" cult which led the drive in 1997-98 to crush the Maritime Union of Australia.

Beazley's decision to outblare British Prime Minister Tony Blair, and prove himself a "trader" to his ALP, which was founded in the 1890s on national banking and protectionism, has its own lawful, if immoral, roots. Beginning in 1983, the newly elected ALP, under Prime Minister Bob Hawke and Treasurer Paul Keating, ripped up everything the ALP had been founded upon, by slashing tariffs, deregulating the financial system, privatizing the national bank, and launching an attack on the trade unions, through the so-called "Accord," which dramatically eroded union wages, and caused union membership to plummet from 45% of the workforce then, to less than half of that now. Hawke and Keating were notorious darlings of the "Big of Town," the British-tied banks and major corporations which dominate Australia's economy, and which, beginning in the mid-1970s, set up a series of fronts in Australia for the Mont Pelerin Society, the British Crown-City of London economic warfare bureau which designed all of British Prime Minster Margaret Thatcher's programs. These fronts, such as the Center for Independent Studies, quickly seized policy control over both the Liberal-National coalition, as well as its former bitter enemy, the working class-based ALP.

Under Hawke/Keating, foreign debt soared from \$36 billion in 1983 to \$230 billion in 1996, while manufacturing and agriculture collapsed. In March 1996, an enraged electorate, including legions of former ALP supporters, dumped Keating's Labor government in a landslide, and installed the present Liberal-National coalition. With unions threatening to bolt from his party, Parliamentary ALP leader Beazley, a Hawke/Keating-era cabinet minister, backed off slightly from

their lunatic policies. Now, however, Beazley is back to his British free-trade roots, as belied by his membership in London's elite International Institute for Strategic Studies, and his intimacy with senior members of Blair's government.

So, the intriguing question is, "What will the trade unions do now?" For example, what about the Construction, Forestry, Mining and Energy Union (CFMEU), perhaps the country's most powerful, which is under savage attack by Howard's Liberal-National government? In March 1997, the national secretary of the CFMEU's Construction Division, John Sutton, proclaimed what he called an "economic nationalist" program, which called for retaining tariffs, and opposing foreign ownership, privatization, and the deregulation of the finance and labor markets. Sutton denounced "Keating's economic rationalism," i.e., free trade, as "disastrous for working people," and warned the ALP not to take labor's support for granted: "What we are saying is, the hundreds of thousands of dollars and the thousands of activists we now chip into Labor campaigns . . . will be directed to the candidates who support these [economic nationalist] policies."

There is only one party in Australia today which has relentlessly campaigned for the national banking, protectionist, pro-trade union tradition which founded the ALP: the Citizens Electoral Council, the co-thinkers of Lyndon LaRouche. It is time to see whether Sutton, and other labor leaders, will put their money where their mouth is, and take up the economic recovery proposals of LaRouche, through his urgently needed policy for Balkans reconstruction, and his Eur-Land-Bridge/New Bretton Woods program for a global industrial renaissance. It is either that, or commit hara-kiri with Beazley and Blair.

EIR July 2, 1999 Economics 61