

LaRouche's CEC Challenges 'Free-Trade' Destruction of Australia's Agriculture

The Robinsons are farmers from Kojonup, in the state of Western Australia. Jean has been the State Secretary for the Citizens Electoral Council, the LaRouche movement in Australia, for the past several years, and is now running for the Senate in the Federal election expected sometime between August and October. She is widely known for representing the CEC and Lyndon LaRouche in the state, and polled 7.4% of the vote in her last race in a highly contested state election.



Jean Robinson

The Robinsons were in Washington, D.C. in February 2004, to attend the international Schiller Institute conference. They were interviewed Feb. 16, by Marcia Merry Baker.

EIR: Our subject today is the real downshift below the danger point of agriculture in Australia, which is one of the leading centers of world food production capacity. While in the headlines are things like BSE or avian flu, we have a plain old meltdown of farming, which this couple can tell us about, of just “meat and potatoes” agriculture—dairy, wheat, and so forth—even without any terrible new diseases.

First, tell us about the state you are from, and then we'll get into what has been happening over the past decades.

Wayne Robinson: We are from the state of Western Australia, we live in the southwest, about three hours drive from Perth.

EIR: And you are considered one of the leading agriculture regions of Australia.

Jean Robinson: Yes, we are one of the leading, in mainly wheat, wool, and dairy. We are the state that has the biggest wheat production in Australia by far, and a lot of it is exported. We are the sixth in the world when it comes to exporting grain. So not much of it is used domestically. And of course, there are all the other industries, like wool export, as well.

Meat and dairy are all actually a closed domestic market which has been destroyed in the last couple of years, because

of the policy to deregulate everything through the so-called globalization process. In international terms, Australia is extremely productive in food, when you consider the size of the state compared to other places.

EIR: Let's look at that shift, because you yourselves have been farming over the time period of the shift. Does agriculture go way back in the family, and what kind of operation have you traditionally farmed?

Wayne Robinson: It goes way back, we being in agriculture all our life. We used to live in South Australia. We used to farm wheat, cattle, sheep, and also pigs. And we've carried on in Western Australia.

EIR: We are going to get to the vantage point of today—when things are breaking down. But when things worked, what was the size of your operation? How did it all work?

Jean Robinson: Basically, what we saw in Australia in the '50s, '60s, and '70s—which is the result of the policy associated with the Bretton Woods System, particularly under our great wartime Prime Minister John Curtin—there was a revolution of agriculture in Australia. It really exploded; we used to make everything—tractors, all sorts of things, all highly productive, and everything was driven by high technology.

But that all started to fall apart, particularly in the 1970s. What happened to the U.S. dollar, the same thing happened to Australia. We had these enormous interest rates in the 1980s, and that actually bankrupted about 50% of Australia's farmers. We've gone from having 300,000 farmers to less than 100,000 farmers in just 20 years. And that was the first thing that happened. But up until that point, agriculture was pretty good, with its highs and lows. And then you got this squeeze going on with more and more debt, it's become unpayable.

The cumulative debt for agriculture in Australia is something like \$32 billion. And with less than 100,000 farmers, you don't have to be a rocket scientist to figure out that's not going to work.

Basically, it's been a result of this process happening all around the world, with this policy of deregulation and so-called “free trade” allowing the market to determine the policy of everything. And what we've seen in the last five years is a full-scale collapse of agriculture across the board. The first



Headlines decry the current worsening farm crisis in Australia, from Queensland Country Life, Stock and Land, and other Australian agricultural media of February-April 2004.

industry to go was the pig industry. Canadian pork was allowed to come into Australia, and that completely destroyed the domestic market.

Since then, we've seen the dairy industry go down, which was deregulated two years ago. We've lost 30% of our dairy farmers in two years, Australia-wide. It's the same occurrence in Western Australia.

Something like \$2 billion has been taken away from the farmers' net income in the name of deregulation. And so the industry has completely collapsed, although the government said to the farmers, "You've got to be competitive. And we'll give you these grants, we'll give you money for the quota." Because we have a quota system in this country.

EIR: Quota for output?

Robinson: Yes. A farm would have to buy a quota, but then would be guaranteed a certain price for a certain number of liters of milk per year.

EIR: In the United States, it used to be called production management. But you're saying it was presented as it should work, with certain conditions, that if you stayed within your quota, you were supposed to be able to stay in business?

Jean Robinson: The policy used to be that most of the commodities of agriculture were run by what we called the Statutory Board System, which regulated the agricultural industry and set the prices. The price index is to match more than the cost of inputs.

Of course, that system has been thrown completely out the door, and now we've got the market philosophy dominating.

EIR: In other words, having a national wheat board, or a national pig board, or a national dairy board, was considered the enemy of globalization.

Jean Robinson: Probably the most important industry now that's being destroyed is the wheat industry. We're the sixth-biggest exporter of grain in the world, because we've been able to have such high-quality wheat under a controlled organization dedicated to increasing the profits for the farmers and exporting all around the world. But now, of course, that's falling under the priorities of globalization. We are now in the process of deregulating all the marketeers. And we've also got something called "National Competition Policy."

EIR: When did that come about?

Jean Robinson: In 1996.

EIR: 1996 was the same year the United States adopted its infamous radical free trade. It was called the "Freedom to Farm" Act (otherwise the "freedom to fail" act).

Jean Robinson: Exactly. And unfortunately, the farming organizations that are supposed to represent the farmers' interest, like our National Farmers Federation, have actually supported all these policies. Consequently, it just destroyed a number of family farmers in Australia.

EIR: And what do they say, “Make it fair and do it anyway”?

Jean Robinson: Well, no. When we were in the pig industry, we used to export breeding stock all around the world. So we had a fair idea of what was going on in most places. They said things like, “Yes, you’re going to lose your domestic market because of increased competition. But that doesn’t matter, because you can export.” And the greatest fib that we were told was that we could export to China! But when we find out that China is one of the biggest pork exporters in the world; well, that fib is ridiculous. “That’s like taking coals to Newcastle,” as we say in Australia.

Basically, this was a game of deception and lies in order to entice farmers into allowing a stable system to become completely dismantled in the name of free trade and deregulation.

EIR: Getting back to the wheat situation, anytime you have droughts, that’s adding trouble on top of an already stressed-out system, because farmers are so marginalized with this debt. What’s happened in the way of drought recently?

Jean Robinson: In Australia, with what’s been considered the worst drought in 100 years, something like 80% of the agricultural areas have been suffering from drought. That’s really hampered, in particular, the dairy industry, because the farmers have to buy all their feed if they are going to supplement their cattle. And of course, they are not getting paid for the milk they produce. They are getting paid 50% less for it than they were. Consequently, the feed costs have gone through the roof. And so the process of bankruptcies is accelerating.

And this is also creating a false illusion in Australia, as far as wheat farmers are concerned, because wheat prices have gone up because of the drought. So everybody thinks the high prices are wonderful; but everybody doesn’t realize that we’re going into global depression.

The ridiculous part is that in Australia there have always been these huge plans, which were supposed to be implemented by the Curtin government during the wartime, to build these water projects around the country. The most famous was the Snowy River project,¹ and that was the only project that was built, out of 48.

The idea was to do it throughout the nation, because potentially, Australia is a food basket for Asia, because we have the climate and the soil to grow the food. We don’t have a lack of water; we have a *lack of water management*. About 85% of Australian rainfall just goes out to sea. And in the monsoon season, the top part of Australia is completely covered with water.

The Fitzroy River in Western Australia—just to give you some idea—is the second biggest flowing river on the planet, behind the Amazon River. But at this stage, it just flows all out

to sea. There is no political will to create dams and irrigation systems, which could be easily done, and then we’d alleviate the droughts that we do have in Australia.

EIR: This must be a terrible scene. Are you involved in what we call “Custom Harvesting”?

Wayne Robinson: “Contract Harvesting.” We had a good season where we were, but 90% of Australia is in drought. Last year, farmers spend thousands of dollars putting crop in. No rain came, so they ended up with nothing, except a big debt for putting the crops in.

EIR: Among the many things you are doing with the CEC effort in Australia, connected to the LaRouche effort around the world to reverse this globalization, do you work with many farmers?

Jean Robinson: The CEC is a registered political party, and a lot of support comes from the rural areas. We have many farm organizations, but they are all dictated to by the major political parties and also chemical companies.

EIR: You mean like the pharmaceutical companies, or the seed companies?

Jean Robinson: Seed companies and fertilizer companies all have a real interest in agriculture. They want to influence the farmers’ organizations to go down the road to deregulation and privatization. All of this is the “corporatization” of Australia’s agriculture, which is of course, the bottom line.

EIR: Some enterprising farmers from the U.S. Midwest, in states such as Iowa and Nebraska, who can’t make it here totally on the farm income, have gone to spend six months of the crop year in Brazil to buy land and to farm. They are farming on two continents! Do you see anything wild like that in your part of the globe?

Jean Robinson: What we have are farms getting bigger and the family farmers disappearing. In order for people to survive, they have this idea, “You got to get big or get out!” Consequently, we are having a depopulation of the rural areas in Australia. We lost 40-50% of our population in 20 years.

EIR: Where did you lose that from?

Wayne Robinson: Mainly all over the state. In our town, 20

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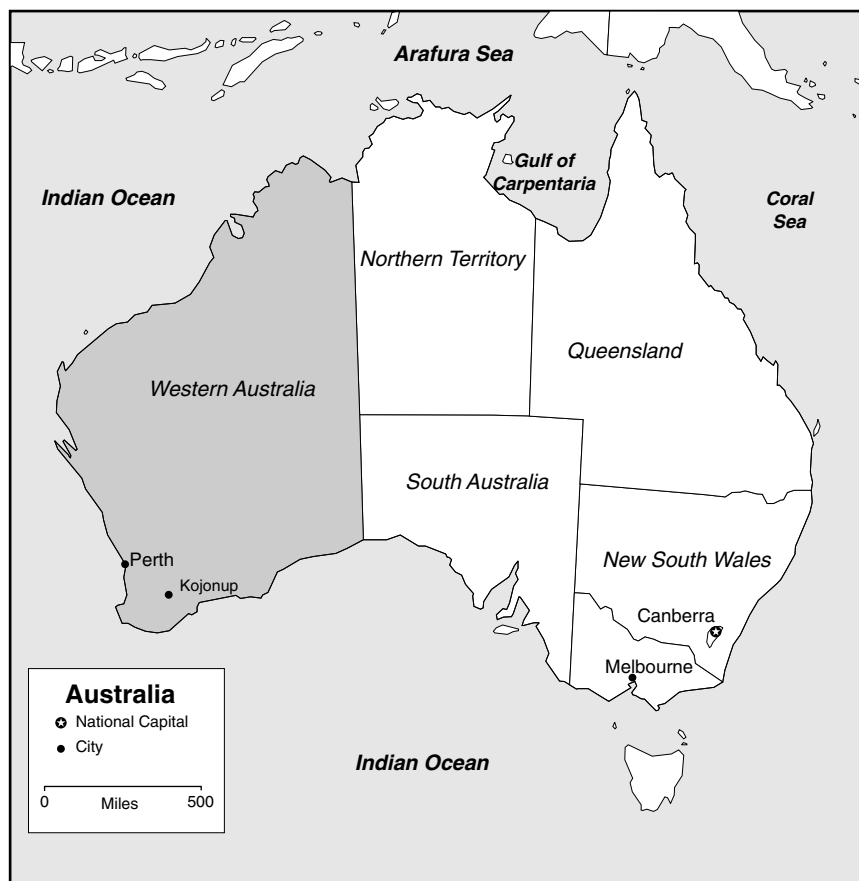
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1. See interview with Australian civil engineer Prof. Lance Endersbee in *EIR*, June 28, 2002.



years ago, the population was 2,800, now it's down to 2,100. That's one of the main agriculture areas in the state.

EIR: So the whole landscape has changed; who can live there, make a living, is completely altered?

Jean Robinson: Basically, we see all our rural towns turning into ghost towns. About four years ago, nearly 65% of the original rural population was on welfare. And this is what has kept people staying, the welfare system. At the same time, however, due to drought, deregulation, privatization, and free-trade policies, what we see is more and more people leaving. The opportunities aren't there for young people. Most young people have to go to cities to try and get jobs. I think the average age of Australian farmers is 57 years old. We have the same problem in the wool industry; there virtually aren't any shearers left to shave the sheep. The average age of a shearer now is 45-50 years old, which is ridiculous. You have to be pretty fit and young to shear a sheep. We got this demise occurring throughout all the industries.

And of course, what is never talked about in the main media in Australia or anywhere else, is the amount of suicides. Australia has the highest suicide rate in the world among youth. It's also in the agricultural areas, these huge amount of

suicides. Because of the indebtedness, sense of hopelessness, and the constant fight against, not only droughts, but also the depressed commodity prices and the spiralling costs with the fertilizers and also insurance. With the collapse of these big insurance companies from so-called terrorist events, we've seen explosions in the cost of insurance in Australia. And that's really hampered the rural areas, because it's affecting tourism and agriculture as well.

EIR: You mentioned people subsisting on welfare as the only way not to go into exile and move and scramble. So, therefore, other services—hospitals, clinics, and churches—are strung out.

Jean Robinson: Absolutely. The health situation in Australia is shocking. We've lost a huge amount of rural hospitals, closing down everywhere. Same with schools, same with bus services. We've had a complete tightening of our rail system, and what's left has been privatized, so that will go bankrupt as well.

EIR: We saw world headlines on the new rail line for attracting tourists. Is that part of the privatization, or was that an attempt to upgrade some rail line?

Jean Robinson: The main rail line has been across Australia for a long time; it's quite expensive to go on, but it's really old technology, and it badly needs some doing up. It's the same with everything.

We recently had a railway line open up from north to south, from Darwin to Adelaide. We've been talking about this for 100 years, and it's finally been built—and it's been built by Halliburton! And so, you want to question, "What's going on there?" Again, it's old technology; they're not building high-speed rail. They're selling it as a tourist thing.

And something else to take under consideration, East Timor has become a so-called independent nation. Well, they have already built the pipeline to get the gas and oil into Darwin. So, obviously, they need a rail system to get that down to the more populous part of the nation, which is the southern states. You have to wonder. You have to wait 100 years for a railway to be built, but all of the sudden, there is huge access to oil and gas. Things "happen."

EIR: So, if you put a map in front of you and start to connect the points on the map, you're seeing schemes, not develop-

ment. Looting schemes, potentially.

What about your election campaign against all this anti-development?

Jean Robinson: This year will be a Federal election in Australia. At this stage, we've got 85 candidates standing.

EIR: What time of year will the elections be?

Jean Robinson: Well, we're not sure, because in Australia the discretion of the elections is up to the prime minister. He can call elections anytime he likes. It's actually due before the end of this year.

EIR: Are you running?

Jean Robinson: Yes. I'm running as a Senate candidate in Western Australia, along with one other person, Stuart Smith. And then we have 15 electoral seats for the lower house. It's pretty exciting, because we've never been able to do this before. Here in Australia, we only have two parties, Liberal and Labor. But there's no reliable party to challenge the status quo. Of course, they're not talking about what we are talking about: the greatest financial crash in history, and what to do about it.

EIR: Well, I'm counting on you to win in all respects. Do you want to add anything?

Jean Robinson: Yes. We did a study comparing the state of California with the state of Western Australia. Western Australia is actually five times bigger than California, and yet only has a population of 1.5 million, compared to 35 million. But we also have a lot more mineral resources, and agriculture, and everything. And yet, California is supposedly the sixth-biggest economy in the world. When you compare that with what Western Australia produces, it's pitiful.

The state of Western Australia generates something like \$35 billion in exports of minerals and agriculture. What that really shows you is that we've become the biggest quarry on the planet. We actually load up our wheat and our gas and our iron ore, and it all gets exported at dirt cheap prices. And then, of course, it comes back to Australia in manufactured goods that we have to pay the most for.

Western Australia is a huge state with immense resources, particular in the mineral wealth. But the Australian population doesn't benefit from all that wealth.

EIR: And in California, as you implied, one of the bases for all these people, is that there were infrastructure booms at different times in the past—in the 1930s, and then after the Second World War, with big, big aquaducts, water, and transportation.

And there was once a program for 40 nuclear plants, only two sites of which have been built! There were major canal projects, hydrological projects; it was in the 1950s. But for your own state, the projects were still on the drawing board.

Jean Robinson: Yes, that's correct. During the Second World War, John Curtin adopted the same policies as Roosevelt, for post-war reconstruction, using the Bretton Woods System as a means of financing it. The government actually had 48 water projects that needed to be built in Australia.

Unfortunately, John Curtin died, just before Roosevelt died. And that was the end of all those ideas. We had a Liberal government come back in, and those plans were all dismantled. And nothing got built except in Western Australia.

They did build the upper half of what's known as the "Old River Scheme"; the dam that was built contains eight times the water of Sydney Harbor bridges. The idea was to irrigate huge tracts. And of course the diamond mining up in the Kimberleys requires a lot of water. But that was it. That was all stopped by the mid-1960s.

We actually haven't built any water projects—not dams, nothing. And Perth, the capital of Western Australia, has been short of water for 30 years. And the problem hasn't been solved, because no one is prepared to build the infrastructure projects required; and basically we don't have access to create the credit and finance it in the first place.

That's what has to happen. We need to have a people's bank, a National Bank again, and get back to having the American System of Economics, like we used to have in Australia.

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