

PIBCI - Monthly Perspective

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Australia: two futures, one choice

Australia is one of the richest countries in the world, with vast reserves of natural resources that sustains a high standard of living for a relatively small population. Geographically, we are at great distance from competitive neighbours and enjoy the security our island continent affords us. Despite such advantages, why have we a long history of being involved in wars and conflicts across Europe, Asia and Africa? We have actively fought in the Boer war, WWI, WW2, the Korean conflict, Vietnam, Iraq and most recently in Afghanistan. All of the conflicts with the exception of the Second World War did not pose an existential threat to our borders. In spite of our natural wealth that supports a relatively stable economy and a stable political system, why do we have a number of serious social matters that continue to go unattended?

The recent passing of legislation that further beefs up the state's surveillance powers, and the additional restraints that have been placed on the formation of new political parties is a clear signal that our democracy is being eroded. This has been further exacerbated by the lack of strong political opposition within the existing political framework. Furthermore, as Australia's efforts to control the pandemic and support a section of the public unable to earn a regular income are being tested, our largest corporations and our richest individuals continue to enjoy soaring profits during these 'hard times'.

As things stand, Australians have now arrived at the social and political crossroads. We have in front of us two possible futures which will take us down radically different paths. A collective choice needs to be made between the two options before the decision is made for us.

Two futures

Option 1 – Status quo

If we continue down the neoliberal path that we have followed for the past forty years, the road ahead for the majority of Australians appears long and bleak. The defining characteristic of neoliberalism is its belief that human relations are based on competition.

Neoliberalism's engine room is based on the market system which promotes democracy via exercising choice through buying and selling. It maintains that the market system is best equipped to deliver both efficiencies, and distribute wealth in society.

Should we persist in following the current course, a select minority of wealthy Australians will continue to prosper at the expense of the rest of society. Fed by rising unemployment and the casualisation of work, the inequality gap will burgeon as the boom-bust economic cycle will place increasing pressure on household finances. Shrinking job prospects, limited income options leading to rising personal debt will ensure the population remains fixated on the next precarious pay cheque.

Persevering down the neoliberal path will ensure the climate emergency goes from bad to worse. The Coalition government has clearly indicated that our economy will continue to be organised on the basis of producing, distributing and consuming oil, coal and gas. It has displayed little regard for transitioning to renewables, as it struggles with the idea of setting net zero carbon emissions. Meanwhile, the planet will not be waiting for the human race to make a decision as natural disasters increase in number and ferocity. Should we continue down the current path of extracting and burning fossil fuels, governments and large corporations will no longer be able to greenwash their way out of rolling environmental disasters.

If we do nothing and continue down the current path, our democratic institutions will continue to be hollowed out by government and large corporations. Both will press on towards centralising and consolidating power that sidelines alternative political views, limits the creation of new political parties and silences dissenting voices. The recent introduction of the Party Registration Integrity Bill is a disturbing sign of the anti-democratic stance the major parties have taken to consolidate their power. Instead of building public support by working for the interests of voters, they have taken the easy way out by changing the law that significantly raises the bar for the entry of new parties into parliamentary politics. This unduly limits our democracy.

With over forty years of neoliberal policies implemented by successive governments in Australia and across much of the western world, democratic institutions have been weakened. A combined effort by governments, wealthy individuals, right-leaning think tanks and a sympathetic corporate owned media have set the social and political agenda that

benefits large corporations and their wealthy owners. This social and political transformation has led us to believe that the market system is the new 'common sense' approach to social, political and economic issues. This view promotes the privatisation of public assets as normal, and deregulation as the essential ingredient of efficiency. This so-called common sense has blocked out and distorted alternative views and opposition. This ossified approach no longer works as the future needs new and fresh ideas for the challenges ahead.

The future under the Morrison-led Coalition government is disturbing, as the rhetoric against China continues to grow, indicating that a conflict is inevitable. The policymakers in Canberra do not talk of peace nor diplomacy, but fantasise about partnering in a grand strategy with the US and UK. The announcement to cut the French submarine deal loose and sign-up for US nuclear-powered submarines effectively locks Australia into a military alliance with little understanding or detail of the long-term impacts. The Morrison-led government has clearly compromised Australia's wafer-thin independence, which will test our national sovereignty in the years ahead. The submarine deal - without details - effectively spells an end to Australia's Non-Aligned status, and makes Australia a client state of the US military industrial complex. This deal further postpones delivery of submarines to the 2040's, dispelling any pretence of making Australia safer sooner. It also puts Australia in lock-step with US military strategy, and any new conflicts the US may wish to pursue. Prime Minister Scott Morrison's visit to the US accompanied by all the pomp and ceremony served as another government advertising campaign conveniently timed to overshadow the costly debacle in Afghanistan, and prepare the federal Coalition for the looming federal election by drumming up nationalist fervour.

Doing nothing by continuing down the current path based on short term political ideas, a bankrupt ideology and the resurfacing of an Anglo-US alliance in the form of AUKUS paints a very grim future, both at home and internationally. However, we need to remember that the future is not a foregone conclusion.

Option 2 - Change

As a nation with abundant wealth, natural resources and advanced technical know-how, we have the potential to forge a better and brighter future. With a public that is politically and socially active, coupled with the right political and business leaders, decisive action can be taken to resolve critical issues that currently plague us.

Steps can be taken to reduce inequality and turn it around by channelling our nation's wealth back from the pockets of billionaires towards real social needs. Placing health and education ahead of large corporation's profit margins is an obvious starting point. Instead of pouring tens of billions of dollars into another vacuous submarine project, significant inroads could be made into tackling poverty and existing housing shortages.

The growing wealth of billionaires during the current pandemic highlights the colossal policy failures perpetuated by the political class. As a society, we need to recognise that supporting the growing profits of billionaires is a luxury we no longer can afford. Tax breaks and business incentives for the wealthy needs to be reversed to support our health, education and public housing sectors.

We have the option to tear down the outdated and ill-equipped neoliberal ideology which is fixated on looking backward into the past for ideas. The future needs a fresh perspective, innovative ideas, and a novel approach that supports the equitable distribution of our nation's wealth.

What COVID-19 has provided us with is a glimpse into a world where large sectors of the economy can be managed remotely from home, and other forms of work can be scaled back. The key issue here is that changes must not be detrimental to society, but support the community as a whole. By replacing self-centred competition and the profit motive, the economy can focus on real human needs. Such a process will place people at the heart of the economy by transitioning towards a collaborative community-based approach. Work can largely be completed from remote, home-based locations reducing the need to spend valuable hours commuting to work. By applying our technical know-how, increased automation can support a decrease in working hours whilst maintaining attractive wages. Furthermore, prioritising automation on dangerous, mindless and repetitive work needs to be a key focus for transitioning to a sustainable 'post-work' platform. Automation and a reduction in the working week will translate into more leisure time, a good income, and a focus on the public's welfare ahead of corporate profits. Going forward, further income supports can be realised through a Universal Basic Income (UBI). A UBI will work towards eradicating the mental and physical harms associated with underemployment and unemployment.

The economy also needs to pivot towards qualitative development (new goods and services that are resource neutral) rather than focussing on quantitative growth (increasing the output of the same old goods that come at the cost of the natural world). Needless to say, an urgent transition from old fossil fuel industries supported by the dated network of extraction, distribution and consumption of oil, coal and gas must take place. The climate emergency is not waiting on Australia to move beyond deliberating and dodging action on setting a zero carbon emission target.

Our relationships with other nations need not be forged on the battle fields of foreign states, but built on international cooperation tackling natural disasters that are all too prevalent. We do not need to align ourselves with empires that move from one disastrous imperial adventure to another. Australia needs to decouple itself from so-called security alliances that come at a cost to our independence and sovereignty and embrace non-alignment. We need to independently control our country's security and foreign policy, ensuring our national decisions are not caught up in a complex web of military alliances.

For too long, the neoliberal ideology has shaped people's habits by superimposing artificial needs on a mass scale. It has transformed citizens into customers, it has shifted social cooperation to individual competition and atomised communities. Powered by the market economy, neoliberal policies have sent forth one crisis after another. Clearly, the neoliberal operating system needs to be reevaluated. The old and stagnant approach to politics, economics and society requires an innovative, cooperative approach. A brighter and positive future relies on new ways of thinking, imagination and a vision that looks to the future, and not the past for ideas.

All this can be done, but it needs the right form of politics, and it needs the will of the public to make it happen.

Reality Check

The options for our future are stark. Should Australians do nothing by maintaining the current course fanned along by the political class and corporate elites our prospects will remain bleak. The neoliberal path has demonstrated that it lurches from one crisis to another. The global financial crisis of 2008 disrobed the ideology for what it is, a system that transfers wealth from the majority to a small minority via the privatisation of public assets. The Panama Papers demonstrated how the 1% hoard their wealth, hidden and tucked away

from national governments and taxation. Should nothing change, the neoliberal approach will continue to erode public health and education. Inequality will continue to grow, as child poverty increases in parallel will the profits of billionaires. Politically, the major parties will continue to warm the neoliberal corpse in the hope that new ideas can be conjured up for the future. However, it is evident that promises of rising wealth, increases in leisure time and more choice have not materialised. In reality, neoliberalism's promises have materialised in the form of increased working hours, stagnant pay, rising stress and anxiety. It has spurred on the gap in inequality supported by the illusion of political choice that boils down to almost identical versions of the same market fundamentalism.

In reality, Australia's abundance of natural wealth means that there is enough to go around to all its citizens. As a developed nation, we have access to the latest technology, and the capacity to advance. Our collective national wealth means that we have the means to end inequality, redress homelessness, stop the rise in household debt, and reduce the working week in a way that does not come at the cost of income, but sees an increase in leisure time. These are not utopian ideas, but real alternatives that can be made a real should we have political will and the imagination to set in motion.

It is time to break the illusion that the market driven system is here to stay, and that it is the only arbiter of ensuring everyone gets what they deserve. Billionaires did not reach their lofty heights from hard work and intelligence. Large corporations did not build their way up into the Fortune 500 companies because they competed on an even playing field. In fact, the wealthiest 1% received an incredible amount of support to get where they are today. Large companies receive massive tax breaks and government support paid by you and I – the taxpayer. Billionaires have the luxury of being able to fail over and over and start again. Unlike the public, the 1% have a network of insiders and lobbyists promoting their cause. They have the finance to donate substantial sums to political parties in exchange for favourable treatment, and there is the corporate owned media that promotes a sympathetic worldview that billionaires have earned their place, and the public should thank them for being the drivers of our economy - and get on with working hard to help increase their profits.

As we continue to navigate our way through the pandemic, governments will press on supporting the 1% by continuing to put through tax reductions, privatise what is left of the public sector, deregulate in the name of efficiency through further weakening workers'

rights by undermining the fading union movement and forcing down wages. Clearly, we cannot afford to support billionaires and their rising profits whilst our health system buckles under the pressures of the pandemic. We cannot afford to hand out billions to corporations whilst many Australians no longer have a regular income.

The time for change is now. Join PIBCI and help us shake up the social and political agenda that is stacked against the public.

The future is not a fixed entity. History demonstrates that political systems come and go. It is evident that the current system is broken. Opposing the status quo is vital for change to be set in motion. We need new ideas based on a fresh approach to tackle both current and future challenges. If we do not make a decisive choice to opt for a better future, those in power will make the decision for us – and we know that the results will not be favourable for the majority.

Which future will you choose?

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