

Welcome to the first 2009 edition of The Australia Institute's e-bulletin, *Between the Lines*, a selective analysis of the policies and politics affecting the wellbeing of Australians. This edition looks at:

- Burying bad news in the media
- The impact of climate change on new businesses
- Cooperatives
- The Government's new human rights consultation

Taking out the trash

The Hitchhikers Guide to the Galaxy tells us that 'nothing travels faster than the speed of light, with the possible exception of bad news, which obeys its own set of laws.' That's why governments do everything in their power to minimise unfavourable coverage and media advisors are constantly on the lookout for ways to bury bad news.

On September 11, 2001, as the world was coming to terms with the terrorist attacks in New York that morning, Jo Moore, a media advisor to the UK Secretary for Transport, Local Government and Regions, sent a memo to her fellow press officers which read: 'It is now a very good day to get out anything we want to bury. Councillors' expenses?' Moore was later forced to apologise before the media, but only because the email was subsequently leaked.

Burying bad news is commonly referred to as 'taking out the trash', a term popularised by an episode of *The West Wing* in which a number of stories are released at once so as to reduce their impact. Two days before Christmas last year, the Attorney-General, Robert McClelland, announced the findings of the Clarke Inquiry into the AFP's bungled handling of Mohamed Haneef's arrest. On the same day, he announced the Government's response to outstanding reviews of national security legislation from the term of the former government and released a discussion paper on amendments to the Native Title Act designed to encourage negotiated settlements.

Of course, it's difficult ever to prove that governments are deliberately 'taking out the trash'; in fact, they strive to convey the opposite impression. But there is little doubt that it happens, and the only way to stop it is through vigilance. That's why we'll be on the lookout for government announcements that take place late on Friday afternoons or in the lead-up to public holidays. We'd also love to hear your stories of governments (or even corporations) trying to conceal bad news. Email us at mail@tai.org.au.

Will climate change be the death of small retailers?

As the temperature peaked at 37.5C in Canberra at 4.19pm last Wednesday, there was a notable absence of bustle at a normally thriving strip of small retail stores and outdoor cafés near The Australia Institute offices. The only people out and about were inside the air-conditioned supermarket. No-one who didn't have to be there was browsing shop windows or socialising at cafés.

With climate change bringing an expected increase in the number of hot days in the coming years and decades, it may be that the only survivors feeding our consumerist culture will be the limited number of chain stores that are housed in large air-conditioned malls and accessible by air-conditioned car.

The climate change debate in Australia has been dominated by the small number of large polluters, so much so that what is good for coal-fired power stations is often conflated with what is 'good for Australian business'. As is so often the case, the facts haven't got in the way of a good story. Consider the following:

- most Australian companies aren't coal fired power stations
- most Australian companies don't export aluminium
- most Australian companies don't spend more than one or two per cent of their revenue on electricity.

Yet somehow the Government's decision not only to go for a five percent emission reduction but also to give billions of taxpayers' dollars to coal-fired power stations and aluminium smelters is 'good for business'. The millions of small businesses in Australia shouldn't hold their breath waiting for the billion dollar cheques to arrive but they better get busy thinking about what an increase in 40-degree days is going to do to their sales figures.

Of course the proponents of the market's invisible hand might argue that heat-related torpor will limit the amount we can spend and consume. This in turn might create a 'negative feedback loop' that would reduce the pace at which we extract the Earth's resources. But then again, those same proponents told us the US financial system was in good shape.

Cooperative organisations

There are many reasons behind the recent global financial crisis but it is probably fair to say that the over-arching cause was the single-minded pursuit of profit by many corporations and businesses, especially those in developed countries. Anything goes as long as the result is profit, more and more of it. And what goes includes ethics, humanity, the greater good, even logic and intelligence. Profits realised in this feverish hunt were not used for constructive purposes but instead built a financial house of cards that chased even more profits and collapsed when a foundation card buckled.

This situation has occurred because the company structure allowed financial institutions such as superannuation funds, investment trusts, mutual funds, private equity funds and so on to become major shareholders in corporations. Financial institutions are not concerned with what their investments actually do but only with how much money their investments actually make. Businesses that were once concerned to manufacture beneficial goods or provide helpful services, making adequate profits in the process, are now bullied into achieving maximum profits and dividends—at all costs.

The consequences have not been desirable. There are other organisational structures, however, which might prove to be more acceptable to a world reeling from the destruction of the global financial crisis. One of these is the mutual or cooperative organisation. Cooperatives are owned and controlled by their members who have banded together because of their mutual interests or aims to realise their common economic, social and cultural needs.

Being a cooperative doesn't mean being small. In Australia, household deposits at credit unions and building societies (which are run on cooperative principles) exceed \$50 billion and are growing at close to 10 per cent annually. The household deposit base of Australia's mutual ADIs (authorised deposit taking institutions) is second only to the CBA and will grow as investors look for safe and competitive alternatives to the commercial banks.

Cooperatives are a truly democratic corporate structure. They are structured to provide a service rather than a profit to their members; any surpluses are shared on the basis of members' contributions to the enterprise rather than their ability to bring in financial capital. Based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity, cooperatives encourage their members to believe in the ethical values of honesty, openness, social responsibility and caring for others. For example, the Macleay Cooperative in NSW runs a program aimed at employing Indigenous people as it operates in an area with a large Indigenous population.

In the wake of the global financial crisis, the cooperative structure is enjoying a resurgence of interest. But cooperatives have existed in many countries for many years and are not a new concept. World-wide, they are estimated to employ more than 100 million women and men and in 2008, the top 300 experienced an aggregate turnover of US\$1.1 trillion, around the size of Australia's GDP. Many believe they comprise the best system for the production and distribution of commodities and the provision of banking, insurance and retail services.

Unfortunately over the past decade we have seen some of our big cooperatives, such as the NRMA and a wide range of insurers, turn themselves into for-profit companies. Hopefully the tide is now running back the other way.

What rights?

Many people are surprised when they hear that we have no right to free speech in Australia. In fact, Australia is the only democracy in the world without enshrined human rights protection leaving us without the guarantee of some of the most basic rights and freedoms.

Do we need specific human rights protection or is a free democratic government enough? In the last decade, our free democratic government has held children in refugee detention centres, introduced new anti-terror laws which strip away basic freedoms in the name of protection and imposed mandatory sentencing in the Northern Territory. Another level of protection is sorely needed.

Fortunately, in December the Rudd Government launched a public consultation on how best to protect human rights in Australia. This consultation is an historic opportunity for individuals and communities to have a say about the protection of fundamental values such as freedom, respect, dignity and a fair go and, in turn, improve our democracy. Why not get involved? Check out the GetUp! campaign (link to: <http://www.getup.org.au/campaign/rights/407>) or make a submission to the consultation at <https://www.humanrightsconsultation.gov.au/>.