

# Citizens Electoral Council of Australia

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Independent Political Party

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## If Australia wants infrastructure... Take the BRICS path

*The solution to Australia's economic woes is to join in the massive infrastructure development program that the BRICS group of economies—Brazil, Russia, India, China and South Africa—are rolling out at an amazing rate.*

Australia is in serious economic trouble. Our resource-based economy has hit the wall of falling commodity prices, and there's nothing to fall back on. From Hawke and Keating onwards, we let free trade destroy our manufacturing and the best part of our agricultural industries, so we could become a glorified quarry, exporting raw materials. It seemed good while prices were sky-high, but all we did was set ourselves up for this present crisis.

The collapse of revenue into Australia is exacerbating our existing financial problems—the real estate bubble in the capital cities, and the related \$27+ trillion exposure that Australia's banking system has to toxic derivatives bets, the financial instruments that blew out the global financial system in 2008. Rising unemployment will put pressure on the property bubble, as people who lose their jobs won't be able to pay their mortgages. When the bubble bursts, it will set off a chain-reaction collapse in the banking system, which will devastate the whole national economy.

Meanwhile, the collapse of income from resource exports is smashing government revenues, at all three levels—federal, state and local. In the face of this revenue crunch, the same big business/banker economic neo-liberals who pushed the policies that turned Australia into a quarry economy, are demanding vicious, European-style austerity, to "balance the budget". This prescription is not just callous—as the burden always falls on the most vulnerable in the community—it is economic lunacy: Europe's current excruciating experience shows that budget cuts shrink the economy, and make the debt burden even bigger and more unpayable.

### Solution

The solution is to grow the economy, but not in fake or parasitical sectors, such as "financial services" or sports gambling. We must develop the physical economy, through a grand program of major infrastructure projects that can create hundreds of



thousands of high-skilled, high-wage jobs, and revive our manufacturing industries, such as steel and aluminium, machine tools, cement, re-tooled automotive factories that can build heavy equipment, and so on. Australia hasn't had this outlook for decades, since the end of the great Snowy Mountains Scheme, and we have suffered as a consequence. Neither have our traditional allies, the US and UK, which adopted the same disastrous economic policies as us, with the same disastrous results.

The good news is, that there is an emerging alliance in the world, centred upon the BRICS group of nations—Brazil, Russia, India, China and South Africa—which in the face of the global economic crisis is determined to establish a new global financial "architecture" that, unlike the failed IMF-World Bank system, can ensure the financial system invests in the physical infrastructure necessary for functioning economies and rising living standards. It is well-known that this is how China has not just kept its own economy growing, but has in fact propped up the world economy since the 2008 global meltdown. The BRICS nations have initiated major new credit institutions to invest in large-scale infrastructure projects, such as the New Development Bank. On top of that, China has taken the lead on establishing the Asian Infrastructure Investment Bank (AIIB), which it has invited all nations to join, so that the world can collaborate on building the projects that will finally bring economic recovery, but also become the basis for peaceful relations between



collaborating nations. China is pursuing its special vision of a New Silk Road and a Maritime Silk Road—infrastructure corridors along its ancient trading routes to the West—which will spread economic prosperity along their way.

The BRICS nations genuinely want to cooperate with all nations on this visionary perspective. It is clearly in Australia’s independent national interest to orientate to their program. By participating in these new multilateral credit institutions, complemented by reviving our own domestic credit institutions for development—namely a national bank like the original Commonwealth Bank that can direct national credit into building major infrastructure—Australia can develop:

- **the Top End into a food bowl** to feed hundreds of millions of people;
- **a high-speed maglev railway** around Australia, and through the interior from Melbourne to Darwin;
- **a nuclear power grid** that can put Australia’s huge reserves of Uranium and Thorium to use, providing cheap baseload power for industrial and domestic use, as well as providing a source of process-heat energy for water desalination;
- **major water projects** as designed over the past 75 years but left to gather dust on the shelves, such as the

Bradfield Scheme to divert flood waters from north Queensland into the interior for irrigation, the Clarence River Scheme to add water to the Murray-Darling basin food bowl, the 3rd stage of the Ord River scheme, and the Fitzroy Basin.

The Citizens Electoral Council, in collaboration with like-minded groups world-wide, has fought for these ideas for decades. They are finally being realised in the process started by the BRICS nations. To ensure Australia joins this perspective, join the CEC’s fight.

**What you can do:**

- Sign the CEC’s new petition, “Australia must secure its future by aligning with the BRICS in a new, just world economic order” (see below);
- Phone **1800 636 432** for a free copy of the CEC’s latest *New Citizen* newspaper, headlined, “Australia, UK Must Join BRICS in New Economic Order”;
- Go to **www.cecaust.com.au/2015conference** to view the proceedings of the CEC’s 28-29 March international conference themed “The World Land-Bridge: Peace on Earth, Good Will towards All Men”;
- Join the CEC as a member, at **www.cecaust.com.au**

**PETITION**

Australia must secure its future by aligning with the BRICS in a new, just world economic order  
TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

This petition of the Citizens Electoral Council draws to the attention of the House the opportunity for Australia, and all nations, to participate in the process that the BRICS nations of Brazil, Russia, India, China, and South Africa have initiated: to create a new financial architecture for the world based on equitable and inclusive multilateral credit institutions that prioritise investment in physical economic development, instead of speculation.

The present, inequitable IMF-World Bank system is collapsing under the burden of hundreds of trillions of dollars of unpayable global debts and derivatives obligations, including the Australian banking system’s derivatives exposure of more than \$27 trillion. This is the legacy of decades of reckless financial speculation unleashed by IMF-enforced deregulation, and is the driver of the world’s present strategic tensions which have increased the threat of a thermonuclear world war.

Through such new financial institutions as the \$100 billion New Development Bank, the \$100 billion Asian Infrastructure Investment Bank (AIIB), the \$40 billion Silk Road Development Fund, the \$20 billion Maritime Silk Road Fund, and the planned Shanghai Cooperation Organization (SCO) bank, the BRICS nations will direct massive investment in much-needed physical infrastructure projects on which all nations can collaborate, forging a basis for lasting global peace and economic prosperity.

We the undersigned therefore petition the House to commit Australia both to full participation in the AIIB, and to full support for the BRICS-initiated process of creating a new financial architecture for the world as the basis of a just economic order.

Name	Phone*	Signature
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