

non-proliferation” scam, Butler was appointed Australia’s first “Ambassador for Disarmament” in 1983 by Rhodes Scholar and radical free trader, Prime Minister Bob Hawke. Butler soon became one of the world’s top globalizers, helping to draft the Nuclear Non-Proliferation Treaty and the Comprehensive Nuclear Test Ban treaties at the UN. There, according to Australian sources, Gore and Albright drafted him to head UNSCOM, with Albright twice telephoning a reluctant Australian Prime Minister John Howard, first to secure the appointment, and then to get Australia to pay his salary.

### **Packer, the ‘goanna’**

In January 1998, as the BAC press cartel was making Monica Lewinsky a household name, Australia’s leading weekly magazine, Kerry Packer’s *Bulletin*, triumphantly announced on its cover, “The Clinton Presidency: Over and Out.” With Murdoch as his sometime partner, Packer dominates the Australian media, has a personal fortune of more than \$4 billion, and is often seen with the Queen in her box at the Royal Ascot Races.

However, Packer’s star has not always shined so brightly. In the early 1980s, the Costigan Royal Commission investigated Packer for possible involvement in pornography, tax evasion, drugs, corporate fraud, money laundering, and murder. Royal Commissioner Frank Costigan gave Packer the codename of “goanna,” after an Australian lizard, a sobriquet by which he soon became notorious in Australia. As Costigan’s chief assistant, Doug Meagher, was reported to have said about Packer, “He’s a prominent criminal and myself and the Commissioner intend to destroy him.” Packer was never charged with anything, perhaps because the Costigan Commission was suddenly shut down in 1983 by incoming Prime Minister Hawke, who proclaimed Packer to be a “great Australian”—and a “close personal friend.”

Although no charges were ever brought against Packer for drugs, tax evasion, or money laundering, a *Sunday Age* investigative team travelled around the world in 1991 looking at Packer’s empire, and found it to be most curious, because it was all based on *cash*. For instance, reported the *Sunday Age* on Sept. 8, the “single biggest trading item” of Packer’s empire “is money itself. Documents . . . show the company bought and sold currency to the value of \$5.2 billion during a six-month period in 1986-87. Packer’s empire is a massive cash box, with vast sums of readily available funds flowing between companies. Conspress [a Packer company] uses a variety of tax havens, but principally channels money to the Bahamas-based Consolidated Press International Holdings. Its directors are Packer, his man in Hong Kong, Chris Mackenzie, and James Wolfensohn.” Indeed, World Bank boss Sir James was much more than just Packer’s partner. A recent favorable biography, *The Rise and Rise of Kerry Packer*, cited Wolfensohn as “the man who had guided him [Packer] and his father since the early 1960s; he had never made a major move without consulting this financial wizard.”

## **Red-green coalition falls in Hesse election**

by Rainer Apel

When the German government coalition of the Social Democrats (SPD) and Greens celebrated their first 100 days in office during the first week of February, numerous crises had already occurred, some of which came close to threatening the cohesion of the coalition—such as the Green push for an immediate “exit” from nuclear technology. But the worst crisis came on Feb. 7, the day elections were held for state parliament in Hesse. There, the Greens lost one-third of their vote, as compared to the elections in 1995, and although the SPD gained 1.4% in the final count, the combined voter percentages did not suffice to allow a continuation of the “red-green” government coalition in that state. The state will now be governed by a government led by the opposition Christian Democrats (CDU), which gained 4.2%, as compared to four years ago.

This is not only a setback, such as occurs regularly on the level of state elections, in the intervals between national elections. It is not just another example of the pattern of anti-government votes that develops shortly after national elections. The state of Hesse is something very special for the Greens: It has been their stronghold for the past 20 years. Their strength lies not just in the larger cities, such as Frankfurt, Darmstadt, or Wiesbaden, but also in the rural districts, because of the dense network they have built there, capitalizing on broader protest movements against public and private sector infrastructure projects, such as the expansion of the international airport in Frankfurt. The fact that on Feb. 7, the Greens were still able to claim 14% of the total in the big urban districts of Frankfurt and Darmstadt, contrasts with their massive losses in the rural districts, so that their state average was 7.2%.

### **Green losses on three fronts**

The Greens lost on three fronts: 1) young first-time voters are concerned about finding jobs, rather than sharing greenie concerns about the alleged dangers of nuclear power, and preferred to vote for other parties, mostly the Christian Democrats; 2) a massive migration of voters from the Greens to the Social Democrats occurred, basically for the same reason. Entire families that had voted Green in recent years, this time voted in solidarity with the bread-winner, whose job in the industry and nuclear power facilities was threatened by the



*Green party leader and German Foreign Minister Joschka Fischer. The national coalition government between the Social Democrats and the Greens is looking shaky, after the smashing election defeat of the "red-green" alliance in the state of Hesse.*

red-green coalitions in Hesse and on the national level; 3) abstention or boycott on the part of those greenies so immersed in the political underground of rock music, drugs, and hedonism, that they are disgruntled by the fact that some leading Greenies are trying to look like mainstream politicians, ever since they entered the national government. This current is now taking revenge against the "new mainstream" of Green politics, with the ouster of the entire party executive of the state section of the Greens in Hesse, after the elections. The Green party faces an internal problem, that could blow it apart.

The Greens have that problem not only in Hesse, but also in the three remaining state government coalitions it shares with the SPD: in Schleswig-Holstein, Hamburg, and North Rhine-Westphalia. The internal tensions of the Greens, which correspond to similar tensions between the pro-labor and the pro-ecology wings of the SPD, have led to a deep paralysis of the governments in those three states, as they did in Hesse, before the elections on Feb. 7. With mass unemployment simply not going away and no economic recovery in sight, pressure has been building among the labor unions, and through their traditionally strong links with the Social Democrats, to unfreeze some of the bigger public sector infrastructure projects, in order to create at least some new jobs. This, however, has created immense conflicts inside the red-green state governments, up to the point that a coalition collapse became possible several times last year.

The election disaster for Greens in Hesse, through the cross-over of 75,000 disillusioned votes from the Greens to the Social Democrats, is strengthening the camp of those that are for labor, at the expense of the ecologists, inside

the SPD. In Hesse, they want to push ahead with the enlargement of the Frankfurt airport, build new highways, and keep the nuclear power plant in Biblis. If the new CDU-led government goes for these projects, the SPD pro-labor current will back it. This amounts to a Grand Coalition between CDU and SPD on issues, which will also develop in the three other states that are still run by red-green coalitions: In Schleswig-Holstein and Hamburg, the issues include the deepening of the riverbed of the Elbe, to make it navigable for bigger vessels; the construction of a fourth auto tunnel under the Elbe, to get long-distance traffic, particularly heavy trucks going between northern Germany and the Scandinavian countries, off the congested roads of the city of Hamburg; the construction of the A-20 highway from Lübeck to Szczecin, Poland, which will run parallel to the Baltic Sea coast; and, most of all, the building of the first maglev train connection between Hamburg and Berlin, which more and more Social Democrats in northern Germany have come to support in recent months.

### **Looking to the future**

The Hesse election is the first of 17 in Germany this year: municipal elections in 9 of the 16 German states; elections for state parliament in five states; and the elections for European Parliament in mid-June. All of these elections can be expected to bring new disasters for the Greens, further undermining the national coalition in Bonn. And these elections are only the scheduled ones; it cannot be ruled out that against the background of a deepening economic depression and the social and political turbulence that comes along with it, early elections may be held in some other states, before the end of the year.

The crucial case will be North Rhine-Westphalia (NRW), where state parliamentary elections are on schedule for May 2000, but where tensions between SPD and Greens have repeatedly brought the red-green coalition government there close to breakup. With reference to the anti-Green trend in Hesse, N.R.W. Gov. Wolfgang Clement may feel tempted to quit the pact with the Greens in his state, go for early elections, and try to keep the SPD in power—either alone, with an absolute majority at the expense of the Green vote, or in a Grand Coalition with the CDU. Motivated by the idea of escaping the fate of Hesse Gov. Hans Eichel (SPD), who lost his government because of the Green disaster, Clement may thus give the final blow to the red-green national government of Chancellor Gerhard Schröder in Bonn. North Rhine-Westphalia, the biggest state in Germany, is home to more than 20% of the SPD national constituency.

If Schröder were clever, he would not wait for Clement to move that way, but would move himself, and quit the unsavory pact with the Greens in Bonn. After all, he cannot be sure to survive another 100 days in office, if developments keep going the way they have in the last few weeks.