

Comment by Michael C H Jones
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In today's Global World everything is connected, that is why Policy formulation and implementation are so prone to error and failure.

Human Rights is a Free Enterprise and Free Trade issue, not just a Democratic Forms and Political Parties concern. Human Rights and Global Companies, which have progressed beyond Transnational and Multinational in operation and thus have little or no allegiance to Sovereign State or Ethnic and Religious Solidarity, are linked to questions of Property Relations in every Region and the creation and distribution of wealth via International Aid Organisations including the great financial institutions like the IMF, World Bank, ILO, WTO and G20 to list just a few.

Yet we can start at the bottom, the local, and work our way analytically to the top re the UN Security Council decisions.

For example Chamber makes a salient statement in Other Commentaries: COMMENT ON "CHALLENGE OF AN AGEING NATION" on the ACCCI Website which is applicable globally, particularly China.

John Zerby comments on Productivity re population, workforce participation and labor productivity.

"The "3Ps" are therefore linked together and only productivity can be relied upon to provide a significant boost to the slower changes that can be expected from the other two. Thus, productivity-enhancing policies should begin to occupy public-policy decisions and, equally important, there is a need for new methods of tracking the relative success of such policies so that they may be "fine tuned" when necessary. This has not been widely promoted by any political party in Australia, nor by most political commentators. The linkage between ageing population and other issues on the political agenda has similarly been kept in the background."

Thus is relevant Other Peoples Diplomacy Issues in "Peoples Diplomacy through Australia-China Key Cities" on the ACCCI Website Homepage re:

Kate McClymont, Linton Besser and James Robertson, "Largest Leak Set to Expose Companies with Trust Issues", *The Sydney Morning Herald*, 15 June 2013. Available at: <http://www.smh.com.au/national/largest-leak-set-to-expose-companies-with-trust-issues-20130614-2o9oz.html>. Additional details can be obtained from the International Consortia of Investigative Journalists at <http://www.icij.org/>, which is a project of the Centre for Public Integrity (<http://www.publicintegrity.org/>).

Population, Ageing, Off-shore Trusts/Tax Havens, Financial Investments, Country/China Destinations, International Corruption, Government Policies at whatever levels are all linked. How does a Government formulate and implement "productivity-enhancing policies" in these circumstances? No wonder Kevin Rudd, Julia Gillard, Tony Abbott, Wayne Swan,

Chris Bowen etc do not have a clue. One global economic and/or political hiccup anywhere in the world distorts any modelling/policy no matter how good.

And so we come to China and a mountain of debt, a dramatically ageing population with its workforce participation implications, and productivity improvements only if there are massive technology and commercial innovation breakthroughs taking the entire Economy up the value-added supply chain. The economists will argue about this until the cows are banished in India !!

Just consider Jiangsu Province where Chamber has been active mainly in Nanjing for decades. We even had the CPC Secretary sign an agreement at the Sydney Town Hall in March 2006 which with photos, amongst other cities including Shanghai and Wuhan, is on the ACCCI Website:

[Signing of the Nanjing-Sydney Sister City Agreement in March 2006](#) re Introduction to the Chamber's Key Cities Strategy

<http://www.smh.com.au/business/china/is-chinas-debt-nightmare-a-province-called-jiangsu-20130725-2qk97.html#ixzz2a1MDhYkZ>

"The risk that Jiangsu might pose to the Chinese economy in a crisis is clear. On its own, the province would be a top 20 global economy with GDP greater than G20 member Turkey. Its 79 million population tops that of most European countries".

Corruption is endemic in China and acknowledged by the Communist Party of China as the single most challenging issue for its success or failure which means survival. If you think the Trade Union/Big Corporation collusion in Australia is horrendous, don't even try to contemplate Government/Business "togetherness" in the land of the PRC/CPC/CMC.

If we address the issue of national and global corporations, today's article 25th July in the Sydney Morning Herald is of interest:

<http://www.smh.com.au/business/is-it-time-to-return-the-cash-stash-20130724-2qjn3.html>

"It now has been five years since the world was hit by the global financial crisis, which all but closed debt markets and turned the global economy from risk on to risk averse. Company balance sheets were repaired and the cash hoard mentality set in

.....

In the US the top 1000 companies are said to be perched on top of a cash pile that nears \$US1 trillion as boards remain loath to invest or return the money to their shareholders".

What does this do for "productivity". What policies in the USA, EU and Japan will unlock this cash? And then wait for and watch the national inflationary spirals.