

# Vanguard

For an Independent Australia and Socialism

Volume 50 Number 10

November 2013

Print Post Approved PP332582 0006

Recommended Price \$2 inc GST

Vanguard expresses the viewpoint of the Communist Party of Australia (Marxist - Leninist)

## Time to move forward on calls for an independent working class agenda

by Nick G.

Around Australia there is growing enthusiasm for an agenda that embraces the just demands and the democratic rights of the people and is independent of the parliamentary political parties.

We see it in the widespread support that community struggles such as the Tecoma McDonald's campaign are able to garner.

We see it in the sentiment that is emerging in unions and workplaces for a revival of labour values despite their jettisoning by the Labor Party.

We see it in the reactions to exposures of US email surveillance and the erosion of legal protections of liberties once held to be sacred, even under bourgeois systems of law.

We see it in the willingness of the Victorian Trades Hall Council, the President of the ACTU, human rights lawyers and activists to open for public discussion their concerns about threats to human and democratic rights in Australia.

### Basic principles and shared objectives

The CPA (M-L) has strongly advocated the development of an independent working class agenda which encompasses these and other issues.

In August 2012 we wrote: "It need not at this stage be a formal document to which various organisations must commit, but there should be a central core of demands that are put forward in various ways ..."

It would not now be unrealistic to add to that a call for progressive-minded people to try to give that agenda something of a more concrete shape over the coming year, so that when we talk of our agenda there is a common understanding of basic principles and



*An independent working class agenda demands the table, not just the crumbs!*

shared objectives.

For those who retain a membership of and loyalty to the ALP it should not be seen as a line in the sand, an issue over which to split progressive ranks.

But even many of these people now see the ALP as an organisation to apply pressure to rather than an organisation on which to rely.

### The working class is not represented by the major parliamentary parties

And this is key to further advancing an independent working class agenda, namely that it serves to focus and intensify the voice of the voiceless, to give confidence to those without much hope for the future, to unify and strengthen those who instinctively understand that their interests are not being represented in the parliamentary talking shops.

The major parliamentary parties are loyal only to the class interests of the rich.

They see only a future under US domination.

They try and outdo each other in schemes to privatise, to deregulate and to impose an objectionable burden on

the people.

In spite of all the difficulties, the working people continue to rely on one another, continue to resist the attacks and continue to struggle for a better future.

### Bringing the vision to life

It is only in the ranks of people uniting in struggle that a different vision

for the future emerges.

That vision, of a just, democratic, independent and socialist Australia informs the agenda of which we speak and for which we work.

It is now time to lift spontaneous support for an independent working class agenda to a higher stage of more concrete demands and more conscious commitment.

### In This Issue

Climate change means hard times for Australia	p2
Social Investment Bonds: a new way to privatise	p3
Anti-biker laws aimed at you and me	p4
Car industry - imperialism shapes the Australian economy	p6
Clear and present danger - the US alliance	p7
Martin Ferguson - a labour lieutenant of capitalism	p8
TPP - People's struggle holds back the hand of US imperialism	p9
Book Review: <i>Big Coal</i>	p10
Tribute to General Vo Nguyen Giap	p11

# Climate change means hard times for Australia

by *Bill F.*

The draft Fifth Assessment report of the Intergovernmental Panel on Climate Change (IPCC) delivers a sharp warning to the people of Australia who are facing a future with more frequent extreme weather events, fires and floods and rising sea levels.

The report, compiled from the work of more than 600 scientists from 190 countries, states that it is 95% certain that the rise in global temperature has been caused by the burning of fossil fuels and the release of greenhouse gases over the last century, and that this increase has accelerated since 1970.

Air temperature has risen marginally, although the ten years to 2010 was the



warmest decade on record.

However, the main impact has been on the oceans which absorb more than 90% of the heat trapped by greenhouse gases.

Arctic sea ice is disappearing at the rate of 4% per decade, and glaciers and permafrost regions are also shrinking at

an unprecedented rate.

Sea level has risen 19 cm since 1900, with the rate of rise increasing in the past decade.

Carbon dioxide absorption into the oceans is causing a rise in acidification that, along with ocean warming, is already affecting marine life and fish stocks.

## What it means for Australia

As a country where much of the population, infrastructure and industries are located around the coastal plains and rivers, the impact on Australia from rising sea levels could be severe.

For example, Australian scientists estimate that a rise in sea level of just half a metre would endanger many coastal roads and marine facilities.

A further increase up to 1.1 metres would threaten more than 250,000 homes. The IPCC report states that sea levels could rise by 82 cm by the end of the century, or worse-case, up to 98 cm.

The report noted that rising

temperatures and prolonged hot periods in Australia would bring even more destructive bushfires, and would result in more fatalities due to heat stress and poor air quality, particularly among the elderly.

Other issues, such as agricultural production and disease control, both human and animal, would become more critical.

## Capitalism can't save the planet

The only way out of this mess is to make massive and prolonged reductions in greenhouse gas emissions, and commence a rapid transition to clean, sustainable sources of energy.

However, the fossil fuel monopolies at the heart of global imperialism have other ideas. They plan to squeeze every last drop of oil and coal out of planet Earth – their profits come before any consideration of the future for humanity.

They use miserable puppets like Abbott to obliterate any rational discussion of the scientific evidence, and to obstruct and dismantle any initiatives to build new clean energy industries.

Only a system that puts people before profits – socialism – can deal with the transition to a clean energy future.

As for Australia, there will be hard times, but there will also be struggle as the people demand action to roll back the worst effects of climate change, to rein in the fossil fuel monopolies and ultimately expel them, and to re-build the 'lucky country'.

## Vanguard

*Vanguard* is a national monthly newspaper which expresses the viewpoint of the Communist Party of Australia (Marxist - Leninist), the CPA (M-L). Readers are encouraged to comment on, criticise or contribute material to *Vanguard*. Articles, digital graphics, cartoons, clippings, comments or a few lines are all very welcome. All material should be sent to:

**Vanguard Editorial Staff**  
PO Box 196, Fitzroy, Vic. 3065

*Vanguard* strives to provide a Marxist analysis of Australian society, economy and politics. An important aspect of developing this analysis is an intimate knowledge of and close involvement in all aspects of Australian struggle.

The cost of producing a national newspaper is considerable. Readers are encouraged to contribute whatever they can by sending donations to the above address.

The CPA(M-L) may be contacted through *Vanguard* at PO Box 196, Fitzroy, Vic, 3065.

Email: cpaml@vanguard.net.au

## Subscription rates

For *Vanguard*, plus all new leaflets and special broadsheets

\* Individuals and organisations: \$15 (GST inc)

\* Students, pensioners, unemployed: \$10 (GST inc)



I enclose:

\$..... for *Vanguard*

Name:

Address:

Postcode:

New subscription    Renewal

Send to PO Box 196, Fitzroy, Vic. 3065

## November 17: National Day of Climate Action

**Adelaide:** Elder park   11:00   **Hobart:** Parliament Gdns   12:00

**Brisbane:** Queens Park   10:00   **Melbourne:** Treasury Place   11:00

**Canberra:** Garema Place   11:00   **Perth:** Russell Square   11:00

**Sydney:** Prince Alfred Park   11:00

## Acknowledgement

Most recently, an older comrade (a pensioner) made an exceptionally generous donation to express support and encouragement for the political work and line of *Vanguard*.

We also gratefully acknowledge all subscribers and donors who have supported the paper during the year, and we look forward to your continued support in the future. All your comments and financial contributions are very much appreciated.

## Social Investment Bonds: a new way to privatise

by Nick G.

**One of the features of modern neoliberal capitalism is the handing over to private capital of more and more of the functions of government.**

We have seen this with Public Private Partnerships through which private investors take from government the task of building public infrastructure (e.g. roads, schools, hospitals) and managing them on a long term basis with the guarantee of handsome returns from the public purse.

What can be done with capital works can also be done with service delivery.

In place of a build-and-operate arrangement for infrastructure comes the social investment (or “impact”) bond, or SIB.

Investors from the private sector place their funds into a “bond” managed by a private agency. Investors from the private sector are guaranteed a return on their investment (typically between 10-15%) provided goals established for the program are met.

SIBs enable governments to:

- Develop their business-friendly credentials with the big end of town by creating new opportunities for profitable investment
- Claim that “risk” is transferred to the private sector: if policy goals are not met, the investors lose their money. Government funds are not vulnerable
- Shift costs off their balance sheets and conceal them as recurrent expenditure
- Cut back on staff in real terms, or at least to avoid having to take on more staff

### **Not surprisingly, there are many problems with SIBs:**

The inevitable conflict between quality of public service and maximising return on private investment.

Expansion of insecure working conditions outside of the public sector workforce but in the area of public sector service delivery.

Cost – significant budget savings to the government are claimed but costs are simply shifted to governments and taxpayers of the future. This helps to create the illusion that public sector debt levels are declining, when in fact the rate of return on a social bond, spread over a number of years, may be much higher than if the government provided the service itself.

Measurement of outcomes on

which returns to investors are based are contestable, an “insurmountable problem” and a “litigation nightmare” according to one financial analyst (<http://www.thirdsector.co.uk>)

Unproven - there are very few social bond programs and the results are mixed.

Several examples can serve to illustrate the latter point.

(1) A July 2013 report on the British “Future for Children Bond” by its designer Allia (The Social Profit Company) referred to a “limited pool of capital”, and that “engaging with retail investors while at the same time protecting them from making inappropriate investments is extremely difficult”. “Our experience suggests a note of caution to policy makers and developers of social investment structures.” Because of all these and other problems “Allia decided not to go ahead with issuing the bond”.

(2) A program to reduce recidivism (prisoners reoffending and going back to jail) in Maryland, USA, was investigated by the State Department of Legislative Services which observed that “Given the difficulty of linking the evaluation of a social program to a highly complex contract centered on an outcome payment, the government may actually increase its operational risks in operating an SIB.” It therefore recommended that the Department of Public Safety and Correctional Services “continue to directly finance and operate re-entry programs while pursuing other organisational and policy changes likely to have greater impact while posing less risk than a SIB financed program”.

(3) A report by the British Social Market Foundation titled “Risky Business” listed a number of problems deterring private investors from SIBs and stated that “significant subsidy” will be needed from the government to entice mainstream investors into the market.

Despite these problems, governments continue to wave their policy responsibilities under the noses of the capitalist class.

On October 1, 2013, SA Premier Weatherill announced that a committee had been set up to bring SIBs to South Australia.

This is despite a June 25 letter to the Public Service Association in which he stated that he was “yet to be persuaded

## Editorial

### *Face the future with boldness and daring*

**The end of this month and the first few days of December see the 159<sup>th</sup> anniversary of the Eureka Rebellion.**

The Rebellion preceded the emergence of the Communist movement in Australia but it has become inexorably linked with the modern Australian workers’ anti-capitalist and anti-imperialist movements.

Echoing contemporary newspaper reports from Australia, the leader of the international working class, Karl Marx, noted that the gold diggers had “raised the banner of independence”.

Marx went on to note similarities between the issues that drove the revolutionary movement in Victoria and those which led to the Declaration of Independence of the United States, namely, the gold licence fee as a tax on direct labour, and agitation for the direct representation in the legislature of those who were subject to the tax.

However, there was a difference as well, and that was “that in Australia the opposition arises from the workers, against the monopolists tied up with the colonial bureaucracy.”

That defining characteristic of the Eureka rebellion forms a thread through which the struggles of the working class are linked across each of these 159 years.

Into that thread are knotted critical moments in those struggles: the armed shearers’ camp at Barcaldine in 1891, the WWI anti-conscription movement, the 1938 Pt Kembla wharfies’ struggle against shipping pig-iron to militarist Japan, the organisation of youth aligned to the Communist Party into the Eureka Youth League, the defeat of the anti-Communist referendum in 1951, and the re-emergence of the flag as a symbol of working class struggle and anti-imperialist struggle for independence and socialism in the 1970s.

In each critical moment of the working class history of Australia, the capitalist state has been revealed as the instrument through which force and violence or the threat of force and violence are visited upon workers by the ruling class.

The spirit of Eureka is the spirit of daring to defy the force and violence of the capitalist state, it is the spirit of declaring that it is right to rebel against reactionaries, that defiance of injustice is a good thing.

It is for this reason that we celebrate each year the anniversary of the armed clash that took place at the Ballarat gold fields in 1854.

Commemorating that momentous event helps steel our resolve to stand up to whatever the ruling class can throw against us.

It helps us to face the future with boldness and daring.

that they are beneficial”.

No doubt internal polling showing that SA Labor is poised to lose the 2014 March state election has hastened his overtures to the big end of town.

One of the local bodies pushing SIBs in SA is the philanthropic Wyatt Trust. It was featured on the front page of the *Advertiser* on October 15 2013 with a photo of an 18-year old mother of an 11-month old child who has been assisted by a grant from the Trust to study Year 12 at Para West Adult Campus. This is quite commendable.

However, Wyatt Trust has run two seminars this year on SIBs and identifies “retention and re-engagement in education to Year 12 or its vocational equivalent” as one of its four focus areas. One can only assume that it sees

a role for itself in the creation of an SIB in this area.

Weatherill has identified two target groups for social bond investment: children at risk, and elderly people who want to stay out of hospital. There may be more target groups yet to be publicly identified.

SA Unions executive recently voted to reject the privatisation of government service delivery through SIBs. Opposition to SIBs is strong within both the public service and education unions.

Weatherill will find growing opposition to SIBs as community organisations and unions combine to defend and expand the public sector and prevent its cannibalisation by capitalist adventurers.

# Anti-biker laws aimed at you and me

by Jack D.

**The new anti-biker laws being tested in Queensland are squarely aimed at you, at me. Other state governments are trying to do the same thing.**

Campbell Newman and his crew of fascist minded misfits are working to dismantle the trade unions in that state.

Newman and Co are blatantly and happily serving the interests of the multinationals and the largest of big business. They are against workers having any rights other than the right that workers must obey the bosses at all times and do so without question.

This stance is backed by the Abbott federal government, at least tacitly.

The question for them is how to achieve this aim. Here then, lies the root of the attempts to vilify, demonise and attack and gaol the bikers.

## Who's an outlaw?

Firstly, what are these so called 'outlaw motorcycle clubs'?

These clubs comprise both ordinary working people with a love of motorcycles and an independent lifestyle, and that social element referred to by Marx as the lumpen-proletariat.

In the October-December 2010 issue of our theoretical journal *Australian Communist*, we described the lumpen-proletariat in these terms:

"This section, derived from the working class, has no links to the productive process. It consists mainly of more or less permanently unemployed working class people who exist on the fringes of capitalist society.

"Some are broken in spirit by poverty, lack of education and opportunity, health failure, drugs, alcohol, etc.

"Some engage in petty crime to survive and a handful try to assert some power by criminal activity and gang violence and do not identify with the working class.

"In some cases they are a sub-group which the ruling class can deceive, bribe or intimidate to undermine and attack the organised working class. The capitalist state actually needs their criminal activities (often linked to "respectable" business connections within the bourgeoisie) as an excuse for attacks on the rights and liberties of the working class and allied classes. They are miniscule in size."

So-called "outlaw motor cycle clubs" are (currently) legal clubs; they are not outlawed, i.e. illegal, clubs as such.

There is only one club called the 'Outlaws', the rest have other names.

## ARE HUMAN AND DEMOCRATIC RIGHTS UNDER THREAT IN AUSTRALIA?

**PUBLIC FORUM**  
**Wednesday 13 November**  
**6.30pm - 8.30pm**

**The Wheeler Centre**  
176 Little Lonsdale Street, Melbourne  
(near the State Library) Free Entry  
No Bookings Required

**Is there a systematic threat to human and democratic rights in Australia today?**

Consider:

- Workplace rights, the right to organise
- International Free Trade Agreements: sovereign rights
- Asylum seeker and refugee rights: rights of review; ASIO assessments
- The right of community protest: police and court injunctions
- Citizens' rights: US/Australia electronic surveillance/military bases
- Legal rights: "war on terror" laws

**Chaired by Rob Stary**, democratic rights lawyer

**Speakers:**

- Ged Kearney - ACTU President
- Anne O'Rourke - Vice President Liberty Victoria; Lecturer Dept. of Business Law and Taxation, Monash University
- David Manne - Human Rights lawyer, Refugee and Immigration Legal Centre
- Humphrey McQueen - Historian and activist

**For Information Contact:**  
Lou 0407 022 335      Shirley 0417 456 001

**Supported by:**

- Liberty Victoria
- Spirit of Eureka (Melbourne)
- Victorian Trades Hall Council
- Robert Stary Lawyers
- IPAN (Independent and Peaceful Australia Network)

Certainly there are a few "naughty boys and girls" in the clubs, and very many who are not so.

(People cannot be branded as criminal because others they associate with may be. If that were the case we would all be in the clink.)

Current laws are not vicious enough to control the population in the view of the most reactionary of the capitalists.

Stronger laws are needed in preparation for the ever deepening series of crises capitalism is facing in the foreseeable future.

For this reason they wish to demonise a group of people, publicly denigrate them, and test out new suppression methods on them.

The reactionaries want to bring in guilt by association, just as was the case in Hitler's Germany. It wants special prisons, tough punishment and deprivation. Brutal houses of torture, something like Mauthausen was in Germany. This is why the new laws, the planned building of special prisons and so forth.

## What is the real purpose?

These laws, prisons and this demonising of a group of people have a vile purpose. The aim is to use the same process repeatedly. Next they may attack the militant trade unionists; then the whole trade union movement and its supporters.

There is no difference in principle between "special laws" for bikies and "special laws" for construction workers - the one prepares the way for, and serves as an excuse for, the other.

Jointly with this, laws to make community support for workers in struggle illegal may well be passed very soon, if not already in by the time this is in print.

If this process is allowed to continue unchallenged, we will then see other groups attacked, opponents to business interests like the people opposing McDonalds in Tecoma; political parties that oppose capitalism in any way; human rights groups; environmentalists fighting ecological destruction and so

on. Specific activists and their families will be targeted. This is the sort of thing we will face in Australia if we do not organise and defeat these bad laws.

Already they have the concentration camps in place which have been aimed at the militant working class since before they were built. These are the remote area "detention centres," so called; really they are just concentration camps in some of the remotest areas of Australia which have been tested out on refugees arriving by boat.

Remember, Howard's anti-terror laws have already implemented Hitler's policy of "Nacht und Nebel" (night and fog). People are taken off the streets on their way to work or to somewhere else, as if they disappeared on a dark foggy night. No one knows where they are, what happened to them or even if they are still alive. Their very existence is denied.

ASIO can do that to people now; can hold them for a fortnight at a time. How long do you think it will be before this may happen to you if the current trend continues?

Already some of the mining multinationals are readying their operations to take advantage of these law changes in Queensland.

The mine at Collinsville closed down last month. It is expected to reopen next year. The workers have been told that they will not be employing union members at all when reopening.

We can validly ask, "Are these new Queensland laws being put in place for use by such multinationals?"

The answer must be a resounding Yes! Newman is a real lick-spittle of the multinationals and the actions already going on in preparation for these anti biker, anti-worker laws coming into place shows there is a lot of collusion between the multinational interests and the current Queensland government.

It seems the bikers are the test case. If challenges mounted by the bikers do not succeed then the working class are really for it, we will be very deep in the brown stuff.

## Prepare for severe fights ahead

We have ongoing and increasingly severe fights ahead of us. There is no room for complacency. We need to challenge every move toward these fascist laws and put a stop to them here and now. We are not fighting for a few more crumbs from the bosses table; we are fighting for our very existence, for our freedom and rights as workers and the wider community.

## Anarchy of production and free trade devastates Goulburn Valley

by Ned K.

**Karl Marx wrote about the competing interests among the capitalists of his time, with some demanding trade protection, while others championed the benefits of free trade.**

Marx commented that if forced to make a choice between supporting one or the other group of capitalists, he would side with the 'free traders' because free trade more fully exposed the contradictions with the capitalist mode of production and highlighted that only planned production for people's needs, not profit, could resolve these contradictions.

This is definitely the case in 2013 in relation to food production in the fruit and vegetable growing area of Shepparton and the Goulburn Valley.

The SPC cannery at Shepparton is famous for its tinned fruit in Australia, feeding many a family on a hot day in summer school holidays with peaches, pears or apricots and ice cream.

However recently according to *The Australian* (October 5-6 2013), the three largest supermarket chains Coles, Woolworths and Aldi reversed their support for orders from the cannery at a time when SPC exported canned fruit dropped from 36,000 tonnes to 4,000 tonnes a year.

Cheap imported canned fruit escalated in the last two years.

SPC CEO Peter Kelly blamed the cheap imports for "the most amazing waste of good food you have ever seen."

He was referring to the fact that SPC threw out \$100 million worth of fruit last year purchased from local growers and \$108 million the year before, because SPC, producing for profit, could not find a market to sell its products.

The anarchy of capitalist production and free trade led to this situation.

No matter how good his intentions, the CEO of SPC could not send the fruit to the starving millions in Asia and Africa. Such is the nature of capitalism that this fruit ended up at the piggery.

The story gets worse. To maintain the viability of SPC as a capitalist entity in a capitalist economy, SPC has closed two food production factories at Kyabram and Mooropna and is cutting production at Shepparton from three shifts to two.

Sixty fruit growers in the Goulburn Valley have gone broke; hundreds of workers have lost jobs.



*Empty packing shed near Shepparton*

and local businesses in the Goulburn Valley are campaigning for defence of their livelihoods and for defence of Australian based food production.

A Facebook page, *Save SPCA Australian Grown and Made* has been

set up. There have been rallies held and exposure on main stream media.

The community action in the Goulburn Valley is occurring at a time when unemployment and under employment is at 13.5%, as high as it

was in the so-called GFC.

It also occurs at a time when other regions in Australia such as Elizabeth in northern suburbs of Adelaide are struggling to preserve a whole industry, the automotive and components industry.

Like other manufacturing industries, it has been devastated by the anarchy of production of some of the biggest multinational corporations, all of whom champion the benefits of free trade and so-called economic competitiveness.

Through struggle, some small gains will be made by the people, but of equal importance is that their regional struggles reveal to more the need for a fundamental change in direction of how society is organised towards economic activity for the needs of people's communities, not for the profit needs of individual corporations like Coles and General Motors.

## More Australian agriculture in foreign hands

by Duncan B.

**Billions of dollars of prime Australian farming land, totalling over 700,000 ha., and important agribusiness companies have passed into the hands of foreign investors in recent years.**

China, Singapore, Japan, the United Arab Emirates and Canada have been the major investors over the last five years.

In a recent development, the Indonesian Government has put forward a proposal to purchase one million ha. of land in northern Australia to raise beef cattle for the Indonesian market. An Indonesian government-owned firm has been given approval to buy land for this purpose.

Foreign investment has been strongest in the dairy, grain, sugar, cotton, timber, sheep, horticulture and cattle industries. Qatar's Hassad Foods has been especially active, buying 11 farms totalling over 250,000 ha. since 2010.

Most of Australia's grain handling industry is foreign-owned, and even more will fall into foreign hands if the proposed sale of Graincorp to the US company Archer Daniel Midland is allowed to go through.

### **Bad news for potato growers.**

Food processing giant McCain's has announced that it will close its potato processing plant in Penola (SA) by Christmas, leaving 59 workers without a job.

The company blames rising costs

and the flood of cheap overseas-grown potatoes into Australia. Potato imports have gone from 10,000 tonnes in 2002 to 130,000 tonnes at the end of 2012.

Aus Veg which represents vegetable growers is concerned for the fate of the potato growers who supply the Penola plant.

### **Supermarket duopoly under fire**

The "Big Two" of Australian supermarkets, Coles and Woolworths, continue to come under fire from suppliers over alleged tough practices in dealing with farmers and manufacturers.

Farm lobby groups from NSW, Vic, WA and QLD have set up a committee to push for a mandatory code of conduct

for the supermarket giants to protect suppliers from price gouging.

Coles and Woolworths appear to be taking heed of the campaigns around their use of imported produce in their home brand products. Coles has announced that it is working towards sourcing all the vegetables for its home brand from Australian growers. Woolworths has signed a contract with SPC to supply fruit for its home brands, instead of overseas fruit being used.

These are small victories in the on-going struggle against the might of Coles and Woolworths. This is a struggle that has brought together consumers, farmers, manufacturers and small business people, all of whom are affected in some way by the predatory actions of Coles and Woolworths.

## Dairy farmers gone missing

by Duncan B.

**More than half of the dairy farmers in Victoria's Goulburn Murray Irrigation District disappeared between 2006 and 2010, according to a report commissioned by the former Victorian Government.**

The report found that dairy farm numbers fell 57% from 2721 to 1143 between 2006 and 2010. The total dairying area decreased from 235,548 ha. to 123,571 ha.

The report blamed the trend on drought and changes in water and planning policy. This is a reference to the Federal Government's water buyback scheme which cost Goulburn Murray Irrigation District half its water and forced many dairy farmers off the land.

The scheme secured environmental water from irrigators but severely impacted on the ability of dairy farmers to produce enough milk to earn sufficient income to secure their equity position and ensure their future in dairying.

### **Community unites to save jobs and Australian food production**

Food growers, cannery workers

# Imperialism shapes the Australian economy in its own interests – the people resist

by Ned K.

**In October this year, Toyota announced sackings of 100 workers. The reason given was that its export orders to the Middle East have declined. Toyota is by far the largest exporter of vehicles from Australia compared to General Motors and Ford.**

Only a week before the latest sackings in the car industry were announced, the new Liberal Government Minister Ian MacFarlane said that any further government assistance to the car manufacturers had to be on the condition that they can export a high percentage of the cars they produce here.

Allan Kohler in the *Business Spectator* section of *The Australian* on Thursday 17 October demonstrated that the Middle East is one of the few areas in the world where there are no tariffs in place on imported cars, and this is why so many companies like Toyota attempt to export cars there.

He points out that the growth markets for car sales are in the short to medium term in Asia, but this is where tariffs and barriers to imported cars are the highest, despite a variety of so-called 'free trade' arrangements.

So Ian MacFarlane's condition of high export focus before any commitment to further funding of the car industry here is virtually the death of the industry here so long as the industry remains in the hands of the multinational car companies and large component suppliers.

**Government pours in the dollars, while car multinationals continue to cut jobs and destroy the locally based car industry**

It is quite staggering the amount of government financial assistance to the car multinationals, even in recent years, let alone since they set up in Australia around World War 2 and after.

(And this has become part of a global pattern as the giant multinational car companies play national governments off against each other: at the end of September, Ford succeeded in extorting \$70.9 million from the Ontario provincial government, and \$71.6 million from the Canadian federal government to upgrade its Oakville assembly plant.)

Gideon Haigh, better known for his writing on the imperialist originated game of cricket, has written an excellent book, *End Of The Road?* on the car

industry in Australia which exposes the staggering amounts of money handed to these multinationals with no conditions of government control or ownership attached.

For example General Motors received the following amounts of money from the tax-payers between 1 January 2001 and 31 December 2012: \$2,174,947,531 under various restructuring schemes –

- Automotive Competitive and Investment Scheme (ACIS) - \$1,503,038,035
- Automotive Transformation Scheme from 2011 - \$150,008,171
- Green Car Innovation Fund (GCIF) FROM 2008 - \$188,817,598

This year more money was thrown at General Motors and more promised by both federal and state governments as General Motors sacked 500 workers, forced reduction in real wages and conditions of workers in a new Enterprise Agreement, and then arrogantly announced that its future commitment to manufacture cars in Australia was dependent on more government money!

Yet while crying out for government money during these years, what was happening to General Motors' car production here and jobs?

In 2005 there were three production shifts per day and 900 cars produced per day at General Motors' Elizabeth plant according to Haigh, and 60,000 a year were exported.

In 2012, 400 a day on one shift and only 14,100 exported.

However General Motors, Ford and

Toyota reduced the range of cars made here at a time when people's choice of cars to purchase skyrocketed.

In 2012, there were sixty car brands and 360 models on sale in Australia from competing multinational car companies, including competition from General Motors, Ford and Toyota plants importing into Australia.

Sports Utility Vehicles (SUVs) are a case in point. There are seventy seven models available on the market in Australia and until recently only one (Ford Territory) made here.

The point is that the decision of what type of car is made in Australia is not made by the Australian government, Australian people or even the local management of these cars multinationals. The decisions are made by the headquarters of these multinational companies based on their interests which are driven by profit maximisation on a world scale.

Australian car production represents 0.02% of world-wide car production and so we do not feature too highly in the car multinationals' plans.

## The people demand action

While approximately 90% of cars purchased in Australia are imported, this is not because the Australian people do not support an Australian based car industry. It is the fact that successive governments have allowed the car multinationals to dictate what is made here and what they can import that has led to the destruction of the industry and thousands of full time jobs.

The people in places like Geelong where Ford is based, and Elizabeth

where General Motors is still a dominant employer with 1750 workers, make enormous sacrifices regarding reduced wage demands, and acceptance of job cuts in the hope of keeping the industry in their areas for their communities.

But they are tired of such sacrifices being a one-way street. Increasingly voices in the community demand a government takeover of the car industry in Australia. They support the building of environmentally sustainable cars for Australian conditions. They are ready to make them. They have demanded elected governments of the day make it happen.

SA Premier Weatherill at least had the decency to explain his opposition to a state government buyout of the car industry: the owners would not consent to the sale of the Australian operations and the consequent access by government to its global intellectual property and other business resources; acquiring and operating a company like General Motors would leave the government with insufficient funds for other social and economic investments; and it would expose the government to unnecessary risks.

Regrettably, such timidity is the best that can be expected through the parliamentary process.

It may be some way down the track, but eventually the workers and their community allies will have to force the hand of government, seize the assets their labour has produced, and place their manufacturing capacity at the disposal of society.

We need not be shy about the type of social system needed to make this happen.

## Melbourne action forces Woolworths to sign accord

by Greg C.

**A small but vocal group of protestors gathered in the Melbourne Central Business District on Thursday October 17<sup>th</sup>, 2013, angered at retail giant Woolworth's refusal to sign the Bangladesh Fire and Safety Accord.**

The action was in response to yet the latest catastrophe inside a Bangladesh textile factory. On Tuesday October 8, seven workers were killed following a fire in the city of Dhaka.

Australian brands Woolworths, including its Big W subsidiary, along with Target and Kmart, source clothing from the Aswad Composite Mills, in which the inferno occurred.

Woolworths had originally promised

to sign the Bangladesh Fire and Safety Building Accord in June this year following the collapse of the Rana Plaza which claimed the lives of 1127 workers. Close to 2000 Bangladesh textile workers have lost their lives in factory fires over the last eight years.

The gallant band of protestors, consisting of representatives from the Textile Clothing Footwear Union of Australia, Victorian Trades Hall and the National Union of Workers assembled at the QV building, occupying the area in between the Woolworths and Big W retail outlets, and demanded Woolworths sign the Accord.

Capturing the attention of the morning shoppers, the protestors chanted 'Shame Woolworths Shame' and 'Human lives are not for profit!'

The action called on Woolworths to accept responsibility for the disaster and provide a safe working environment to workers who have played a pivotal role in the company's most recent annual profit of \$2.3 billion.

National Secretary of the Textile Union (TCFUA), Michele O'Neil, called on Woolworths to take responsibility stating; "How many lives will it take before Australian companies take responsibility for their supply chains – Shame!; it's your label, it's your product, it's your profit"

In response to the morning action, Woolworths accepted the demand, and just hours later signed the Bangladesh Fire and Safety Accord, becoming the 96<sup>th</sup> signatory. Another victory for international solidarity!

# A clear and present danger – the US alliance

by *Bill F.*

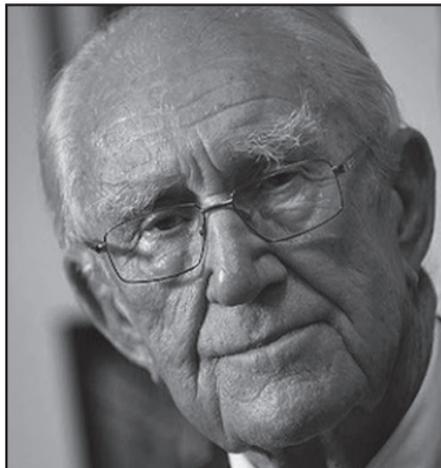
**Thanks to the courageous whistleblower Edward Snowden and other investigators, more information is coming out which reveals the extent of Australian government (whether Labor or Liberal) subservience to US imperialism.**

For instance, heavily censored documents released under Freedom of Information laws show that the Labor government knew about the secretive US email spying system called PRISM at least two months before Snowden leaked information to the British paper, *The Guardian*.

Leaked documents published in the *Washington Post* reveal that PRISM collects email address books and 'friends' from Yahoo, Hotmail, Facebook and Gmail accounts from many countries and that this so-called 'intelligence' is shared with Australia's Defence Signals Directorate, plus Britain, Canada and New Zealand – the other trusted 'running dogs' who always come when the master whistles.

The scale is mind-blowing: in a single day the NSA is reported to have scooped up 444,743 email address books from Yahoo, 105,068 from Hotmail, 82,857 from Facebook, 33,697 from Gmail and 22,881 from other providers. Analysis of address books and contact lists plots social and political connections and networks that can then be targeted.

The snooping doesn't stop there. Most recently the French government (supposedly an ally?) went crook when it discovered that US intelligence agencies had secretly taped an incredible 70



million phone calls right across France within a month. It begs the question – what is happening here?!

## Nuclear hypocrisy exposed

Documents obtained by the International Campaign to Abolish Nuclear Weapons (ICAN) have exposed the former Gillard government's abandonment of the principle of nuclear disarmament when it refused to sign a statement at the Non-Proliferation Treaty meeting in Geneva in April.

The statement, endorsed by some 80 other countries, included wording that referred to "the incalculable human suffering associated with any use of nuclear weapons". Our craven diplomats, huddled under the US nuclear umbrella, just squirmed in their seats.

ICAN Director Tim Wright said, "Australia cannot credibly advocate nuclear disarmament while claiming that US nuclear weapons guarantee our security or prosperity. Not only is this a ludicrous notion, it is also a dangerous

one because it signals to other nations that nuclear weapons are useful and necessary... These declassified exchanges between government officials clearly demonstrate that Australia's talk of nuclear disarmament has been insincere and hollow."

## Malcolm Fraser

In an article in the *Melbourne Age* on Monday 21, former Liberal Prime Minister Malcolm Fraser made strong points which demonstrate the very dangers to Australia by the policies of subservience to US imperialism.

"Anyone who has a sense of pride in Australia as an independent nation, as a nation that can make up its own mind, whose values are worth supporting, should be disheartened.

"We have followed the United States into three wars: Vietnam, Iraq and Afghanistan. Vietnam and Iraq were costly and tragic failures. Afghanistan is a failure in waiting. US policies have failed in the Middle East. As a consequence, that region is in greater turmoil and America's influence has greatly diminished.

"But if present US policies are pursued, there is a possibility of conflict ultimately between China and the US. If we are involved, our relationships with all countries of the region would be affected.

"A conflict could be begun by a newly militaristic Japan seeking to change the status of the Diaoyu/Senkaku islands. It could be caused by the Philippines, believing they would have American support and behaving aggressively as a consequence. While the Americans

claim not to take sides in disputes in the East and South China seas, their statements, their dispositions and deployments, suggest they have sided with Japan.

"These events affect Australia deeply. We have little or no capacity for independent action or decisions.

"If America is involved in conflict, our hosting a powerful Marine air-ground taskforce in Darwin, capable of deploying power anywhere throughout the region, makes us complicit in whatever that taskforce may do. Australians have been deceived by statements in Australia, belittling the significance of that deployment, but outside Australia, US secretaries of defence have spoken more openly of its capacities.

"Perhaps more important, Pine Gap, whose initial purpose was to gather intelligence concerning the performance of Soviet missiles, now provides information, virtually in real time, that can be used by a variety of US weapons systems, including drones. Pine Gap is part of America's drone killing program. If targets are selected anywhere in east Asia or the western Pacific, we are complicit in such actions.

"In any conflict in the western Pacific, because of the Darwin taskforce and Pine Gap, it would be impossible to say that we are not involved. Therefore, if America goes to war in the western Pacific, we also will be at war. Washington will determine whether Australia goes to war or not, just as Britain and the empire did in days of old. We must find a way to reassert our own sovereignty."

Indeed we must!

## US debt default and Australia

means is that a default would have pushed down the exchange value of the Australian dollar.

How could this be? Because it is the flood of American dollars, mainly into government and private bonds and to some extent company takeovers that is keeping the high exchange rate.

It is the outcome of a high demand for Australian dollars. This is possible because of the close and subservient linkages between the Australian and American economies and the strength of mineral exports. The US is using this to export its crisis.

The Australian dollar is also being held higher than it would otherwise be by exports to China, which continue to grow in value. This remains a secondary factor however.

In the short term, a high value dollar makes the price of imports relatively

cheap but provides few export opportunities.

An American default would have an impact here through a fall in the Australian dollar due to less American demand. This is what Stevens is talking about.

From the longer perspective, an ongoing high value dollar is increasingly distorting the Australian economy. It is a major factor behind the fall of manufacturing and the over dominance of mining and the financial industry.

In addition, it is serving to strengthen the economic and therefore political and cultural domination of Australia by American interests. This is not good.

The US Congress decision immediately pushed up the Australian dollar to \$US96.47 and share prices on

the Australian stock market by 0.7%. It is telling.

The Reserve Bank is now under pressure to ease interest rates again, underlining the essential weakness of the Australian economy.

Australia needs to assert much less dependence on American interests. This cannot be realised unless their economic and political clout is overcome.

A government and institutional system that is based on dependency cannot do the job. Australians must, as a people, provide an answer to this by their own efforts.

Meanwhile the threat remains. It is important to prepare for the worst.

Prepare for the possibility of a default actually occurring. Prepare for breaking the link that is bringing so much long term hurt to Australia and the people of this country.

by *Jim H.*

**The Reserve Bank of Australia has admitted it was helpless in the face of the US government default crisis because it could not predict or properly prepare for how the drama would play out.**

In the week before writing, the US Congress approved a late deal to increase the US borrowing authority for a few months and end a partial government shutdown. Of course this does nothing to resolve the American debt crisis except to buy a little more time.

It is telling though that the situation drove the Reserve Bank of Australia's governor Glenn Stevens to publicly state that the result could have gone "very badly" for Australia. What he

# Martin Ferguson - a labour lieutenant of capitalism

by Max O.

**The career path of many ALP politicians is well a known story of Machiavellian opportunism.**

Usually it starts out with a university graduate who had their political wheels bolted on through student activism in the Labor Club or Young Labor.

If they seem promising they get a job as a staffer in a Labor politician's office or through the union movement.

Those in the union movement may eventually become leaders of a union but their career path is dependent on them sticking rigorously to the ideology of what is commonly termed, 'Social Democracy'.

In actual fact the democracy part of the name is quite misleading. The descriptor, 'Social Opportunism' would be far more accurate.

For those that are particularly ambitious the union movement is only a half-way house. Their ultimate goal is to become a member of parliament, government minister, and for those pretentious enough, Prime Minister.

Hence the expression of, "Bump me into parliament". Past examples of this creed were Bob Hawke (one time leader of the ACTU, then Labor Prime Minister) and Simon Crean (another former leader of the ACTU and later Federal Labor leader and government minister).

They preach the ALP gospel that they can benefit the people by effecting change only through legislation in parliament. Remember Simon Crean's clarion call for collaboration between labour and capital: "The Labor Party has always operated most effectively when it has been inclusive, not when it has sought division, not when it has gone after class warfare."

However success doesn't stop there. Rarely do ex-Labor politicians not go into business as hired hands on company boards or join business consultancies.

Never have we seen ex-Labor politicians go back to serve the union movement.

Some might think the above well-trodden path is one of 'selling out' the working class. However, an honest assessment of their path is not of 'selling out', because they never 'bought in' to serving the working class in the first place!

The reality is that many union leaders and Labor politicians mislead, police and surrender the working class for the benefit of big corporations - labour lieutenants of capitalism!

Martin Ferguson's history reads like a Labor roll of honour board: Leader of the Miscellaneous Workers' Union, President of the Australian Council of



Trade Unions and finally Federal Labor government Minister for Resources and Energy.

Ferguson's role in championing the uranium, petroleum, gas and mining corporations is now legendary.

As Minister for Resources and Energy he was widely respected by the energy and mining moguls for arguing their case in parliament and legislating that their projects get the go ahead.

Ferguson's pernicious role annihilated Indigenous sovereignty

of their land and assisted wholesale exploitation of foreign (457 Visas) and local workers (FIFO) by the avaricious corporate giants.

Now that he has left parliament big business believes he has the credentials to join their ranks. In October this year he joined Kerry Stoke's investment company Seven Group Holdings as its head of natural resources, with his main focus being their Caterpillar operations, Wes Trac.

This was soon followed by his appointment to the newly created position of Chairman of the Advisory Board for the Australian Petroleum Production and Exploration Association (APPEA).

APPEA is the peak national body representing the interests of the oil and gas corporations, such as resource giants like BHP Billiton, Origin and Shell.

He is vigorously campaigning on behalf of the Coal Seam Gas (CSG) industry, lobbying for the likes of Santo's Pilliga and AGL Energy's Gloucester CSG projects in NSW.

The energy corporations want to

do away with buffer zones around residential areas, vineyards and horse stud properties currently off limits to them.

Ferguson advocates the Queensland Government's carte blanche approach towards the CSG companies, where there is a "template for regulation and co-existence".

He pointed out at a recent onshore gas conference held in Adelaide by the APPEA that gas shortages will likely result in price hikes for households and manufacturers as a result of LNG reserves being mainly exported overseas and the restrictions on CSG drilling in NSW.

His alleged concern for consumers suffering price rises for gas is spurious. Likewise the environmental dangers of CSG exploration and mining are of no significance for Martin Ferguson.

His bread and butter is capital's profitability!

Ferguson's service to capital will find only infamy in the memory of Australia's Indigenous Peoples and working class.

## Australia Post up for sale

by Alice M.

**Australia Post, one of the last few remaining national government owned public services, is being prepared for privatisation.**

The sell off means the 150 year old national mail service will cease to provide an efficient, inexpensive and easily accessible mail service to ordinary people in cities and rural communities.

More jobs will go as privatisation is rolled out. Privatisation will result in higher mail costs for letters and parcels, and less accessible and efficient service to the community. The costs to small businesses will go up whilst big business will reap the profits.

Last time the government, on behalf of big business, tried to privatise Australia Post more than 5 years ago, a groundswell of public and community protest forced it to back down and shelve it, temporarily.

Now foreign and local big business is at it again, demanding to get their hands on Australia Post's most profitable area of parcel deliveries.

The Business Council of Australia demands the proceeds from the lucrative sale of Australia Post be ploughed into building the infrastructure of road, ports, etc. that benefits big business profit making.

The expansion of popular on-line shopping in past 3 years has resulted in huge growth of Australia Post's parcels

processing and deliveries. Australia Post has the biggest share of the parcel delivery market in Australia. It makes a healthy profit from the growth in parcels.

The long time popular national brand, reputation for reliability, modern and efficient nation-wide infrastructure makes Australia Post a very lucrative acquisition for big local and overseas transport monopolies, like Toll.

Australia Post is ploughing more than \$2 billion in capital investment into modernising and expanding the parcels processing centres, introducing latest overseas parcels processing technology, equipment and trucks.

Whilst the growing parcels deliveries business is being beefed up from taxpayers' funds to make it attractive for privatisation, public funds are siphoned off away from providing a reliable mail service to city and rural communities.

Its own so-called Government Enterprise Community Obligation Charter that requires 5 day deliveries to city and rural communities is being amended to cut back the frequency and reliability of mail deliveries.

More jobs in letter processing and delivery centres, retail shops and head office administration are being lined up for the axe. Speed ups, increasing workloads, workplace injuries, bullying and harassment by the bosses and the threat of loss of jobs hangs over Australia Post workers' lives.

The restructure of Australia Post is

breaking up services and separating the profitable parcels processing and delivery operations in preparation for the first stage of privatisation.

The less profitable community services in retail and letter delivery operations are being cut back and starved of funds, to die off or be sold off for a peppercorn in the future.

The wide use of the internet for communication and payment of bills means big business doesn't need efficient and timely letter delivery services or local Post Offices.

But it demands the takeover of Australia Post's lucrative parcel delivery operations.

In the last financial period Australia Post made a healthy profit of \$312 million, and paid \$244 million dividend to the government. The CEO of Australia Post, an ex-chief of the NAB, Ahmed Fahour, paid himself \$4.75 million for his services to big business.

The CEO of Australia Post and his small group of lackeys are waging a relentless war to crush Australia Post workers' militant Victorian branch union, the CWU.

The Victorian branch refuses to bow to bosses' bribery, threats and intimidation, but instead stands up and fights for the workers, as any union worth its name should.

Australia Post workers, their union and the community fought back privatisation last time, and will do it again.

# TPP – People’s struggle holds back the hand of US imperialism

by Alice M.

**It is now widely accepted that Trans Pacific Partnership (TPP) is all about giving more power to US multinational corporations and finance capital to intensify and widen the exploitation and plunder of people and the environment in the Pacific region.**

US imperialism demands the removal of the few remaining restrictions on the movement of monopoly capital (investments) to reap bigger corporate profits and tighten its control and dominance over the Pacific region.

The TPP is designed to force down the cost of labour (wages and conditions) across all the 12 Pacific countries in the TPP and restructure their economies, and to prop up the declining rate of profit for finance capital and multinational corporations based in the US.

The only thing the TPP will offer the 800 million people (including the working people of the US), is a sky rocketing cost of living; inferior and fewer health, education and public services; ravaging degradation of the natural environment; lower wages and conditions, fewer decent jobs, more unemployment; destruction of unions, workers’ and people’s democratic rights and loss of sovereignty.

The TPP has nothing to do with the fair and equal trade in goods and services between countries.

## US-Australia Free Trade Agreement

Since the 2008 capitalist economic crisis, US monopoly capital has been desperately scouring the world for more markets and resources at home and abroad.

The US hopes to get through the TPP what it couldn’t in the earlier Free Trade Agreements, including the 2004 US-Australia Free Trade Agreement.

The strong public campaign against the 2004 US-Australia Free Trade Agreement threw out the rights of big multinational corporations and banks to sue governments of countries whose local laws interfered with their profit making, and the drug monopolies’ demands to abolish Australia’s Pharmaceutical Benefits Scheme that ensures cheap medicines for the people.

## US timetable for TPP

The US government, on behalf of its multinational corporations, initiated the TPP in March 2010 and planned to have it finalised and signed off 18 months



TPP protest in Malaysia

later in November 2011.

The plan was to sneak through the TPP quickly, hidden from the public and shrouded in secrecy. Strong pressure on national governments would ensure everything in the agreement would obey US demands and the governments would agree to everything.

But the US imperialist plans to sneak in the TPP agreement quickly and quietly have not quite worked out so far, and have been scuttled by peoples’ opposition and protests in many countries.

More than two years past the original sign off date, the agreement is still not signed and the public opposition to the TPP is growing, with alliances forming and spreading across many of the participatory countries.

US imperialism is more exposed and isolated. Broad alliances of workers, unions, farmers, health workers and professionals, academics, medical scientists, journalists, cultural workers and lawyers have mobilised a powerful campaign across the Pacific countries demanding their governments not sign away national sovereignty, jobs and conditions, health and safety at work, manufacturing industries, destruction of the environment and access to cheap medicines and health services.

These public campaigns have delayed the signing off of the TPP. And the longer the people’s campaigns continue to delay it, the stronger, wider and more united the movement.

## Malaysia jacks up

Under immense public pressure from a broad coalition of more than 60 non-government organisations representing different backgrounds, sectors and interests, and united in their opposition to any one aspect of the TPP, the Malaysian government has declared it would not be pressured and dictated to by the US to comply with its deadline for signing off by the end of the year.

The Malaysian coalition of community groups and organisations campaigning against the TPP declared that the TPP, “Promotes primarily US economic, business and geopolitical

interests.”

Former Malaysian Prime Minister, Dr Mahathir Mohamad, is also strongly campaigning against Malaysia signing the TPP. He told a large public meeting opposed to Malaysia’s participation in the TPP, held in Kuala Lumpur in August, “If Malaysia signs up for the TPPA, it will be akin to colonising the country again as we will not be able to decide our own affairs without interference.”

## Abbott government about to cave in

In contrast, the previous Australian Labor Government and the current Liberal government have both been vigorously promoting the TPP, doing the bidding for US imperialism.

Some credit is due to the previous Labor government in resisting immense pressures from the US government and its corporations to include the rights of multinational investors and corporations to sue sovereign countries, and to destroy the PBS.

However, in spite of their public pronouncements there were always concerns that the Labor government, which had embraced the US imperialist neo-liberal policies of trade liberalisation and globalisation, would in the end cave in to the dictates of US imperialism.

The present Liberal government has gone one step further and, under firm instructions from US imperialism and the Business Council of Australia, has pledged to help the US to have the TPP signed off by the end of the year.

Abbott vowed Australia would not oppose the Investor Rights provisions in the TPP, in spite of strong public opposition.

## Gresser or greaser?

Not long after the elections and to hasten the finalisation of the TPP, the US government dispatched its trouble-shooters to Pacific countries to sell the TPP snake oil to the rebellious natives (and put the boot in).

The US TPP special envoy, Ed Gresser, arrived in Australia spruiking

the wonders of the TPP, sizing up and taking stock of the local opposition to the TPP. He sought meetings with politicians and union representatives.

However, in spite of his shiny, slimy smile he was shown the middle finger by the few unionists who bothered to grace him with their presence.

## Major problems with TPP

Public opposition to giving investors (multinational corporations) rights to sue national governments (ISDS), and abolition of Pharmaceutical Benefits Scheme that provides cheaper medicines to the public, are still a major obstacles to signing off the TPP.

Privatisation, protection of local industries and requirements for local procurement that protect local jobs, are concerns for the people.

There are deep concerns by workers and unions that the TPP will do away with present restrictions on importing temporary low wage labour, like the 457 overseas visa workers.

## Australia taken over

However, when the Hawke-Keating Labor government, following the IMF imperialist instructions, started deregulating and restructuring Australia’s economy and the financial sector in the middle of 1980s, they set the stage 30 years ago for wider takeover of Australia by multinationals and finance capital.

This laid the ground for wide sweeping privatisations of Australia’s public assets by foreign corporations in the power industries, water, freight and public transport.

Foreign capital poured in, and the Australian economy became even more a hostage to imperialist domination and control by overseas capital.

It resulted in much of Australia’s manufacturing and value added industries and jobs going overseas to countries with cheaper labour.

Around the world US imperialism is increasingly isolated and exposed.

Every day it’s finding it harder to impose its imperialist agenda on the rest of the world, meeting growing resistance from people and smaller countries. Its capitalist economy rots internally, and resistance to its schemes to control the world is growing.

It is doomed to failure, but won’t fall over until it’s pushed. Fighting the TPP is part of the global struggle against US imperialism and a step on the road to winning Australian independence.

## Don’t Sign the TPP!

# Book Review: *Big Coal – Australia's Dirtiest Habit*

by Alex M.

We should all read this book by Guy Pearse, David McKnight and Bob Burton. Real insights into the political skulduggery and profit maximising behaviours of those associated with what the authors call 'Big Coal' can be found within its 257 pages.

The authors show, amongst other things, that big mining corporations as well as individual 'coal barons' have an inordinate level of influence on federal and state governments. That is perhaps no real surprise for the more critical amongst us, but the writers back up their arguments with substantial research.

## 'Big Coal' and its costs

The costs to Australia and the global environment of the coal mining and coal seam gas (CSG) extraction bonanza are revealed in the book.

Coal burning and its extraction make up the largest source of greenhouse gases in the world. What is more the consumption of coal in industrialising countries such as China and India, and even the advanced capitalist countries, is increasing.

On the basis of the increased global demand and surging exports of Australian coal the writers state that 'Australia will help produce more CO<sub>2</sub> emissions than Saudi Arabia currently does with its current massive exports of oil.' (Pearse *et al* 2013, p.6)

The emission of greenhouse gases worldwide is exceeding the worst-case scenarios previously postulated. The catastrophic prospect of 4 - 6° C warming by the end of the century is an alarming possibility. The mining and export of Australian coal is 'making the dirtiest energy easily available and encourage[s] the developing world to industrialise in the worst possible way.' (Pearse *et al* 2013, p.6)

Aside from the environmental costs, there are other costs to Australia that spring from 'Big Coal'. In Chapter One the writers examine what they call 'the real price of coal'. In setting up their analysis of the real price of coal our three writers provide some historical context regarding the importance of coal in Australian development.

Coal has been pivotal in this country's industrial development, particularly in electricity generation after the Second World War. Coal burning power stations however, produce more than electricity. They also produce air pollution:

'Perhaps the most alarming effect of pollution composed of material produced by burning coal is on children.

Burning coal produces pollutants



like nitrous oxide and particles as small as 2.5 microns wide (a human hair is 18 microns), and both of these adversely affect lung development ... Air pollution triggers attacks of asthma, and children, ... are highly susceptible to pollutants such as those emitted by coal fired plants. For adults, exposure to nitrous oxide and tiny particulate matter is correlated with the development of lung cancer.' (Pearse *et al* 2013, p.27)

In the Hunter Valley in NSW, a region which has had long experience with coal mining and coal fired power stations (and most recently with CSG drilling), the impact on people's health has been marked.

A 2012 Sydney University report *Health and Social Harms of Mining in Local Communities: Spotlight on the Hunter region* found increased levels of 'cancer, heart, lung and kidney disease and birth defects.'

A previous study in 2008 found 'that 113 tonnes of toxic metals (such as antimony, arsenic, cadmium, chromium, lead and mercury) were emitted into the air of the Upper Hunter, along

with over 13,200 tonnes of sulphur dioxide and 62,000 tonnes of oxides of nitrogen.' (Pearse *et al* 2013, p.28)

The environmental and health costs of the current coal boom are just part of the problems associated with 'Big Coal'. Another problem that comes with 'Big Coal' is its distorting effect on Australia's political economy.

## 'Big Coal', the state and the distortion of the Australian economy

At present, five companies account for more than two-thirds of black coal mined here. These entities are: BHP Billiton, Rio Tinto, Xstrata, Anglo American and Peabody. (Pearse *et al* 2013, p.61) The first four are multinationals with diversified mining interests, whereas Peabody is solely concerned with coal mining.

All of these companies are 'overwhelmingly owned by institutional investors, most of them foreign owned.' (Pearse *et al* 2013, p.63)

A sizeable number of the institutional investors are banks. Both Australian and overseas banks have been providing

billions of dollars in financing to fund port extensions, new mines, rail and road infrastructure and sundry other services. As Pearse, McKnight and Burton point out, institutional investors such as banks operate to maximise returns, not to worry about harm to the health of workers, short and long term environmental damage and the like. Consequently, decisions are taken 'that are not about what's good for Australia, and even less about what's good for the environment.' (Pearse *et al* 2013, pp.66-7)

Also subjected to scrutiny are individual 'coal barons' such as Gina Rinehart, Clive Palmer, Andrew 'Twiggy' Forrest and Nathan Tinkler. Others such as Peter Bond and Chris Wallin who choose to remain out of the public eye feature in the book too.

Plenty of information is supplied about the investments and backgrounds of the 'coal barons' whose number includes overseas or 'offshore barons'. The background information here is almost worth the price of the book on its own.

The power of the coal industry is detailed in the chapter called 'King Coal's muscles'. In this chapter the authors spell out how 'Big Coal' gets its way with federal and state governments. The strategy has changed recently:

'After the best part of two decades, where the mining industry had grown accustomed to setting out its agenda publicly and following up behind the scenes to 'work things through' with federal governments of both major political persuasions, the game had changed. In just three years the mining industry had waged and largely won three bitter fights with the federal Labor government where they relied on big-budget advertising blitzes to turbocharge their behind-the-scenes lobbying campaigns.' (Pearse *et al* 2013, p.133)

The coal industry and its lobby groups have seen off the emissions trading scheme (ETS), helped topple Rudd, weakened the Carbon Tax and 'gutted the extension of the Resources Super Profits Tax' amongst other things. (Pearse *et al* 2013, p.134)

The three writers show that 'Big Coal' is too powerful, and its pursuit of coal mining and export at all costs has seriously distorted the Australian economy. The chapter also highlights how shallow bourgeois democracy is in this country.

Much more can be found in the book. It is to the credit of Pearse, McKnight and Burton that in researching and writing their book they bring to light the costs to Australia and the world of the current coal boom. Read this book.

# Basque activists face show trials

by *Jim H.*

Over the last two years the Basque nationalist (independence) revolutionary struggle has made significant gains. The Basque territories are in northern Spain and southern France. This article is concerned with Spain, where the struggles are most advanced.

Over this time there has been a huge rise in the organised movement and the level of mass support for it.

Many thousands of new activists have stood up and the young are the core. Coalitions under the names of Bildu and Amaiur have won enough votes in local regional and national elections to make themselves into major players.

However these are not primarily parliamentary movements. Parliament is utilised to lift the legal struggle on the ground. There is a new political party called Sortu pledged to winning independence and socialism.

## Attack has purpose

The reaction of the ruling class and its state has been vicious. Under the cover of anti-terrorism laws, it has systematically gone about apprehending people and often subjecting them to torture.

Under the law detainees are held for a period without charge, let go and picked up again. No contact with lawyers,



family or anyone else is permitted. The state will not admit that someone has been picked up. A number of victims have just disappeared. There have been a few assassinations.

This is what happens when the ruling class is sufficiently alarmed by the strength of the opposition to it. There is an important lesson to this that extends well beyond the plight of the Basques.

Three major court cases have either just started or are about to start in the Spanish National Court.

The first began on 14 October and the second on 17 October, where 150 people are on serious charges that involve significant jail sentences.

They are members of the youth wing of the organisation giving support to and promoting the interests of political prisoners. They are accused of providing support for terrorism.

The third case is that of the 80 people arrested for administering the 110 social centres that have been closed down by force. Each trial is expected to last about

6 months.

## Mounting support for victims

The result so far has been a groundswell of support for the victims and isolation of the state. According to reports of the concerned organisations, offers of active support have been flooding in, even from quite a few who have till now been political opponents. There is widespread disgust over the trials.

While the reaction of the state is obviously influenced by their political fear, there is also a very clear strategy.

They want to weaken the organised movement and set the scene to make it illegal. In this way they hope to strike a blow against the fighting spirit of the people. There is also an element of provocation, to attempt to drive some people into acts that can be used as a cover for even more vicious attacks.

The Basque struggle is a major

political factor for the whole of Spain. It sets an example for all the peoples.

Rebellion in the Basque land threatens rebellion in the other provinces. And is even more telling in conditions of deepening economic and political crisis overall. The fact that major government personalities are caught up in major corruption scandals (money from developers) also contributes.

## Response to attacks

In the face of the developing situation, the "left nationalist" organisations call on the people to respond by taking to the streets. Sortu has called "... on all Basques with democratic convictions to show their repulsion to political decisions disguised as legal decisions that don't just attack the Abertzale [nationalist] Left, but try to condition the future of the Basque Country."

The aim is to not allow the attacks to get in the way of what has to be done to build a new society based on independence, socialism and a cooperative and equal relationship with all the peoples of Spain.

International support is also important. While Europe is at the centre, support is also required from other places, to help isolate the reactionary state, support the victims and to aid the people to decide and build their own future.

# Vo Nguyen Giap - hero of national liberation

*The following statement has been sent to the Embassy of the Socialist Republic of Vietnam and posted on the website www.vanguard.net.au*

## To the government and people of the Socialist Republic of Vietnam

Dear Comrades,

Comrades and friends of the Communist Party of Australia (Marxist-Leninist) record their sorrow at the passing of General Vo Nguyen Giap, hero of the Vietnamese people's struggle against colonialism and imperialism.

A brilliant military tactician, General Giap led the guerrilla war against the French occupiers, culminating in the encirclement and defeat of the main French forces at Dien Bien Phu in 1954.

This victory proved to be one of international significance, giving great encouragement to other anti-colonial struggles and wars of national liberation in many other countries.



*Comrades in arms - Ho Chi Minh and General Vo Nguyen Giap*

It showed that military power alone could not suppress or defeat the desire of people to control their own destiny.

As Giap said, "We had to use the small against the big; backward weapons to defeat modern weapons, at the end, it was the human factor that determined the victory."

When French colonial occupation was replaced by US imperialism, the Vietnamese people once again responded to the leadership of Comrade Ho Chi Minh, and once again his close friend General Giap made the invaders pay a heavy price.

Any thoughts of victory that US

imperialism might have had were blown away during the Tet offensive in 1968, when Vietnamese units directed by General Giap occupied many cities and towns across the country, inflicting heavy casualties on the occupiers.

Yet again, it was the human factor that shook the resolve of the invaders and gave further encouragement to the massive anti-war protest movement spreading rapidly across the world.

General Giap continued to serve the Vietnamese people all his life, and is cherished by the people as a national hero.

His example will continue to inspire the oppressed people of the world in their struggles against imperialism and war.

**Australian communists salute Vo Nguyen Giap – hero of national liberation**

*Posted 9 Oct. 2013*

# Fluro fighters demand secure jobs for better lives

by Greg C.

**Hundreds of Fluro vest clad workers descended on Melbourne's Southern Cross Railway Station on the morning of Friday October 18th, 2013, to highlight the correlation between insecure, precarious employment and poverty.**

Converging at the steps of the transport gateway to Melbourne, the event, titled the Fluro Fightback, was the climax in the week that marked Anti-Poverty Week.

The Fluro Fightback, staged for the second year in 2013, was co-ordinated by the National Union of Workers, and is the major yearly event of the union's *Jobs You Can Count On* campaign.

The rally captured the peak hour commuters arriving into the Victorian capital, very likely that many of those workers are themselves placed in insecure, casualised employment.

The *Jobs You Can Count On* campaign was launched in 2012 in response to the crisis situation in Australia, a situation which sees 40% of workers placed in insecure, precarious employment.

The long term campaign is geared at reversing the casualisation trend of the last thirty years, with the goal of ensuring a secure working life for all Australian workers.

Larrikin Priest Father Bob Maguire headlined an impressive line-up of speakers and paid tribute to the Union's struggle in ensuring living standards of working people.

"I'm more concerned than ever that care, communication, compassion, concern – all those things – we have to re-establish in the centre of our



*NUW workers rally against insecure work and poverty*

communities, and at the moment that message is through the unions", the popular figure told the fluro fighters.

In confronting the poverty issue, Fr. Bob drew on the lessons of the motto of the National Union of Workers – 'Unity is Strength', and urged activists not to become 'slacktivists'.

"Poverty is the same thing (in reference to bushfires) it wipes out a million Aussies just like that, it sneaks up, you don't know it's coming – and the only way we can survive is if we all stick together"

In the fightback against insecure work, the NUW has been at the forefront of the struggle, and in recent times the rank and file have mounted struggles, and have won these fights, against companies such as Coles, Woolworths, Toll and Baiada.

The Australian Council of Trade Unions has adopted the *Jobs You Can Count On* campaign to inspire Australian workers to take up the fight against insecure employment.

Highlighting the need for secure

employment to live a secure life, ACTU President Ged Kearney implored to passing pedestrian traffic "We're standing up today for decent jobs, for decent work, and for a better life; and who fights for a better life? Australian unions do!"

In welcoming the other Unions and comrades, Luke Hilakari, who will shortly take the reins at Victorian Trades Hall proclaimed "We are sending a message to every single bad boss that we are taking back our permanent jobs – we are taking them back!"

Kearney and Hilakari were also joined at the stage by Lisa Heap from the Australian Institute of Employment Rights and Miriam Lyons from the Centre for Policy Development.

The Fluro Fighters were treated to a musical performance by new Melbourne duo, the Flybz. The young men fled the poverty of their native Sudan, where they found themselves placed in 'precarious employment', trained as child soldiers.

They were complemented by the

legendary Painters and Dockers band.

Following a survey of thousands of workers on the subject of insecure work, the National Union of Workers released the results at the Fluro Fightback, which further highlighted the link between precarious employment and poverty. 68% of workers surveyed had trouble paying their rent, whilst the survey found a further 60% had difficulty with childcare.

An overwhelming 90% of workers surveyed delivered a strong message to Canberra, stating that government should be doing more to address the casualisation crisis.

Federal Labor politicians Clare O'Neal and Lisa Chesters were in attendance, along with Greens member for Melbourne Adam Bandt. Under the previous Labor Government Bandt introduced a private members bill, Tackling Job Insecurity, yet was rejected by both major political parties.

The current ALP has forgotten its history, is ignorant of its formation.

The party was formed by Shearers in Queensland, in the year of 1891. These workers were in essence casual workers, and they united all those years ago to confront the very issue the NUW is campaigning for today, raising awareness on the morning of October 18.

The Federated Storemen and Packers' Union, a forebear to the current NUW, was at the forefront in creating the conditions for Australian workers to enjoy a secure retirement thirty five years ago through major industrial action that won superannuation as an entitlement for working people. In 2013 the Union is leading the fightback to ensure secure and decent working lives.

## Workers look for leadership

by Ned K.

**With the demise of the Labor Government and an openly anti-worker political party now administering the political affairs of the big corporations, workers are looking for answers and leadership.**

The Labor Party's response has been to ask workers to join it and have their say on who is the next leader of the Labor Party, Shorten or Albanese.

While Labor Party membership has gone up recently, not even the official trade union movement is united on who should lead the Labor Party, nor on how much relevance this has to the lives of working Australians.

A healthy trend within some unions

is emerging where there is more emphasis on building their own independent political agenda and winning it through campaigning on the ground.

Unions are being forced to do this because of the concerns of their members about 'big picture' issues like the rising cost of living, a regressive tax system where the big end of town pays next to nothing, declining but ever more expensive health care and education, and many union members' correct perception that the parliamentary set up is no solution.

However, the reactionary Abbott Government and the big corporations that instruct it are also forcing union members and other concerned workers to fight on other more traditional

industrial fronts at the same time.

Attacks on penalty rates, individual flexibility agreements which cut award conditions, restrictions on trade union rights to function, are sure to be attempted by Abbott and his backers in the near future.

In fact, they have already started with the resurrection of the ABCC against construction workers.

For progressive elements in the workers' movement, there is the opportunity to unite millions of workers against these coming attacks in the context of building an independent movement for change to set the political agenda of the country and take it out of the hands of the big business and their parliamentary spokespersons.

Through these struggles, new leaders will emerge, based on their own day to day experiences as workers.

In the case of migrant workers, they will combine their day to day experiences with the knowledge from intense social and political struggles from their countries of birth.

### Vanguard Blog

Readers and supporters of Vanguard can find more articles at [vanguard-cpaml.blogspot.com.au](http://vanguard-cpaml.blogspot.com.au) Articles can be printed, emailed, or shared on social media.

Comments are welcome