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# **Australia's Economic Crisis - The Way Out**

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## CHAPTER ONE

### CONDITIONS OF ECONOMIC CRISIS IMPOSE IMMENSE HARDSHIP ON AUSTRALIAN PEOPLE

Australian people are haunted by economic and social insecurity. They are surrounded on all sides by chaos. The future gets more and more threatening.

Prices have risen to an unprecedented degree. This involves almost all prices particularly the prices of goods needed in everyday life. People have greater and greater difficulty in making ends meet. Rents rise. It becomes more and more difficult and more and more expensive to buy homes. Rates and taxes rise. Fares rise. Postal charges rise. There is no end to it. And the prospects are that these rises will continue.

Unemployment has dramatically risen. It continues to rise. It will rise more. It threatens the jobs of many. At the same time, it is used as a whip by employers to force their workers to work harder on threat of sack and unemployment.

Despite increases in fares, public transport gets more and more out of date and inefficient. People are forced to buy motor cars for transport. The cost of motor cars, the cost of repairs, spare parts, petrol, oil, continually rises. At the same time, the road toll rises. More and more people are killed and maimed on the roads.

Education, housing, hospitals, are all in a mess, all being cut back to the detriment of the people.

Despite comparatively high nominal wages (the minimum wage is \$82.80, September 1975), ordinary people are becoming poorer and finding it more difficult to live. Added to this are the over 1,000,000 of Australians who according to official and semi-official reports live on or below the poverty line. Pensioners, receivers of social service payments, are in desperate straits.

Things are not getting better; they are getting worse. And they will get worse still.

There is a startling contrast between the conditions of the ordinary people and the immensely rich natural resources of Australia. Australia is rich indeed in minerals, oil, wool, wheat, meat and other primary products. Yet there is the paradox of intensifying poverty in the midst of this plenty.

There are many goods of all kinds that cannot be sold. In the midst of increasing difficulties for the people, BHP made a record profit of over \$100,000,000 last financial year. Other similar giants made huge profits.

On the other hand, many smaller businessmen are bankrupt or closed up. Some even large businesses crash, such as Mainline, Cambridge Credit, the stockbroking firm of Patricks.

Farmers suffer acutely. There is a glut of many primary products on the world markets. The farmers' products cannot be sold. At the same time, inflation pushes up the prices of fertilisers, farm implements, machinery. The burden of debt falls more and more heavily upon them.

No one denies that Australia is in a terrible economic mess. All sorts of remedies are offered. More money, less money; curb government spending, extend government spending; a tough budget, a mild budget; all these contradictory things are advised by this or that expert.

However, whatever is done, the crisis gets deeper. People get into greater and greater difficulty.

Australia's situation is similar to that of most of the countries of the capitalist world. In these countries, there is ever increasing inflation and ever increasing unemployment. No measures of any kind have proved capable of handling the situation. The crisis gets deeper.

Australia's economy is very dependent upon the economies of the U.S.A., Britain and Japan. Each of those three countries is in a state of economic crisis. Each is beset with high rates of inflation and high numbers of unemployed people. Each has a crisis of over-production. The lot of the ordinary people of these countries is hard indeed just as it is in Australia.

Australians, along with the peoples of other countries, ask where is it all going to end? What is the solution? Are the workers to blame for the whole situation because they have asked too much for wages?

There is talk of the whole system breaking down. There is talk of the collapse of the parliamentary institution. There is talk of rightwing dictatorship.

Everyone is worried.

It is necessary to make a sober analysis of the whole situation and seek the way out.



## CHAPTER TWO

### A FUNDAMENTAL EXAMINATION OF THE NATURE OF OUR SOCIETY IS REQUIRED

It is crucial to the solution of the social problems that an examination of the very foundations of society be made.

Australia is a capitalist country. ("Capitalism" is not a term of abuse). The U.S. magazine Time (July 14, 1975) said: "... the essentials of capitalism are clear. The touchstone is private ownership of most industry. A necessary corollary is that most production and services are motivated by the drive for profit..." That Australia is a capitalist country is simple fact. By capitalist country is meant a country where the means of production (the mines, factories, etc.) are owned by capitalists and the owners of these means of production employ workers who work in those mines, factories, etc. For the moment, it is necessary to leave on one side questions about government, parliament, courts, armies, police and other institutions. It is important to understand something of the basic nature of capitalism; then it can be seen how institutions like parliament, courts, armies, police, fit in.

Thus the starting point is ownership of the means of production by the capitalists and direct dependence upon those capitalists by the workers and indirect dependence upon those capitalists by other sections of the population. In agriculture, there is a similar process. The biggest farms, cattle and sheep runs in Australia are owned by big capitalists and worked by workers.

In Australia, the decisive means of getting a living turn upon the big factories and upon the big farms. The heart of Australia's economy lies in primary production, steel production, motor vehicle production, oil and rubber production, chemical production, textile and wool manufacture, building, food processing, transport. There is no need for emotional turning to this analysis; it is plain fact.

Probably the number of industrial workers directly employed in the big factories is of the order of about 1,500,000 (a large proportion). Official statistics give the workforce as roughly 5½ million but this figure includes all persons in the workforce, employers, workers, foremen, managers, etc.

It can be seen in actual life in Australia that whatever one's social and political views, the plain fact is an economy essentially owned by a few capitalists and the rest of the population dependent upon them for their livelihood. One can imagine how life would come to a standstill if the manufacturers in Australia all cut off their production.

Even if say, oil or steel or any other essential manufactured item were cut off, it would cause a very serious situation.

The characteristic of production is that it is large scale. Though there is a lot of small scale and medium scale production it is large scale production that is decisive in Australia. A comparatively small number of factories employ a large number of workers.

Very few workers individually produce the finished products of industry. The characteristic of production is that many workers employed in factories collectively

produce the finished product. For example, no individual worker produces the steel that comes from B.H.P. It is the product of many, many workers, from the miners of the coal and iron ore through the whole process of production of the steel. But the steel produced by those many workers is owned by B.H.P. No one worker (and no collective body of workers) can say of the steel, "That is my steel because I made it". On the contrary, B.H.P. alone can say, "That is our steel because we own the mines and the factory and employed (bought for wages) the workers who made the steel." Likewise the oil that fires the furnaces of industry and drives the vehicles of transport. No worker can say, "That is my oil because I bored for it and refined it." On the contrary, Shell, B.H.P.-Esso, Mobil or one of the other oil manufacturers says, "It is our oil because we bored for the crude oil, processed it and employed (bought for wages) the workers to do the work." Or no individual worker can say of the Holden motor car, "That is my car because I made it". General Motors can say of it, "It is our car because we acquired the iron, steel and rubber and we employed (bought for wages) the workers to produce it."

In short, the workers engaged in production are employed in a process of production that is already socialised. As has just been seen, no individual worker makes the finished product. What happens is that each man's labour is dependent upon another's labour. Each one performs a comparatively small task in what goes to make up the whole, the finished product. It is the collective effort of hundreds, even thousands of workers, each dependent upon the other. It is socialised labour.

The products socially produced in this way are in Australia individually owned. The examples given of BHP, the oil companies and General Motors can be multiplied throughout Australian industry. The fact then is that there is a great glaring contradiction between socialised production on the one hand and individual ownership of the socially produced commodities on the other hand. This contradiction offers a basic explanation of the mechanism of capitalism and of its difficulties today.

BHP and all its fellow owners of means of production make their products (commodities) for sale at a profit. The only source of profit is labour power, that is, workers who sell their labour power for wages. This labour power is paid wages (the amount necessary to keep the worker and his family alive). This labour power is a commodity bought and sold like other commodities. It has a characteristic different from all other commodities, namely it has the capacity to produce value in excess of its own value. Because BHP has bought the labour power by paying wages, it has also bought this capacity of the worker to produce value in excess of its own value ("... the value of labour power, and the value which that labour power creates in the labour process, are two entirely different magnitudes and this difference was what the capitalist had in view, when he was purchasing the labour power." Marx: Capital Vol.1 Kerr Edition p. 215).

The source of BHP's profit and the profit of all capitalists lies in the workers and nowhere else. This is true from top to bottom of industry.

Commodities are produced by BHP and its fellow owners solely for profit. Of course these commodities

must satisfy some want or they would be unsaleable and could not be exchanged. Thus they must have use value and exchange value. Steel and oil, motor cars, all commodities, have these qualities.

The less the wages paid by BHP and its fellow capitalists, the more profit is made provided there is a good market for the commodities. Hence the pressure by BHP and its fellow capitalists is always to keep wages down so as to keep profits up. This is the basic explanation of why there is an eternal, never ending struggle by BHP and all capitalists to keep wages down. On the other hand, the workers in order to eke out an existence must continually press to increase wages. Generally speaking capitalism operates to keep wages as near to bare subsistence levels as possible. This arises from the very mechanism of capitalism. In times of unemployment, wages are even forced below subsistence levels. By their own struggles, the workers sometimes manage to get a little more than bare subsistence levels. Always however, the fluctuation is above or below a definite level namely the value of labour power which is determined by the socially necessary labour time required for the maintenance of the worker and his family.

The market for the sale and purchase of commodities consists of all the people of whom in Australia a very high proportion are workers. The market includes export markets. When times are good (in a boom period) the capitalist madly produces his commodities. Their ready sale increases his profits. He expands his factory. More and more commodities are produced. In the end, far more commodities are produced than can be sold. The market becomes flooded. There is over-production. In Australia

at the present time there is an excess of commodities of all kinds. They cannot be sold. Steel, motor vehicles, refrigerators, television sets, are all over-produced.

When commodities are over-produced, then the capitalist curtails production. Profit cannot be made if the commodities cannot be sold. Stocks pile up and until those stocks are disposed of, the capitalist either ceases production or restricts it. To do that, he puts off workers. Because the process of over-production affects the whole of industry, the workers who are put off from one section of industry cannot find jobs in other sections of industry. They become unemployed. As part of the market for commodities, their purchasing power is restricted so making it more difficult for the makers of commodities to sell their commodities. It is not only the workers who are adversely affected by this process. Big industry has many suppliers of components from other smaller capitalists. When production in the heart of industry slows down, these suppliers of components must curtail their production. This explains why in the midst of over-production of basic commodities there are certain shortages of some lesser commodities. More workers are put off. Every section of production is affected. The whole thing has a chain reaction.

Farmers go through a similar process. The decisive producers of agricultural products are the big capitalists in agriculture. When markets are good they madly produce wool, wheat, meat, whatever it may be. Soon the market is glutted. Returns fall. Production is restricted. Workers are put off. The small farmer cannot withstand the competition of the big farmer. He is forced off the land. He swells the ranks of the unemployed. Less fert-



iliser, machinery, implements, are bought. Production of these is restricted by their manufacturers. More workers are put off. More unemployed are created. All this still further contracts the general market. Contraction of the general market causes more restriction on production and results in still more unemployed and still further contraction of the market.

The whole process was described very well by the great German thinker Engels in these words:

"As a matter of fact, since 1825, when the first general crisis broke out, the whole industrial and commercial world, production and exchange among all civilized peoples and their more or less barbaric hangers on, are thrown out of joint about once every ten years. Commerce is at a standstill, the markets are glutted, products accumulate, as multitudinous as they are unsaleable, hard cash disappears, credit vanishes, factories are closed, the mass of the workers are in want of the means of subsistence, because they have produced too much of the means of subsistence; bankruptcy follows upon bankruptcy, execution upon execution. The stagnation lasts for years; productive forces and products are wasted and destroyed wholesale, until the accumulated mass of commodities finally filters off, more or less depreciated in value, until production and exchange gradually begin to move again. Little by little the pace quickens. It becomes a trot. The industrial trot breaks into a canter, the canter in turn grows into the headlong gallop of a perfect steep-lechase of industry, commercial credit and speculation which finally, after breakneck leaps, ends where it began.— in the ditch of a crisis. And so over and over again. We have now, since the year 1825, gone through this

five times, and at the present moment (1877) we are going through it for the sixth time. And the character of these crises is so clearly defined that Fourier hit all of them off when he described the first as 'crise plethorique,' crisis from plethora."

There is simply no end to this process. Fundamentally this is the process that has been going on in Australia.

This is the essence of the economic crisis in Australia. It is a crisis of over-production. Even if there is "recovery" from the present crisis, it is certain that there will be more crises while capitalism lasts.





## CHAPTER THREE

### THE DEVELOPMENT OF CAPITALISM IN AUSTRALIA, MULTI-NATIONALS

Capitalism in Australia has developed in a particular form.

Australia was seized from its real owners, the Australian black people, by the British to make a penal colony. It developed as a British colony which supplied raw materials for British manufacturing industries and bought finished products from Britain. British capitalists provided the capital for development to suit themselves. Railways and some foundations of large industry in Australia were developed by British capital in Australia. With the decline of Britain after World War 1 and even more after World War 2, U.S. capitalists moved into Australia in a very big way. Britain dominated the banks in Australia, the insurance companies; it had large landholdings and many of the large city buildings. The U.S.A. dominates the oil, chemical, motor vehicle, rubber, food processing industries; it has large landholdings and extensive mineral ownership. It has invaded banking, insurance.

Capitalism in Australia has had its own development. It has developed its own working class and its own capitalist relations of production. Comment will be made on Australia's position in the world later. It has been the great imperialist powers that initiated capitalism in Aust-

ralia and largely built it up. Those great imperialist powers in the main own the key sections of Australia's economy.

This has profound significance for Australia and Australians.

It means particularly that the multi-national U.S. corporations are exceedingly strong in Australia. They own and control certain decisive means of production about which a little has already been said. They employ thousands of workers and manufacture key commodities required in Australia. They are world-wide organizations.

It is mainly they who in the expansion of capitalism, in its boom period, produced enormous quantities of commodities only to find that in the end they had over-produced. The commodities could not be sold. There was a glut of them. Thus it is common knowledge today that far too many motor vehicles have been produced because the multi-national motor vehicle manufacturers produced as fast as they could and then found they had glutted the market. Excess motor vehicles affect steel, oil, rubber, component manufacture, etc. So it is with the other commodities produced by these multi-nationals.

Thus the specific over-production in Australia is largely the over-production by these multi-nationals because these multi-nationals are the heart of capitalism in Australia.

There are various other significant features of these multi-nationals in Australia. They are foreign based. The essential core of them is based in the U.S.A. Their operations in Australia are subordinate to their centre in the U.S.A. They remit their profits to their centre in the U.S.A. Australia is thus a centre for the import of capital

and then the export of profits by the multi-nationals.

The profits of the multi-nationals from their Australian investments go to their U.S. home. Australia is a source of profit to the multi-nationals and that is the only interest these multi-nationals have in Australia.

The multi-nationals have factories and interests in many countries. They manipulate their interests in the given country such as Australia to fit into their overall activities. If it suits their overall interests to cut or stop production in Australia they do that. If it suits their overall interests to expand production in Australia they will do that. The sole criterion is profit.

Hit with crisis in the U.S.A. and crisis in all other countries where they have invested, they try to make their subsidiaries such as in Australia carry the burden. Australia is far more expendable than the home operations.

They shift huge sums of money around amongst their undertakings in various countries, not for a moment to the advantage of the given country but entirely for the advantage of the given multi-national.

It has been pointed out that the total income and expenditure of the multi-national corporation General Motors exceed the whole budget of some small countries and even medium sized countries. The immense power of General Motors can be clearly seen.

General Motors is the biggest corporation in the world. It occupies a key position in Australia's economy. Of course it is by no means the only U.S. multi-national that occupies a key position in Australia's economy. It is simply the most spectacular.

In terms of the analysis previously made, these multi-nationals largely own and control key means of production in Australia and they employ Australian workers in those means of production. Australian workers employed in the factories, mines and firms of the multi-nationals are engaged in socialised production, and the products of this socialised production are owned by the multi-nationals. The multi-nationals employ Australian workers in order to exploit them and make profits for those multi-nationals.

Wherever there are capitalist relations of production there is bound to be economic crisis. The occurrence of economic crisis is inevitable. That can be seen from the logic of capitalism, from an analysis of its economic laws, and of course, history has shown this logic and these laws working out in the occurrence of booms and crises in capitalism. Whatever the nature of capitalism in Australia, there would be economic crisis. The fact of capitalism in Australia is a capitalism centred around the multi-nationals, imperialism in Australia. A particular feature of economic crisis in Australia then lies in large scale multi-national presence in Australia. As that multi-national presence is largely composed of U.S. multi-nationals, so Australia is enmeshed in the economic and social problems of the U.S.A.

In the U.S.A. economic crisis is very deep. There is over-production, there is inflation and unemployment. As Australia is enmeshed in the U.S. economy, it is inevitable that it is involved in U.S. crisis.

There is an additional and very serious factor in all this. The U.S.A. and the Soviet Union are superpowers, each of which strives for world domination. Their rivalry

is acute and it is world-wide. The U.S.A. has been forced to retreat from South East Asia. It is anxiously and energetically striving to consolidate its hold on those places in which it is entrenched. Australia is one such place. In Australia the U.S. multi-nationals are striving might and main to husband their resources, to tighten their hold, to intensify their exploitation of Australia. At the same time, their imperialist rival, the Soviet Union, is striving might and main to establish itself in Australia. This bitter contention and struggle between the two superpowers leads to even greater instability in capitalism in Australia. More will be said about this later.

Thus the crux of economic crisis in Australia is over-production in the first place by the multi-nationals. The main aspect of the fundamental contradiction which flows from the private ownership of the means of production in Australia is between on the one hand the workers employed in socialised labour in the multi-nationals' factories and on the other hand, the private monopoly appropriation for profit by the multi-nationals.

The fundamental cause of unemployment in Australia is over-production by the multi-nationals. Unemployment is always a feature of capitalist economic crisis. It is a feature of the present capitalist economic crisis in Australia.

Inflation is a particular feature of the present economic crisis in the world. It is a particular feature of economic crisis in Australia. Inflation basically means the printing of excess money so that money becomes debased. One aspect of Lord Keynes's "theory" involved what

has been spoken of as the "controlled" printing of extra currency. This was done. Inflation however cannot be controlled. The multi-nationals engage in war, in huge public expenditure on railways, roads, port installations etc. for their undertakings, on massive immigration programmes to get workers for their factories, all of which require still more public expenditure. Part of this expenditure has in fact been met by the printing of currency. This is so in the U.S.A.; it is so in Australia. It is an inevitable feature of capitalism. Meantime the basic cause of crisis, over-production, continues to operate. Inflation in the end aggravates it because the inflated currency buys less and less of the goods that are over-produced. It ruins savings from which ordinarily the commodities of capitalism are bought. It hits the people on fixed incomes. In an all round way it is both a product of the economic crisis of capitalism and an aggravation of that crisis.



## CHAPTER FOUR

### PARLIAMENT, COURTS, ETC., ARE INSTITUTIONS OWNED BY THE MULTI-NATIONALS

The multi-nationals and their collaborators run Australia. This is simple fact.

Parliament, the law courts, the arbitration commission, the army, the police, the gaols, serve the multi-nationals and their collaborators. In no sense do these institutions control the multi-nationals.

The understanding of this is absolutely vital to an understanding of Australia.

A great deal of effort is put into making people believe that parliament really rules Australia, that people elect their parliamentary representatives, that a government is responsible to the people and comes from the party that gets the majority in parliament and has a mandate to carry out its policy. Many commentaries are written around this theme. Everything in the daily press, on the radio, television, in books, proceeds on this sort of reasoning.

The reasoning is entirely wrong. Parliament is in fact the creature of the multi-nationals and their collaborators. In Australia there have been many elections and many parliaments both Australian and in the States. Not one single parliament has ever interfered with the multi-

nationals; on the contrary these multi-nationals have steadily tightened their grip on Australia. Every single piece of legislation passed by parliaments serves the multi-nationals in one way or another. This is so even in humanitarian social legislation. Sometimes a parliament may have to reconcile conflicting interests among the multi-nationals but it never goes against their interests as a whole. Sometimes there may be differences as to the tactics of how to handle a situation but still that is a debate within a very narrow circle; it never touches the vital question of who owns Australia.

The multi-nationals own the decisive means of production in Australia. They own parliament in its entirety, they own all parliamentary parties and all parliamentarians.

Parliament never deals with the most critical question of politics — which class owns state power, the capitalist class or the working class. It never deals with this question because for parliament the question simply does not arise. Parliament is purely an institution of capitalism and nothing else at all.

Nothing in an election alters this in any way. The people are confined to a choice amongst parliamentary parties that all serve the multi-nationals and their collaborators.

It has been truly said that parliamentary elections merely give the people the right every three years or so to choose which member of the ruling class will misrepresent them in parliament.

Debates in parliament never concern the real question of politics — which class holds state power. The debates concern how best to administer capitalism. It is

true that there are differences of opinion in parliament. If these differences are analysed, they are simply questions **within** capitalism. They are never questions for or against capitalism. And as all questions of capitalism in Australia are questions which involve the multi-nationals in Australia, then all differences in parliament concern the welfare of the multi-nationals. Put in another way, the existence, the permanence of the multi-nationals are never called into question in parliament because parliament is their institution.

It is true that the Labor Party sometimes does not appear as blatantly pro multi-national as the Liberal National Country Party and it is true that the Labor Party does in fact introduce legislation that sometimes has more of a humanitarian character than that introduced by the Liberal National Country Party. It is also true that the Labor Party has slightly more of an Australian national outlook than the Liberal National Country Party. Still the fact remains that in its essence the Labor Party is a party of the multi-nationals and their collaborators. They have grown and prospered under the Labor Governments and have been sponsored by the Labor Party.

Where the lifelines of a country are owned by a handful of people, a handful of multi-nationals, it follows that parliament does their bidding. Assume for example, that parliament was not their institution and suddenly decided to pass legislation which expelled the multi-nationals from Australia. It simply would not work because the multi-nationals could bring Australia to its knees by simply cutting off production such as oil, food production and processing, other commodities. It is the same as if the water supply of a community were owned and

heavily guarded by a handful of people; it wouldn't matter what vote the people had if the owners of the water supply did not approve of the people's choice they would cut off the water supply.

No measure that the Australian parliament has taken in the economic crisis has departed in any way from the interests of the multi-nationals. Economic crisis arises from capitalism, the heart and soul of which in Australia are constituted by the multi-nationals. Those multi-nationals cannot control the economic crisis because that economic crisis arises from capitalism itself; it is an inevitable product of capitalism. The multi-nationals can tinker with it and so can their parliament but they cannot control it. In fact it is ridiculous to believe that the economic crisis is the product of what this or that party did in parliament or what parliament itself did. This is just not so. It cannot be emphasised too much that economic crisis is inevitable in capitalism. No parliament, no parliamentary party, is responsible for it nor can control it. They are all part and parcel of capitalism from which economic crisis arises.

Again, it is true that economic crisis can be affected **marginally** by this or that measure in parliament or directly by the multi-nationals but it cannot be affected fundamentally.

Accordingly it is sheer illusion to believe that parliament decides these questions or that elections have anything to do with them. They don't. It can never be a question of leaving it to parliament, leaving it to an election or leaving it to the Labor Party. This will never solve the crisis.

The fundamental way out (of which more will be



said later) is to throw the multi-nationals out of Australia. There is a considerable difference between parliamentarism (adherence to parliament) and on the other hand, the waging of mass campaigns and struggles, for example, to make the rich pay. These latter are quite correct because it is the struggle of the people which is decisive in getting rid of the multi-nationals.

A similar analysis must be made of all other state institutions in Australia. The law courts exist to give effect to the laws made by parliament (and parliament has already been discussed) and also to give effect to what is called the common law. But the whole of the law is law for the multi-nationals and their collaborators. The law courts exist to administer it, and never to challenge it. There is much talk of the "rule of law" and of "law and order" but the questions that must be asked are whose law? The rule of whose law? What law and order? Whose law and order? No court in Australia ever impinged in any fundamental way upon the interests of the multi-nationals in Australia. Occasionally a court may decide a quarrel between two multi-nationals but that is quite a different thing. The courts exist to administer the rule of the law of the multi-nationals and the law and order of the multi-nationals. It is pure illusion to believe they exist for any purpose other than this.

The arbitration commission, so often presented as doing wage justice, exists to serve the multi-nationals and the capitalist system. It does precisely that. Under the illusion of doing justice, of being an impartial body between the worker and the bosses, it prescribes wages and conditions for the workers that carry into effect the interests of the multi-nationals at the heart of Australian

capitalism. It never in any way transgresses on the fundamental interests of the multi-nationals. Can anyone imagine this arbitration commission saying to BHP for example, you shall distribute your over \$100,000,000 profit amongst your workers? Yet theoretically it could say just that. If that happened, it would not be capitalism, the BHP or the arbitration commission. The question never arises because the arbitration commission serves capitalism with its multi-nationals. This goes for all wage fixing tribunals in Australia.

Institutions like the Prices Justification Tribunal so obviously serve the multi-nationals that it is not necessary to discuss the question at any length.

Then we come to the army, the police, the gaols. These institutions most certainly serve the multi-nationals and their collaborators. They are closely guarded as vital institutions of the multi-nationals. An attempt is made to say the army and police are above politics but a moment's reflection shows that the army and police always serve the interests of the multi-nationals. The police have given spectacular examples of it in recent years. Huge numbers of police can always be concentrated to protect the property of the multi-nationals even on comparatively small matters, let alone major matters; they break up picket lines; break up people's demonstrations, etc. The army is held more in reserve but ample material exists to demonstrate its central function as the suppression of internal revolt against the multi-nationals. Is it possible to imagine the army chiefs leading the Australian army in support of people's struggle?

The multi-nationals and their collaborators attempt to confine all debate within and around their own instit-

utions. Thus they work hard to suggest everything is done in parliament or decided in the courts. The Labor Party is used for that, the revisionist "Communist" Parties do that (by revisionism is meant the stripping of the revolutionary essence from Communism).

To deal correctly with the situation and struggle against it, it is essential to free oneself of all illusions about parliament, parliamentary parties, arbitration tribunals, courts, armies, police, etc.



## CHAPTER FIVE

### THE LABOR PARTY IN AUSTRALIA

It is in connection with this background that the position of the Labor Party in Australia must be assessed. Because the Labor Party claims that it represents the interests of the workers, a great deal is expected of it.

The fact however is that the Labor Party does not represent the interests of the workers at all. The Labor Party is an essential part of the parliamentary institution which, as has been seen, is an institution of capitalism. The Labor Party itself is an institution of capitalism.

The economic crisis in Australia is not the responsibility of the Labor Party in any way. That economic crisis is a product of capitalism. The Labor Party administers capitalism. It neither created the economic crisis nor can it cure it. As a party and institution of capitalism it shares responsibility for capitalism's crises like other parties and institutions of capitalism.

One important factor in the Labor Party's coming to office in late 1972 was the fact that the multi-nationals use it as the front through which measures which impose the burden of crisis on the common people are introduced. The reasoning behind this is that the common people will accept from the Labor Party (because it is presented as a workers' party) what they will not accept from the non-Labor parties.



The Labor Party does this particular job for the multi-nationals. In the early days of its election late in 1972 the Labor Party made a number of progressive decisions (all entirely within the framework of capitalism). It had a much more humanitarian (bourgeois humanitarian) approach than its predecessors. It presented a number of these measures as working class measures. Some of them accorded with the interests of the working class and that was good. But they were not working class measures because the Labor Party is a party of capitalism.

When economic crisis began to intensify, the Labor Party said that it would control unemployment and inflation so that the people did not suffer. But this could not be done. Inflation and unemployment are inevitable under capitalism and the Labor Party when a government administers capitalism. The Labor Party cannot control the economic crisis which as has been seen is an inevitable product of capitalism.

But the Labor Party made preparation to throw overboard the broad humanitarian measures that characterized its early days in office and prepared to administer the state to impose the burden of the intensifying economic crisis on the common people. At its Terrigal Conference (Feb. '75) it began to talk vigorously of wage restraint, protecting the private sector, cutting down on public spending. It ensured that another institution of capitalism, the arbitration commission, introduced what has been called wage indexation which really means quarterly cost of living adjustments to wages in return for a wage freeze on the substance of wages. Then it ensured that still another institution of capitalism, the ACTU, endorsed the arbitration commission decision. This having been done

the Liberal leader Fraser ensured for a time that there would be no election so that the Labor Party could administer capitalism in its deepening crisis.

All this really was the thinking, decision and tactics of the multi-nationals.

It is not a case of the Labor Party deserting the workers nor the middle sections of the population. It has never served the workers nor the middle sections of the population. At best, as has been said, on some issues and at some times it passed within capitalism certain measures that were advantageous to the working class but these measures were all within capitalism and never departed from capitalism. In Australia as capitalism is fundamentally capitalism of the multi-nationals, it follows that the Labor Party is simply the servant of the multi-nationals. If the Labor Party is understood in that sense, there is little difficulty in getting a correct understanding of it, appreciating what is positive and comprehending its fundamental capitalist position.

If, on the other hand, it is understood (incorrectly) as a party of the working class, then indeed it has deserted the working class and turned to the right. But really the turn to the right of the Labor Party, so often commented on in recent times, is a marginal turn. In a fundamental sense no question of left really arises in the Labor Party because a genuine left serves the working class and the Labor Party does not do that. Within the Labor Party leadership however, there are people who, in a bourgeois sense, espouse a left liberal policy while others espouse a right policy. The "left" espouses broad humanitarian policies and no doubt some of this "left" genuinely stand for these. This still does not alter the essence of

the question, namely that fundamentally the Labor Party serves capitalism and in Australia's case, the multi-nationals. Moreover these "left" people do not have much difficulty in passing to the right. Indeed in many respects their "left" stand facilitates the move to the right. This is because these "left" people confuse the workers, some of whom say if so and so says it is all right (naming a "left" leader) then it must be all right.

The Labor Party leaders when in government claim the credit for any upturn in the capitalist economy. In these circumstances they say that their policy is taking effect and soon the crisis will be over. But this is entirely wrong. There are ups and downs in capitalism and in its economic crises. They have little or nothing to do with the Labor Party or any other party. They occur because of the operation of the social and economic laws of capitalism. Because the Labor Party gave or gives itself the credit for these upturns, inevitably it is visited with the responsibility for the downturns. This leads to disillusionment with it.

The Labor Party needs capital for deception. By this is meant that particularly when it is in opposition the Labor Party presents itself vigorously as a working class party. This accumulates capital for the deception that it is a working class party. Capital for deception is critical to enable the Labor Party to carry out reactionary measures when it is in office. In its early days in office in 1972-3, its bourgeois progressive measures added to its capital for deception. Some people got the idea that it was fundamentally a progressive party. Thus when the Labor Party was elected in late 1972 there was a good deal of mass enthusiasm for it. This was based upon a

misconception of its true nature. In saying that, it is not to say for a moment that some of its measures were not progressive; they were, and there was room for enthusiasm about them. All that is meant is that the basis for them and the capitalist nature of the Labor Party needed to be understood.

When the economic crisis deepened and the Labor Party was seen increasingly to take anti-popular measures, disillusionment set in. One way this disillusionment expressed itself was in loss of parliamentary support for the Labor Party. But again if the real basis of its measures, its own real capitalist character, the nature of capitalism in Australia and the nature of parliament as a multi-national institution were understood then there was no basis for illusion or disillusion. The whole thing is then perfectly comprehensible.

The social problems will not be solved in parliament at all. Nor will they be solved by the Labor Party or any other parliamentary party. And they will not be solved by loss of parliamentary support for the Labor Party or parliamentary support for the Liberal National Country Party.

It is quite wrong to blame the Labor Party as such for what has happened. It is not responsible. It is simply a party of capitalism which administers capitalism and must therefore, as a part of capitalism, share the responsibility for it.

By its nature the Labor Party refuses to acknowledge unequivocally that it is a party of capitalism. Of course if it did acknowledge this it would lose one of the very qualities useful to the multi-nationals and capitalism, namely the pretence that it is socialist. Accordingly

it is vital to its service to the multi-nationals and capitalism to represent itself as a Socialist party or a democratic Socialist party. Commonly its leading spokesmen, particularly its "left" spokesmen, speak of socialism. It is true too that in 1921 the Labor Party adopted what was called the socialist objective in its programme. None of this has altered in any way the basic character of the Labor Party as a party of capitalism. The fact is that under Labor Party governments in Canberra and all the States, capitalism has grown and flourished. Labor Party governments in Australia facilitated the entry and prosperity of multi-nationals in Australia. The Labor Party is simply an administrator for the multi-nationals. At best, as has been said, it gives slightly more emphasis to Australian nationalism than its parliamentary competitors and sometimes pursues a more humanitarian policy than those competitors.

Because it uses the term socialist and speaks of socialism its parliamentary competitors commonly speak of it as a "socialist" party or speak of its members as "socialists". They then point to the mess in capitalism when a Labor government is in office and claim that this mess is the result of socialism and is the doing of the socialists. This will not stand up to a minute's examination. The Labor Party is not a socialist party and has never taken a socialist measure. The effect of the allegation of socialism against the Labor Party is two-fold. First it attracts those to whom socialism has some vague appeal and second, it is aimed at discrediting socialism, because what the Labor Party does has nothing in common with socialism and the misrepresentation that it has something to do with socialism results only in discredit to socialism. True soc-

ialism means people's ownership of the means of production and the dictatorship of the proletariat (rule of the vast majority) to enforce that people's ownership. Socialism and its attainment have nothing in common with a parliamentary road to socialism, with legislating for socialism. Parliament is simply an institution of capitalism.

The Labor Party historically arose as a party of liberal reform within capitalism. It was a liberal bourgeois party. But on to this liberal bourgeois party in 1921 there was grafted a socialist objective. The socialist objective is a mere matter of words. Even the words have been whittled away over the years. Unlike some of the big European social-democratic parties which historically arose as parties of socialism and degenerated to parties of capitalism, the Labor Party did not arise as a socialist party. Only in 1921 did it graft onto its bourgeois liberal nature the trappings of a socialist objective and of social democracy. This was to cope with and mislead the then rising sentiments of socialism among the people. These trappings in no way altered its fundamental character as a party of capitalism.

It is correct that many of the Labor Party rank and file have genuine socialist sentiments. They too become confused when their Party leaders continually avoid socialism. They hope from year to year that the genuine socialists in the Labor Party will come to the top. This hope has been nurtured for years. It will never be realised. Facts prove that the Labor Party genuine left can never attain leadership of the Party. "Left" leaders like Cairns, Cameron and others commonly get into the leadership but their role is really to mislead, appease and subdue the leftward trends among the workers.

The Labor Party historically in Australia has been brought to office precisely to preside over crises in capitalism. This is because of its "left" appearance, its "socialism", the "socialists" within it. The capitalist class, the multi-nationals whose weapon the Labor Party is, use it particularly in times of crisis to impose their will on the people who in times of crisis are inclined to revolt against capitalism and its multi-nationals. All this pushes to the forefront the irreconcilable contradictions within the Labor Party, particularly its misrepresentation that it serves the workers when in reality it serves the multi-nationals. Hence the Labor Party is in continual crisis. The rank and file and genuinely left orientated supporters of the Labor Party revolt against the rightwing policy. The middle sections of the population who mistakenly believed the Labor Party would consistently carry out a humanitarian policy turn away in a parliamentary sense and vote against the Labor Party. The Labor Party is in grave danger of being defeated in parliament and in parliamentary elections because it is a party of capitalism while misrepresenting itself as a party of the workers and a party that can carry out humanitarianism. When this is exposed by harsh reality as false, the Labor Party comes undone in the wholly inhuman system of capitalism. But the truth is that it always was false. The only change is that its falsity has been pushed to the foreground by the inexorable march of events and by the ruthless methods by which the Labor Party itself administers capitalism. Indeed in the current crisis of capitalism the Labor Party has been comparatively ineffective in controlling struggle.

If this is kept steadily in mind then it is easier to offer the solution to economic crisis in Australia.

## CHAPTER SIX

### THE LIBERAL AND NATIONAL COUNTRY PARTY IN AUSTRALIA

The alternative parliamentary party (or parties) to the Labor Party is the Liberal Party allied as it is with the National Country Party or whatever name it gives itself.

These parties and their predecessors under various names have always openly championed free enterprise, capitalism. They have always been nakedly and unashamedly allied with the imperialism which for the time being was dominant in Australia. Thus Menzies, the Liberal Prime Minister for many years, slavishly followed British imperialism and then U.S. imperialism. His successor Holt coined the notorious "All the way with LBJ" the LBJ being the initials of the U.S. President Johnson. The Liberal Prime Minister Gorton, though far more Australian in his outlook than Menzies or Holt, still said of U.S. imperialism "We'll go awaltzing Matilda with you".

The Liberal Party has constituted the government many times. When it has been the government, the Labor Party has been in opposition. The "fight" in parliament was between these two parties. The capitalist party and the socialist party "fought". But capitalism and the multi-nationals which are its core, came to no

harm over this fight. Insofar as there was any real content in the fight, it concerned only the tactics of how to manage capitalism and concerned the spoils of office. At the same time in the "fight" the Labor Party showed more nationalism and more humanitarianism than the Liberal Party.

The Liberal Party and the National Country Party are directly connected with the great multi-nationals in Australia. The leaders of these parties are direct agents of these multi-nationals. On all counts they represent the interests of the multi-nationals.

In the so-called loans affair of 1975, for example, when the Labor government sought finance from sources that departed a little from the multi-nationals, the leaders of the Liberal and National Country Parties made it appear that the greatest crime in the history of Australia had been committed. From their standpoint this was possibly true because to by-pass the multi-nationals in such a profitable transaction is indeed a crime in the eyes of those multi-nationals.

On every social question, the Liberal and National Country Parties take up a reactionary position. They have starved education, hospitals, pensions, social services of every kind. They fight to "discipline" the workers.

In short, the Liberal and National Country Parties, in directly serving the multi-nationals, stand for hard tactics and make little or no concession to soft tactics. This is a difference between the Labor Party on the one hand and the Liberal-Country Parties on the other.

There is no difference in the fundamental sense that all of them stand for the preservation of capitalism. The nature of parliament has been previously described.

These three parties in Australia make it work.

The sham fight, with sometimes its elements of real fight, over tactics, is commonly presented as the real fight and people are deluded into voting in parliamentary elections as though on the outcome their fate will be decided. All history shows the falsity of this. It is time to consider it very carefully.

The picture is more complicated by the existence of the Senate. Here the parliamentary "debate" is continued. Because at the moment (1975) the Liberal and National Country Parties effectively can command a majority in the Senate, they can throw out legislation promoted by the Labor government. This gives the appearance of real fight. But it is not that (except on some questions of tactics). It is part of the struggle for spoils of office. The Senate did in 1974 threaten supply and precipitated an election. Again it appeared as real rather than sham fight. But the election determined nothing on the critical question of which social class ruled Australia, who owned Australia and would the cause of the common people be promoted. In short, the rule of the multi-nationals continued. Had the Liberal-Country Parties won the election, their tactics in handling the people would have been tougher than those of the Labor Party, their vigor in further selling out Australia to the multi-nationals would have been greater. These are marginal differences. Within the very artificial and narrow confines of parliamentary elections and parliament, people were compelled to make a choice. They chose the Labor Party. That was all right so long as the Labor Party was understood as a party of capitalism. It has all the elements of a false choice.



Parliament offers no solution, parliamentary parties offer no solution and it is unreal to present the question as though they do.

Another factor in Australian political life is the existence of the six separate States. These six separate States were the original colonies of British imperialism that in 1900-1901 were "welded" together to constitute the Commonwealth of Australia. Each of them has its own parliament, each with an upper (except in Queensland) and lower house. Here, too, the sham parliamentary fight is conducted, with parliamentary elections every 3 years or so. All this goes to feed the illusion that it is parliament that counts. However, parliaments have come and gone, governments have come and gone but capitalism in Australia with the multi-nationals straddling the economic lifelines has developed. The States have been used by the multi-nationals against any threat to the multi-nationals and as a protection against them by a nationally minded Australian government. There has in fact been little or no threat but the multi-nationals have tied up both central and State governments. Or put better, both central and State governments serve these multi-nationals. It has been Liberal and National Country Party State governments that have been particularly tied to the multi-nationals.

Our conclusion must be that whether in the national or State spheres, parliament and all its works are simply the creatures of the multi-nationals and capitalism. No one should be deceived that this is the real government of Australia.

Just as economic crisis is not the responsibility of the Labor Party as such, neither is it the responsibility of the Liberal and National Country Parties. All of them are capitalist institutions which are part of and serve capitalism and make it "work". But the capitalist crisis arises from the fundamental economic and social laws of capitalism. These parties are the facade which conceals, and sometimes reveals, the real rule of Australia by the multi-nationals. By pretending to rule Australia they accept responsibility for economic crisis. But still the reality remains that the cause of economic crisis lies deep in capitalism itself and these political parties are products of that capitalism just as is economic crisis.



## CHAPTER SEVEN

### THE REALITY OF CLASS STRUGGLE

There is a very difficult problem if social matters are looked at solely from the standpoint of parliament and parliamentarism. One can say broadly that people with progressive sentiments who believe in parliament have voted for the Labor Party because they believed that it was a party of progress. They voted for it in Australia in particular conjunctures of circumstances. Thus in 1972 the economic situation was better than it is now (1975) but it was already threatening and therefore people felt the ALP would help. Before the election of 1972 there was a whole host of neglected social service fields and just as importantly, a very reactionary foreign policy. The Labor Party undoubtedly did a great deal to clean these up.

Many people voted for the Labor Party on this sort of basis. They thought, perhaps many of them in a vague and ill defined way, that the Labor Party would introduce fundamental change. When it turned out that the Labor Party in conditions of deepening economic crisis pursued a reactionary policy, people became disillusioned and they turned to the Liberal and National Country Parties. Thus there was a huge swing

in the Bass by-election (1975) against the Labor Party. This represents a general picture if one looks at it in parliamentary electoral terms.

Put in another way, it means that many people still accept parliament as an institution and accept the parliamentary parties as real alternatives in solving the social problem. They see it as a case of when one parliamentary party "fails", it is necessary to turn to the other.

As has been said, this is not the real solution. It is an unreal choice; it is really no choice at all.

The starting point must be made much earlier. The real nature of society in Australia must be studied and understood. The real nature of parliaments in Australia must be studied and understood. The real nature of the parliamentary parties in Australia must be studied and understood. They are all part and parcel of capitalism. It is not, never has been and never will be a solution to have an electoral swing for or against one or the other. This is for the simple reason that elections are the illusion and not the reality of choice of power. The choice of power really lies between the multi-nationals and their collaborators on the one hand and the workers, working and patriotic people on the other.

Thus a massive electoral swing against the Labor Party and massive support for the Liberal and National Country Parties solves absolutely nothing. It leads to certain marginal differences in the administration of capitalism but it does not fundamentally alter the lives of the people who constitute that massive electoral swing. It will not fundamentally alter the lives of the Australian common people.



In short, there is no solution whatever in parliament, parliamentary elections nor parliamentary parties.

The real affairs of Australia are run and decided right outside parliament and the parliamentary parties: parliament only incidentally deals with those affairs. Decisively those affairs are run by the multi-nationals.

Parliament, elections, parliamentary parties suit these real rulers at particular times. They suit them particularly in times of the development of capitalism. In these times endless indoctrination and propaganda go into extolling the virtues of parliament, parliamentary election, parliamentary parties, democracy, the rule of law, law and order, etc. This is because it is much easier to maintain their real rule by deceiving the people (contrary to the fact) that they, the people, are the real rulers.

In the development of this "social theory" people get the idea that the only choice they have is between two "competing" parliamentary parties at a parliamentary election. It must be said that historically in Western countries the ruling circles have had considerable success with these ideas, with this process of indoctrination about the superiority of parliamentarism. However in this whole process there are elements of great danger for these same ruling circles. People into whom ideas of democracy have been so driven from childhood, through out life, are apt when they see that these ideas are illusory, to want the reality. And the reality means real power to the people and a real end to the power of the multi-nationals.

The capitalist class has never put all its eggs in the basket of parliament, parliamentarism, "democracy". It has never been so unwise as to take the chance of ruling solely through the deception of parliament etc. It has always retained armed force.

Real power is armed force, coercion. Beneath the pretence of parliament there has always been the real power of the army and police forces in so-called Western democracies. This is so in Australia no less than anywhere else. The army and the police forces are the real components of the state power of the multi-nationals. There is countless historical material to prove this beyond any doubt. Contemporary times abound with examples. It is always that class or group which controls the armed forces which wins the day. Time after time in recent years the truth of this has been witnessed. Is Australia any exception to this? Not at all.

The multi-nationals keep themselves prepared, precisely on this front. They are never unprepared on this front. Their army is always ready for internal repression; it prepares itself specially on this front; likewise the police forces. Even on simple issues of picketing, strikes, demonstrations, in Australia, it has been seen that police are always available with the army standing by.

The multi-nationals through their newspapers, radio, television, theoretical organs, raise the question of the breakdown of parliamentarism and the question of dictatorship from the left or the right. Actually it is largely correct to raise the question of the breakdown of parliamentarism and dictatorship of the left or the right. It is putting the question in correct terms and in

non-deceptive terms. Of course, it is putting it in terms from their point of view to prepare the way for dictatorship from the right by open force, fascist dictatorship or as it has been defined, the open terrorist dictatorship of monopoly capital. (Under capitalism, whatever the form of rule, there has always been dictatorship of the right but here we consider the throwing off of the parliamentary form.)

It is largely correct because actually the real choice of power is between the multi-nationals who appropriate the products socially produced as described earlier and on the other hand, those many social producers. Thus the question of open dictatorship from the right or left comes back to this basic social question discussed earlier. It really means, is it correct for the coercion (finally through army and police) of the tiny minority of multi-nationals and their collaborators to be exercised over the vast majority of workers, working and patriotic people who are directly or indirectly exploited by those multi-nationals? The maintenance of this rule is always dictatorship but it is commonly concealed behind a facade of democracy. When it is said parliamentarism and democracy are breaking down and there is the question of dictatorship of the right or the left, it really means the right is seriously considering maintaining its dictatorship by open force (rather than concealed force).

The truth is that the parliamentary institution is breaking down because despite massive electoral swings spoken of earlier there is a developing disillusionment with the whole system and very deep cynicism among the people about parliament and parliamentarism. More over the multi-nationals estimate that "democracy" has

almost run its historic course. Indeed a massive swing accelerates the process because it carries the danger of destroying the Labor Party as an effective parliamentary party and thus dealing a mortal blow at parliament itself.

If the people reject parliament, what then? The multi-nationals at all costs want to preserve their assets, their profits, their exploitation. Again there is plenty of precedent — open military dictatorship. Hence when there is this propaganda about dictatorship from the right it is at least talking in terms of truth, in terms of reality and not illusion.

The reality of multi-national class rule which rests upon the army and police forces comes very much more to the fore in times of the economic crisis of capitalism. That is all to the good for the understanding of the question. It very much assists an understanding of this very important question, indeed the most important question of politics, the question of state power. It reveals the state power of the multi-nationals free from all the humbug and deception of parliamentary elections, democracy and so on. It means that the multi-nationals come out unequivocally and say, "This is our state power and we intend to hold it directly by armed force". It lets everyone know where they stand rather than being confused and divided by the deception of parliament, democracy, etc. The multi-nationals stand at all times ready to cast off the deception of parliament and democracy in Australia. Recent experience in India shows just what can happen. Through parliament itself a dictatorship which rests openly on the army, police and gaols was established overnight. Hitler's fascism showed an open resort to armed force. At all times the

ruling circles use both deception and force. But deception is wearing thin and so force must come to the top. And these spokesmen of the multi-nationals do us a service by putting the question as one of dictatorship of the left or the right.

In Australia not for a moment should the people forget the never ceasing activity of the over 30 U.S. military installations in Australia, the never ceasing activities of the CIA in Australia nor the Australian army, Australian police, ASIO, etc. They never sleep. They have thoroughgoing contingency plans for the complete and open control of Australia in military dictatorship. This is the dictatorship from the right.

The very confusion and disillusionment with parliament are seized upon to impose the dictatorship of the right. The very evils of capitalism such as corruption are seized upon as weapons in establishing the dictatorship of the right.

The prospect of dictatorship of the right in Australia is real indeed. It is something that must definitely be reckoned with. It is absolutely nothing to be terrified about. No dictatorship from the right can ever last long because it is based on that contradiction described earlier between a handful of multinational appropriators of commodities socially produced, a contradiction that gets deeper and deeper, leads to ever growing crisis and in the end bursts through capitalist relations so that the social producers also become the social owners. The dictatorship of the right cannot make capitalism work. In addition, of necessity it lacks mass support. Even the seemingly all-powerful Nazi dictatorship of Hitler lasted only 12 years. But in

saying that, one must not take the matter lightly. The moves to dictatorship of the right must be fought to the end. Every manifestation of fascism and fascist measures must be fought now because to fight now is essential in the development of overall fight.

When these people pose the question dictatorship of the left as the alternative, again they pose the question in terms of reality. By left, we mean the workers, working and patriotic people of Australia, that is, the great majority of Australians. The workers engaged in that process of socialised production already described are the core of that majority. Thus in terms of reality in Australia, dictatorship of the right or the left means either the dictatorship of the tiny minority of multi-nationals and those who collaborate with them or dictatorship of the overwhelming majority of Australian workers, working and patriotic people over this tiny minority of multi-nationals and their Australian collaborators.



## CHAPTER EIGHT

### SOCIALISED PRODUCTION WILL BE EXTENDED TO SOCIALISED OWNERSHIP

There is an additional very important factor that hangs over Australia. Earlier brief reference was made to the contention and struggle between U.S. imperialism and Soviet social-imperialism. This is a world-wide contention and struggle. It directly affects Australia.

Capitalism in Australia was initiated by British imperialism. It grew up and flourished. British imperialism declined. On a world-wide scale, British imperialism was edged out by the younger and more vigorous U.S. imperialism. U.S. imperialism pushed British imperialism into the background in Australia, took her place and greatly developed U.S. imperialism's hold on Australia. Thus whereas British imperialist enterprises had earlier largely controlled Australia's lifelines, after World War 1 and even more so after World War 2 U.S. imperialist enterprises controlled Australia's lifelines.

Now U.S. imperialism is declining as an imperialist power. Soviet social-imperialism is the new imperialist power bent on world domination. From being a socialist country in the days of Lenin and Stalin, the Soviet Union turned into its opposite. Under Khrushchov and his heirs a resurgent capitalist class came to power in the Soviet Union. In 1956 Khrushchov made his well known report

to the 20th Congress of the Communist Party of the Soviet Union. That speech is readily available. A reading of it will show that despite its being dressed up in Communist terms, it is a "theoretical" blue print for the imperialist expansion of the Soviet Union. (The leadership of the Soviet Union is referred to as Soviet social-imperialism because it is socialist in words and imperialist in deeds.)

All experience shows that imperialism, and by imperialism in this connection is meant the big imperialist powers, seeks world domination, it leaves no part of the world however insignificant, untouched. When one imperialist power declines its rivals edge it out. Thus when British imperialism declined U.S. imperialism edged it out. Later Soviet social-imperialism edged out U.S. imperialism. Thus India provides a spectacular example where Soviet social-imperialism has edged out British imperialism and U.S. imperialism. Of the imperialist powers, Soviet social-imperialism occupies the dominant position in India.

Australia is also affected by the life and death struggle between U.S. imperialism and Soviet social-imperialism. This life and death struggle explains much about Australia's affairs.

As explained earlier, the Liberal National Country Party has direct connections particularly with the U.S. multi-nationals in Australia. Menzies' reference to the benefit of the "benevolent commands" of U.S. imperialism Holt's "All the way with LBJ" Gorton's "We'll come awaltzing Matilda with you", illustrate this. U.S. imperialism is feeling its decline, and in its decline, is very sensitive to the challenge of Soviet social-imperialism. Hence in Australia it is husbanding all its resources and

calling upon its agents to fight harder for it. Early in 1975 Fraser, the Liberal leader, said that there would be no election in Australia until the Labor government had run its parliamentary term and there would be no Senate obstruction. As the year went on and the challenge by Soviet social-imperialism to U.S. imperialism intensified, Fraser changed his position. He worked for election and the defeat of the Labor government. This was at the bidding of U.S. imperialism and the U.S. multi-nationals in Australia for various reasons, one of which is the struggle with Soviet imperialism. U.S. imperialism and the U.S. multi-nationals in Australia want to be absolutely sure that they have unquestioned agents in the administration of Australia. They are not prepared to tolerate even the slightest development of Australian nationalism or humanitarianism manifested in the Labor government. This is despite craven statements like that of the Labor Minister for Defence Morrison to the effect of all the way with the USA, nor the fundamentally loyal service of the Labor government to U.S. imperialism and for the U.S. multi-nationals.

The imperialist expansion scheme of Khrushchov for Soviet imperialism carried out by him and his heirs envisaged use by the Soviet social-imperialists of parties like the Labor Party in Australia and trade unions like the trade unions in Australia even though these parties and trade unions may not be pro-Soviet. Khrushchov put it in this way: "... expanding in every way international contacts; personal contacts between Soviet statesmen and those of other countries; contacts between representatives of our Parties and workers' parties of other countries and between trade unions; greater ex-

change of parliamentary, social and other delegations; the development of trade and other economic ties; and the expansion of tourist travel and student exchange." "Unity of the working class, of its trade unions, the unity of its political parties, the Communists, Socialists and other workers' parties is acquiring exceptionally great importance." He spoke of healing the split in the working class by which he meant uniting the Communist and Labor Parties (which latter are parties of capitalism). The "Communist" Parties were transformed too into parties of capitalism. He spoke of unity of the labour movement. He spoke of parliamentary transition to socialism, "... to capture a stable majority in parliament and transform the latter from an organ of bourgeois democracy into a genuine instrument of the people's will. In such an event this institution, traditional in many highly developed capitalist countries, may become an organ of genuine democracy, democracy of the working people." It can be seen that these statements have nothing in common with the true position of such capitalist institutions as parliament as they have been explained in this booklet. What Khrushchov was really saying was that parties like the Labor Party and puppet Soviet parties like the Socialist Party of Australia should get together, the Labor Party is a large parliamentary party, either it is the government or opposition, the Soviet government will carefully cultivate it and work with it as part of the expansionism of Soviet social-imperialism. This is one of the ways Soviet social-imperialism envisages extending its tentacles into Australia. Hence it has very carefully tried to cultivate the Labor government and the trade unions. It has promoted its own party in Australia, the Socialist



Party of Australia. It has directed that party to extend Soviet influence in the working class and among other sections of the people. The Socialist Party of Australia tries to do just that. It has no mass basis. But it spreads material for Soviet social-imperialism and uses the exact phrases of Khrushchov. One of the central purposes of the exercise is for the Soviet social-imperialists to cultivate the Labor Party as **their instrument**. The Soviet social-imperialists have sent to Australia an ambassador named Basov. Basov is a member of the Central Committee of the "Communist" Party of the Soviet Union, an important person in Soviet eyes. Why send him here? He has a role akin to that of Marshall Green for U.S. imperialism. Basov has stepped up Soviet intelligence activity in Australia. He has the task of developing Soviet influence in Australia and the surrounding countries. He has offered "aid" to New Guinea and for "aid" there must be read exploitation; he has spoken of the Pilbara in Western Australia as a "jewel in which the Soviet Union is interested". He has striven to develop close relations with the Labor government; Whitlam and Crean were feted in Moscow. Basov moves among Australian business men and carefully cultivates them.

In the bitter contention and struggle between U.S. imperialism and Soviet social-imperialism in Australia the U.S. imperialists are well aware of the activities of Soviet social-imperialism including its attitude to the Labor Party. This is an important factor in their attitude of getting rid of it and eliminating this danger. There are other factors some of which have been adverted to. They call on Fraser, Anthony and Co. to get rid of the Labor government electorally. Undoubtedly an aspect of

the loans debate was influenced by this for one institution involved in the loan to the Labor government was the Moscow Narodny Bank.

But it involves all issues of imperialism in Australia. The U.S. imperialists to whom the Labor government has given good but slightly qualified service, seek administration of Australia by people who are their unqualified agents, Fraser and Anthony. The hatred of such people for Soviet social-imperialism has a certain progressive aspect but of course it is dictated by U.S. imperialism. Australians want neither U.S. imperialism nor Soviet social-imperialism.

As has been said many times, the parliament is simply an institution of capitalism. But parliamentary doings are important. They commonly show what is going on among the ruling circles and between the imperialist powers. The contention and struggle between U.S. imperialism and Soviet social-imperialism in Australia explains much of the conflict in the ruling circles. It confronts the workers, working and patriotic people with the task of getting rid of both U.S. imperialism and Soviet social-imperialism.



## CHAPTER NINE

### AUSTRALIAN WORKERS, WORKING AND PATRIOTIC PEOPLE EXPERIENCE A NEW AWAKENING

The Australian workers who are employed in the great factories, particularly those of the multi-nationals, are indeed engaged in socialised production. It is the commodities that they produce in socialised labour that are individually appropriated by the multi-nationals. This is therefore the centre of the conflict between the Australian people and the multi-nationals. But it is only the centre. Around these workers who are immediately and directly exploited in socialised labour are many other people — intermediate sections of the population who are also squeezed and oppressed by the multi-nationals, farmers, clerks, public servants, shopkeepers, smaller capitalists.

It is vital to understand that this division is the critical feature of Australian life. It is quite independent of parliaments, parliamentary elections, democracy, police, army, courts, arbitration commissions, etc. It exists as a fact whether or not one approves of it.

Actually it is inevitable that sooner or later this process of socialised labour that already exists will be extended to socialised ownership. It is inevitable because the contradiction that now exists is productive of economic crisis and war. This contradiction actually restricts the full development of production. Despite the

huge amounts of commodities that are produced, everyone knows that the full possibilities of production are restricted. Everyone knows of the suppression of inventions, refusal of development because of costs and market difficulties, etc. This is because the free development of the productive forces has become impossible under capitalist relations of production. Hence there is deep economic crisis in Australia and the capitalist world. There is poverty in the midst of plenty.

The extension of socialised production into socialised ownership solves the problem — production can go ahead. It merely means that those who now are already engaged in socialised production become the social owners in place of that handful of multi-nationals. They produce now for use and not for profit. And the other sections of the population are looked after with the exclusion of the multi-nationals. On this footing, it is the workers employed in the multi-national factories who have the most immediate and direct interest in getting rid of those multi-nationals. On the other hand, it is those multi-nationals who strive by everything they have to hang on in Australia. They oppress all the people and are the main enemies of all Australian workers, working and patriotic people.

Again this fits in with the terms of the question put by the commentators — dictatorship of the right or the left? In turn, as has been seen, this question really means rule by the tiny number of multi-nationals or rule by the immense majority of people.

Once more, this question is quite independent of questions of parliament, parliamentary parties, democracy, courts, arbitration commissions etc.



But it is necessary to comment on them again. They are institutions which serve the real economic and social power of the multi-nationals. The real choice is not in parliament, parliamentary parties, democracy, courts, arbitration commissions, etc. The real choice lies between rule by those multi-nationals and in their interests or rule by the workers, working and patriotic people. This must be clearly seen and understood. If it is seen and understood, then all other problems can be seen and understood. The real choice lies only in this way and the existence of parliaments, parliamentary parties, democracy, courts, arbitration commissions, etc. confuses this real choice.

Earlier it was shown that under these institutions multi-national capitalism in Australia has thrived and grown. This is for the very good reason that these institutions serve these multi-nationals. These institutions are the institutions of the multi-nationals; they are forms of the rule of the multi-nationals.

Actually they serve as forms to preserve that base of socialised production and individual appropriation previously discussed. That is their very purpose. Positively it is their purpose to prevent any interference with it.

Just because the contradiction between socialised labour and individual appropriation has developed so acutely these forms are no longer as effective as they were. It is precisely this development of that contradiction with its crises and wars that leads the commentators in a panic to pose the question of dictatorship of the right or left. That is to say the reality of class relations, the reality of the mechanism of capitalist exploitation,

is pushed to the fore. When it is pushed to the fore, the mass of people question the whole of the institutions set up to maintain exploitation. So parliaments, parliamentary parties, democracy, come under challenge.

It is at this stage that the multi-nationals know or sense more acutely than hitherto the challenge of the people. This is the actual process that is going on. This is why they raise the question of dictatorship of the left or the right.

It is true that the process of awakening to the fundamental issues by the people is a complicated one. Not everyone sees the matter in terms that have been put here. But they will come to see it in those terms. It is being forced on their consciousness. The very raising of the question of dictatorship of the right or the left is evidence of it.

The mass disillusionment with parliament, parliamentary parties, democracy, even swings against the Labor Party, are part of the process of awakening. The awakening is towards seeing the multi-nationals and Soviet social-imperialism as the enemies of Australia and as the basic cause of the difficulties and seeing parliament, parliamentary parties, "democracy", as their weapons. The awakening proceeds step by step to an awakening that the workers, working and patriotic people must drive out of Australia these multi-nationals and establish ownership of their undertakings by these same workers, working and patriotic people. The awakening extends to understanding that basic contradictions so often referred to here, that between socialised production by the great mass of workers and

individual appropriation of products so socially produced by the handful of multi-nationals.

Because quite a number of people believe that the Labor Party stands for some form of socialism and expelling the multi-nationals, it is necessary for a moment to return to it. It has been shown that parliament and parliamentary parties are simply devices of multi-national dictatorship. The Labor Party on this view is part of that device. One argument that is raised is that it is wrong to criticise the Labor Party because the Liberal National Country Parties are far worse and it does the workers no good to criticise the Labor Party. Or it is said in another way that for all its faults the Labor Party is better than the others and anyway something can be done about reforming the Labor Party. The argument takes many forms. Good honest people adhere to one form or another of the argument. They maintain elements of loyalty to the Labor Party through thick and thin. They cling to the hope that it will do something fundamentally good. All this must be deeply appreciated and understood. But the reality that the Labor Party is and will remain a party of capitalism which cannot be reformed will come to be understood more fully as experience of the actual capitalist character of the Labor Party develops. Again a part of this is expressed in electoral swings against the Labor Party. But the experience and lessons must yet develop and be developed.

In the viewpoint advanced in this booklet the question of the Labor Party or Liberal National Country Parties is a false choice in a false institution, parliament. It does not touch the real question. That

real question is the ownership of Australia and what the workers, working and patriotic people are going to do about it. It does no good to cover up the real choice. Indeed, the real choice is thrust more and more to the fore. The question then is how to deal with it. It can only do good to explain and explain again and again the fraud of parliament and the fraud of parliamentary parties and the deception that the Labor Party is a party of the working class when in reality it is a party of capitalism. There is no disrespect at all of those who have loyalty to the Labor Party to explain exactly what the Labor Party is. Indeed it would be betrayal of respect for those people to fail to explain the real character of the Labor Party.

It only does damage to criticise and explain the Labor Party if one starts off by accepting the illusion of parliament as the reality. If one starts off by accepting the reality of multi-national rule of Australia, then the explanation and criticism of the Labor Party namely that it is a party of capitalism, while purporting to be a working class party, is vitally important.

Thus criticism of the Labor Party is not criticism just for criticism's sake, not attack for attack's sake. It is not irresponsible. It is to serve a fundamentally important purpose, that purpose being to find the correct path to Australia's real independence from the multi-nationals.

It is not helping the Liberal-National Country Parties if the Labor Party is criticised in this way because a fundamental criticism involves starting with the multi-nationals, their control of Australia and its institutions. All that happens now is that there is a

change of horses by those multi-nationals within their parliamentary institution, between these two Parties — Labor Party and Liberal National Country Party. Again, this is not to deny that in certain times and in certain circumstances, the Labor Party has had a better national outlook, a better social service and humanitarian outlook nor is it to overlook the administration of savage repression of the people by the Labor Party in times of deep crisis or what the multi-nationals saw as deep challenge to their positions.

It is very, very important for people to think this whole matter over. Times compel thought about it.

Of course too the Labor Party is by no means the only safety valve the multi-nationals keep, by no means the only weapon of deception. Among the workers, they also keep trade union politics, what has been called orthodox trade unionism. This form of trade unionism accepts the permanence of multi-national rule and domination of Australia and, just like the Labor Party, serves that domination. Thus the elaborate system of ACTU, Trades and Labor Councils, trade unions, really keep the workers within the confines of multi-national rule of Australia.

Again there is criticism that it is wrong to attack and criticise the trade unions. It is said that the trade unions are the bastion of the workers and anyway they are all that the workers have to resist the pressure of the multi-nationals.

It must be said that this too is a complicated question. It is true that on certain limited issues the trade unions do protect the workers. It is true that many workers recognise very serious shortcomings in

the trade unions but maintain a basic loyalty to them. Nor are we urging people to leave the trade unions. Still once again it is necessary to ask what sort of trade unions? Do the trade unions as at present constituted in Australia do anything about that basic contradiction between the socialised process of production in the multi-national factories and the private appropriation of the products so socially produced, the cause of economic crisis and war? It must be frankly said that they do not. On the contrary, the ACTU and its affiliates are bastions of the whole social system, bastions of the multi-nationals. This is the hard reality and it is best to state it frankly. The workers are step by step coming to understand this. They are assisted in understanding by seeing the ACTU endorse the wage freeze (under guise of cost of living adjustments to wages) of wages in 1975, by the speed with which the ACTU has always rushed to extinguish wage demands, by the ACTU entry into big business ventures, etc. etc. All this is assisting an understanding that the existing trade unions are, like the Labor Party, for the maintenance of multi-national rule.

It does not "weaken" the trade unions to say this. It points the way to what must be done to get rid of a trade union system tied to the multi-nationals and their capitalism in Australia. It is again a false choice to pose the question for or against the trade unions. The real issue goes again, for or against the multi-nationals and the institutions which serve them.

Certainly this does not exhaust the picture of deception that exists in Australia to cover up the

reality of multi-national rule. It is, however, sufficient to illustrate a very extensive process.



## CHAPTER TEN

### FOR ANTI-IMPERIALIST PEOPLE'S DEMOCRATIC REVOLUTION

This booklet opened by attempting to explain the basic cause of economic crisis in Australia. It explained that the basic cause of it lay in the ownership of the productive forces (factories, mines, etc.) in Australia by a handful of multi-nationals and the dependence of the workers, working and patriotic people upon those multi-nationals. This is productive of economic crisis and war.

Then it was explained that all institutions such as parliament, parliamentary parties, democracy, trade unions, etc. serve those multi-nationals in maintaining their exploitation and domination.

The plea was made to see the reality of Australia and not to be misled by illusions.

The essential truth of statements about dictatorship of the right or the left was commented upon.

All this being so, it is necessary to seek to show how these critical questions can be solved. The starting point must be to reject entirely that politics means parliamentary politics. That parliamentary politics is real politics is sheer illusion. Reality is that politics whether revolutionary or counter-revolutionary, is the struggle of class against class, not the activity of a few individuals. (Mao Tsetung)

This is indeed plain reality.

The problem is the political solution of the contradiction between the multi-national ownership of Australia and the exploitation of the Australian workers, working and patriotic people. It is clear that this is not going to be through parliament, parliamentary parties, democracy. In short, it is not going to be solved through the very institutions of these very multi-nationals. It is not going to be solved through the Labor Party nor through the trade unions. Indeed it will only be solved despite those institutions.

The only solution lies in the struggle of the people led by those workers directly employed in the factories of the multi-nationals who, as pointed out earlier, have the most immediate and direct interest in ending the private monopoly of these multi-nationals. This struggle goes on all the time but it goes on unevenly and not with immediate consciousness of where it is going. That is why it is necessary to think over all previous experience and to cast aside all illusions.

The multi-nationals and their collaborators have no illusions. They maintain army, police, gaols and other coercive measures to enforce their rule. They stand ready to cast aside every pretence of democracy. They have no aversion to, on the contrary a great fondness for, dictatorship of the right by open force. It is precisely on the front of violence that they prepare to meet the ever growing challenge of the people.

This too is reality. To deal with that reality the people must be equally real. No army nor armed police can be dealt with by unarmed people. The class which controls the armed forces rules. In Australia, at the

moment, it is the multi-nationals and their collaborators who control the armed forces. Through all the deception of parliament, parliamentary parties, democracy etc. the armed forces remain the key to their power. Sooner or later in the resolution of that contradiction which has been referred to and which history pushes to resolution, the people must overwhelm the armed forces of that tiny minority of multi-nationals. Only by overwhelming their armed forces can the basic social contradiction be solved.

However for generations, people have had it instilled into them that they must not take up arms, that they must be passive, obey law and order, the rule of law, that parliament is the place democracy prevails, etc. Actually, if all that is true, then there is no earthly reason why all the people should not be armed — no one could possibly come to any harm.

It is in fact just not true and the people are disarmed and ideologically persuaded to remain unarmed just because it is not true. The truth is that that handful of multi-nationals demands and enforces a monopoly of arms and armed force for itself directed precisely against the people whom it insists on keeping unarmed.

The question of force and violence is a very emotional question. Many people say they detest force and violence. And only a fool would extol the virtues of force and violence. Everyone with any sense wants the abolition of force and violence.

But reality must be faced. That reality is that there is indeed force and violence in Australia today and in the world. This is the force and violence in Australia of the multi-nationals and their collaborators. It is not the



obvious force and violence of shooting people in the streets. Nonetheless it is actual force and violence and concealed force and violence. The force of the police is clearly enough seen on working class and people's issues in strikes, picketing, people's demonstrations. The gaols are force enough and basically they are for rebellious workers. The army has been used to work mines and wharves and other essential installations. But more importantly it stands poised all the time to exercise real force and violence to maintain the exploitation and power of the multi-nationals over the people. Reference has been made to the large number of American military, naval and air installations in Australia. What would they do if the workers in Mobil, G.M., Fords, Chryslers, decided to extend the socialised production in which they are already employed into socialised ownership and drove out Mobil, G.M., Fords, Chryslers? It is only necessary to pose the question to answer it. It is well known that there are contingency plans for the multi-nationals to take over Australia. The course taken by the CIA in many countries is too well known to require repetition. That CIA operates fully in Australia. The many inquiries into it are only to perfect it for better coups. The intelligence services of the new imperialism, Soviet social-imperialism are very active in Australia to prepare and maintain Soviet interests in Australia.

The Australian army and police are fully integrated into these plans. And around them are all sorts of fascist bodies without the official blessing of the law but with its unofficial blessing. In short, these people are quite alert and ready to impose by force the dictatorship of the right.

This is certain to lead to bloodshed and injury. In Australia it already has done that but on a comparatively minor scale. But the crisis is such now that large scale violence against the people assumes sharper shape.

That poses the question should a tiny minority be in the position where that minority does and can and will impose force and violence on the vast majority? In Australian terms, should a tiny minority of foreign multi-nationals be able to use force and violence against the vast majority of Australian workers, working and patriotic people? The answer must be no.

It is not just a matter of question and answer; it is a matter of reality. As this tiny minority has used, does use and will use force and violence against the vast majority it is only commonsense, indeed the duty, of that vast majority of Australian workers, working and patriotic people to prepare on all fronts. This includes the front of force and violence. Though it may seem to some far-fetched, still reality remains. Facts are facts; facts are very stubborn.

The people are shedding illusions about arms, are seeing the place of force and violence in the hands of the multi-nationals and are step by step certain to accustom themselves to meeting fascist force and violence, force and violence from the right with people's force and violence, force and violence from the left, a people's army. There is absolutely nothing terrible about this; it is not nearly as terrible as the people just being massacred in cold blood by the right as in Indonesia, Chile, Nazi Germany. Even if there is initial right fascist dictatorship in Australia, still it is based upon an irreconcilable social contradiction and against the

interests of the vast majority. It will be overthrown by people's force and violence.

As opposed to the capitalist institutions of parliamentary democracy or outright fascist violence stands the alternative of a people's democracy.

What is meant by this?

Parliament, the institution of capitalist democracy, arose from the struggle of the capitalist class against the old system of feudalism. It was an instrument of the bourgeoisie. It served to consolidate the power of this new ruling class. People's democracy, people's anti-imperialist democratic government, will arise from the present struggle of the democratic Australian people against the old forces of imperialism, against the multi-nationals, upholders of imperialist exploitation and plunder of the vast majority. This government will not be something outside or above the present struggles of the Australian people.

These struggles are an important fact of Australian reality. The multi-nationals and their collaborators are so concerned at their existence that they leave no stone unturned in the effort to channel these struggles into peaceful, parliamentary channels and there stifle, choke them with the legalities and bureaucracy of the capitalist system's institutions.

But in spite of their efforts, the rebellion will deepen, mature, involving greater and ever greater numbers of oppressed and exploited Australian people. More and more, the armed forces of the state will reply with violence to the demands of the ordinary people, the right to feed and clothe themselves and their children, the right to a roof free from crippling

mortgages over their heads, the right to produce and sell farm products, the right to protect the environment from multi-national vandalism etc. So that these movements, these expressions of a democratic people in action, armed and coherent, will finally sweep away the old institutions of coercion and oppression (parliament amongst them) and create new institutions representing the new power of the armed majority of the people, the democratic majority, people's democracy.

People's democracy is the vast majority of the people in action. It is not foreign or alien. It is the expression of the Australian people's own struggle.

Its birth, in a simple lower form is being witnessed right here and now — wherever people gather, demonstrate, demand, rebel against the multi-nationals, imperialist oppression.

A blueprint cannot be laid down in Australia for the course of struggle against the multi-nationals and for an independent anti-imperialist people's democratic Australia, for that must be the aim. That is a government led by the workers but composed of all working people, middle sections of the people and smaller capitalists, directed primarily against the multi-nationals and their collaborators. It is only in this way that the basic contradiction between socialised production and individual ownership by the multi-nationals will be resolved. And this completely logical and indeed scientific change will be resisted with force and violence. That force and violence must be overcome by people's force and violence.

Australia will then be run for the vast majority. There will be production for use and not for profit.



There will be an end to the minority violence, to the force of exploitation and multi-national coercion, an end to economic crisis and war.

It is objected that all this is unreal. However it has a completely scientific basis. The enemies of the people go to great pains to paint it as unreal and to spread all sorts of rumours, slanders and misrepresentations about it. People however are not stupid. They think these matters over.

Amongst the rumours, slanders and misrepresentations about it are those put about by people who falsely represent themselves as Communists and are energetically put forward by the multi-nationals as "communists". This is to discredit Communism. But Communism is revolutionary. The case for a revolutionary solution in Australia, namely a people's democratic anti-imperialist government has just been put. Some explanation of force and violence has been made. But there are people who call themselves socialists (Socialist Party of Australia) which serves Soviet social-imperialism, and Communist Party of Australia represented by such men as Clancy, Aarons, Halfpenny, Munday, who throw all this overboard in the name of Communism. They support parliament, democracy, peaceful transition to socialism, etc. All this is designed to conceal reality and to serve the multi-nationals and in Clancy's case, Soviet social-imperialism. It is to strip the revolutionary essence out of Communism. Reality demands particularly in present days, that that revolutionary essence be brought right to the fore. There is no point in apologising for it, explaining it away.

Connected with that is that Australia exists in a real world where there is immense turmoil and upheaval. Reference has already been made to the fact that the internal upheaval and strife in Australia is undoubtedly greatly influenced by the contention and struggle between U.S. imperialism and Soviet social-imperialism. As has been said, U.S. imperialism has vast interests in Australia. It is being challenged everywhere including in Australia by Soviet social-imperialism. So U.S. imperialism husbands its resources in Australia, tightens its grip, calls its direct agents, the leaders of the National Liberal Country Party and its more indirect agents, the leaders of Labor Party into line to do its bidding. At the same time, Soviet social-imperialism keeps up incessant pressure in Australia. While the Australian people must fight the U.S. multi-nationals they must never lose sight of the Soviet social-imperialist tiger trying to enter Australia. This contention and struggle between these superpowers contributes greatly to the weakening of each in Australia and to the strengthening of the people.

In addition the social process of capitalism described earlier drives the great imperialist powers to expansion, struggle for markets, spheres of influence — matters which in the end are resolved by war. Thus in Australia U.S. imperialism has vast interests. For example, it has vast interests in the Pilbara in Western Australia; as previously commented upon, the Soviet Ambassador to Australia covetously eyes the Pilbara and described it as a "jewel" in which his country was interested. The threat of war hangs over the world. True, its central concentration is in Europe but the contention and struggle of U.S. imperialism and Soviet

social-imperialism are world-wide. They involve Australia. This too is force and violence and threat of mass killing and maiming. Should not the people prepare to meet this force and violence with their own force and violence and their own revolution?

In the world today the peoples of the developing countries, the Third World, are the main motive force of change. They have altered and are altering the balance of forces in the world. It has become an irresistible historical trend that countries want independence, nations want liberation and the people want revolution.

Thus every internal factor in Australia and every external factor is working for profound social change, for revolution. Ultimately we stand for socialism, the socialist ownership of all the means of production but we recognise a vital initial stage of that is to join with all Australians who can be joined with to drive out the multi-nationals and establish what has already been referred to as anti-imperialist people's democratic government in Australia.

