

# Solidarity

Issue No. 10 December 2008 \$3/\$5

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**Protect the jobs, save the centres**

**GET THE  
MARKET OUT  
OF CHILDCARE**

# Solidarity: who are we?

Solidarity is a socialist organisation with branches across the country. We are committed to helping build social movements and the wider left in Australia, through throwing ourselves into struggles for social justice, to overturn the legacy of the Howard government and to strengthen the confidence of rank and file unionists. Solidarity is a member of the International Socialist Tendency. For more information about our events and activities, you can contact us via the details below:

## Melbourne

6.30pm Tuesday December 2  
Labor's new workplace laws: Ripping Up Workchoices, or Workchoices-Lite?  
6.30pm Tuesday December 9  
Will the economic crisis increase the risk of war?  
Melbourne Solidarity meets every Tuesday at the New International Bookshop. All welcome.  
For more information contact David on 0418 316 310 or melbourne@solidarity.net.au

## Canberra

For more information contact Ben on 0439 779 358

## Perth

For more information contact Phil on 0417 904 329 or perth@solidarity.net.au

## Magazine office

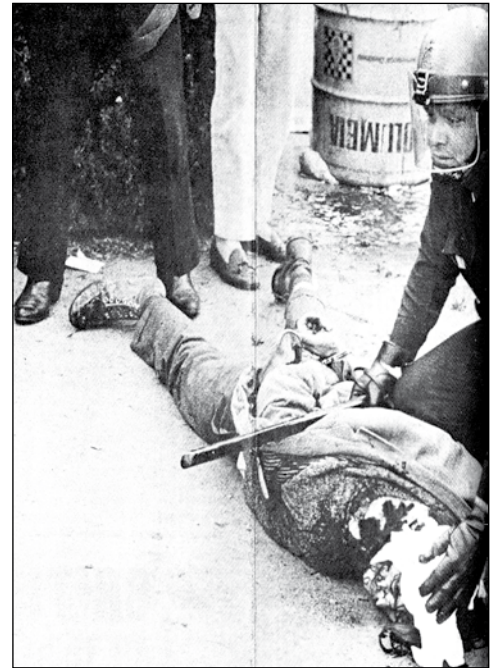
Phone 02 9211 2600  
Fax 02 9211 6155  
Email solidarity@solidarity.net.au

## Brisbane

Tuesday December 9  
Free market fails childcare: what action is needed?  
Brisbane Solidarity meets 7pm every Tuesday.  
For more information contact Rob on 0424 265 730 or brisbane@solidarity.net.au

## Sydney

7pm Wednesday December 3  
Alternatives to free market madness: Could socialist planning work?  
7pm Wednesday December 10  
Free market fails childcare: what action is needed?  
Sydney Solidarity meets 7pm every Wednesday at the Newtown Neighbourhood Centre, opposite the Newtown Train Station on King Street. All welcome.  
For more information contact Jean on 0449 646 593 or sydney@solidarity.net.au



**In December 1968, Ronald Reagan, then governor of California, worked with his appointee as president of San Francisco State College to crush a month-long student strike. The students had been striking against racism and for a Black Studies Programme. Although the repression was brutal and bloody, the strike was important in building anti-racist struggle.**

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Image: 200,000 march for Rights at Work in Melbourne, November 15, 2005

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# Making sure we don't pay as economy fails

SO FAR the world economic crisis has not had the same impact in Australia as in the US or Europe.

A few months ago some pundits were confidently predicting Australia could weather the storm. But now the discussion is about how bad the economic problems will get.

Late last month Reserve Bank Governor Glenn Stevens openly speculated that Australia was likely to follow the US into outright recession, predicting that "a more significant slowing" of the economy is now likely given the rapid deterioration of the other major economies.

Australia's annualised economic growth in September dropped to 1.1 per cent from 3.5 per cent the month before—the largest slump in one month since the mid-1980s.

And while predictions vary on the number of job losses likely, no one disputes that hundreds of thousands will be thrown out of work by the end of next year. The OECD's prediction, one of the more optimistic, suggests 200,000 jobs will disappear over the next year.

Hundreds of job cuts have already been announced—some of the worst include 800 at Ford, 440 at Perila in Broken Hill and 2000 at Westpac-St George.

In the university sector 250 job cuts have been announced at Victoria University, and Sydney University has demanded budget cuts of up to 9 per cent as well as saying it cannot afford a pay rise to keep up with inflation.

Many other employers are using the economic crisis to demand that we make sacrifices in forgoing wage rises or giving up hard-won conditions at work.

Even before the economic turmoil began, we were being hit by rises in the cost of living—with the prices of essentials like housing, petrol and food on the rise.

Rudd's attempt to prop up retail spending with his \$10.4 billion in handouts may provide a tempo-



**One of the first of 800 workers to be sacked at Ford walks out the gate**

rary cushion for the economy over Christmas, but it is not going to stop job losses.

The government has so far been unwilling to provide money to save the jobs of workers when companies collapse—like at ABC Learning.

We need to demand they take action to take over such companies and guarantee jobs.

Governments should also be boosting funding to public services like public transport, health and education to provide jobs.

The cuts and privatisations brought down by the NSW government in its recent minibudget—including a revived version of the power privatisation pushed by former Premier Morris Iemma—go in the completely wrong direc-

tion. A renewed campaign by the unions and Labor party members who stopped the last power privatisation plan in NSW is sorely needed.

## Scrapping the ABCC and WorkChoices

But if ordinary people are going to avoid bearing the costs of the economic crisis, we also need to organise resistance through our unions.

Effective resistance will mean challenging the WorkChoices anti-strike laws that Kevin Rudd is leaving in place.

Without the ability to take effective industrial action, workers are powerless in the face of attempts to impose sackings and wage cuts.

The nationwide demonstrations against the Australian Building and Construction Commission (ABCC)—one of the most vicious of the WorkChoices-era laws—need to be the springboard for further mass strikes and protests to force the government to scrap the ABCC, and with it the rest of WorkChoices.

Relying on lobbying Labor MPs, as the ACTU and many senior union officials did to try to get a better deal on Rudd's IR laws, was not enough to force substantial changes. The result is that most of WorkChoices remains in place.

The example of Noel Washington's defiance of the ABCC shows how to fight.

His decision to take a public stand against the commission, and the declaration by unions of support for him by calling mass protests worked.

It is no coincidence the charges were dropped just days before the planned union mass rallies. The threat of ongoing industrial action and demonstrations resulted in charges against him being dropped. The government was clearly petrified of the consequences if he had been jailed.

This will give confidence to other unionists to defy the ABCC, and if it is routinely defied it will no longer be able to operate. Now is the time for the union movement to step up the campaign of mass action against the ABCC and WorkChoices to get them entirely scrapped.

.....  
**The OECD's prediction, one of the more optimistic, suggests 200,000 jobs will disappear over the next year.**

# Slump shows Rudd hasn't bailed us out

By Phil Griffiths

WHAT A difference a month makes. In mid-October, Kevin Rudd was the toast of corporate Australia.

His decision to guarantee bank deposits restored some confidence in the banking system. And his \$10.4 billion stimulus package was seen as a bold move to maintain consumer demand and to prevent a collapse in house prices.

Even the Liberals came out immediately to back the stimulus package.

On the day of its announcement, the stock exchange surged nearly 4 per cent. That was then. Six weeks later, share prices had fallen 15 per cent and were less than half those of a year ago.

The people who really run the capitalist system have little confidence that profits will be restored in the near future.

Of course, the \$8.7 billion that will go to pensioners, families and carers in early December is welcome. It will relieve a little of the financial stress that so many people are facing.

But it won't save jobs.

The anecdotal evidence is that a lot of that money will be used to pay off debts—mortgages and credit cards. The stimulus will be minimal. We will then be left to face the gathering forces of recession.

## Slump in demand

Already we can see the effects on the real economy.

Housing finance peaked in January and has since fallen 24 per cent to be nearly \$50 billion a year lower.

Sales of new cars have fallen dramatically, by over 10 per cent. In Queensland the fall is 15 per cent.

This is the main reason behind the crisis in the car industry.

These are the two areas targeted by Rudd. But it would take far more government money than Rudd will spend to make up for the collapse in demand.

Retail sales are stagnant, and sales of major home appliances have fallen.

Harvey Norman, one of the country's most profitable retail giants, is planning to close stores, not open them. The largest private



**Rudd has put billions into the car industry, but is denying funds to save jobs in industries like child care**

child care group in the world, ABC Learning, has collapsed.

Qantas is sacking workers, cutting routes and mothballing planes.

Commodity prices—of coal and metals—have halved this year. The fantasy of Rudd and corporate Australia, that a continuing boom in China would keep commodity prices high, has exploded.

Projects that once were profitable are now being shelved. The largest corporate merger in the world, proposed between Rio Tinto and BHP Billiton, has collapsed as a result of falling prices and Rio's \$42 billion in debt.

In Melbourne, *The Age* newspaper reports that \$10 billion in proposed commercial property developments have been delayed or cancelled.

According to Tony Crabb, investment director with property strategists Savill, "Anything that is not already coming out of the ground is extremely unlikely to

happen at all."

The paper listed seven projects worth more than \$400 million each that are on the brink of collapse.

The car industry sums up the crazy priorities of the Rudd government. They have launched a \$6.2 billion scheme to help the car industry survive lower tariffs, and produce the green cars of tomorrow. Sounds good.

But back home in the US, Ford and General Motors are on the brink of bankruptcy. Last time the car giants were in trouble, in the mid-1970s, they sucked as much capital out of their global subsidiaries as possible.

The former boss of Mitsubishi Australia, Graham Spurling, argues that this will happen again.

Of course, the money could and should be used to move Australia away from dependence on cars. It could and should be used to fund public transport development.

But public transport isn't on Canberra's agenda despite the rhetoric about climate change.

## Protecting jobs

A real policy to resist recession needs to start with protecting living standards, jobs and conditions, and people's right to live in their homes.

The collapse of ABC Learning gives us a taste of what's required (see article p6).

Rudd and Gillard could solve this problem at the stroke of a pen—by taking over ABC Learning at a fraction of the money they've handed to the banks and the car industry.

But federal and state governments are still dominated by neoliberal ideas that dictate that services have to be run for profit.

The ruling class internationally has promoted the frantic attempts by governments to spend their way out of the crisis, because they fear economic collapse. But it is highly unlikely that severe recession will be avoided globally.

Their priority however will be to maintain their privileges, their profits. Our priority needs to be the fight to defend ordinary people, and to put an end to the system that created this mess.

.....  
**Harvey Norman, one of the country's most profitable retail giants, is planning to close stores**

# ABC Learning— Save the centres, save the jobs

By Ian Rintoul

AS *SOLIDARITY* goes to print, the fate of up to 386 ABC Learning child care centres is in doubt. That represents one-tenth of the national child care resources. The centres look after 30,000 children and employ over 4000 people.

Besides the possible loss of these jobs, there are another 8000 casual staff effected. On top of this, the leave and other entitlements, worth over \$31 million, of 16,300 ABC Learning workers have been frozen by the receivers managing the bankrupt company. The law does not recognise workers' right to entitlements when a company goes bust—banks and other so-called secured creditors get paid first.

Workers are still waiting to hear whether the government will guarantee their entitlements under the government's GEERS scheme, set up by the Howard government when Ansett went broke in 2001.

The Federal Government has put \$22 million into ABC Learning but that is only enough to keep the centres open until December 31. There are no guarantees after that.

The Rudd government remains committed to the involvement of private providers in the industry. Julia Gillard has ruled out the government taking control of ABC Learning—even though it is government that provides almost half the revenue to the private child care companies.

Although it is obvious that it was turning child care into a profit making enterprise that underlies the failure of ABC Learning, the Rudd government has also ruled out putting the ABC Learning centres under the control of the not-for-profit child care providers.

The receivers are deciding the future of the centres purely on a commercial basis.

The risk is that centres deemed profitable will be picked off by other companies while those considered non-profitable will close.

Astonishingly, one company which runs 44 centres, Early Learn-

The Rudd government looks like letting the market determine which centres will remain open

ing Services, but which made a \$1.5 million loss in the six months to June 30, has flagged its interest in buying up to 200 centres from ABC Learning and the other failed company CFK Child Care Centres.

There is good reason to believe Louise Tarrant, national secretary of the Liquor, Hospitality and Miscellaneous Union (LHMU) when she says that the 386 centres considered "doubtful" by the receivers may well have been given a death sentence.

## Government action needed

The Australian Services Union (ASU), which covers local government workers, has called for all ABC Learning Centres to be taken over by local government.

Now the Local Government Association has written to Deputy Prime Minister Julia Gillard asking for her to consult with councils on the future of ABC Learning.

Association president Geoff Lake has also called for the Federal Government to guarantee the future of the centres under review until at least the end of the first school term in 2009.

The NSW Teachers Federation has called on the NSW government to seize the opportunity to take over child care buildings and extend pre-school education staffed with qualified teachers.

Many not-for-profit child care providers have put themselves forward to take over ABC centres. In Victoria, TRY Youth and Family Services Community have made an offer for up to 40 child-care centres across Melbourne and provincial Victoria.

But local governments and many community based groups would require government support to acquire the centres or obtain new buildings and then funding to keep the centres going.

But rather than seize the opportunity to get the market and the profit motive out of child care, the Rudd government looks like letting the market determine which centres will remain open, which will close and whether or not workers will have jobs or lose their entitlements.

Much of the money pumped into child care is government money. Why should it continue to go into the pockets of private providers, rather than quality government controlled child care?

A move to nationalise ABC Learning and put the centres under community control would have the backing of the vast majority of the not-for-profit child care providers. They would have the support of parents relying on the centres and the staff who have put up with the sub-standard conditions for both workers and the children under their care.

## Where is the campaign to save the centres?

The unions boasted about their successful community campaign, Your Rights At Work (YRAW), which fought WorkChoices.

But in the face of the threat to child care workers jobs and to child care itself, the unions have been remarkably quiet. The LHMU covers most of the ABC workers and it has held a lunchtime protest outside the Commonwealth Bank in Sydney. But its campaigning seems largely confined to press releases and lobbying.

With Rudd and Gillard unwilling to act, there is a real need for a determined campaign to force Rudd to guarantee the jobs and the child care places.

Such a campaign would be enormously popular. Kevin Rudd talks a lot about working families—and working families rely on child care. Every worker and every union is affected by what happens to child care. In particular, the burden will fall on women workers who risk being forced out of their jobs if they can't access affordable child care.

We need to turn the YRAW campaigning techniques against the Labor MPs. We need petitions, delegations and protests at Labor MP's electorate offices. We need demonstrations in the cities. A child care speaker at the December 2 ABCC rallies could give the issue a national profile and make it a priority for the union movement.

**Defend childcare  
Defend jobs  
Rally**  
11am Saturday  
6 December  
Coburg Mall,  
cnr Victoria St  
and Sydney Rd,  
Coburg  
Speakers  
include: ASU  
rep, Carlo  
Carli MP,  
Union  
Solidarity,  
and SHAC



There will be more ABC-type failures over the coming months as the global financial crisis rolls through the Australian economy

The LHMU needs to begin now to plan to occupy any centre that might close. With union, community, parent and potential local government support, that kind of action would keep the centres operating and put real pressure on Rudd and Gillard to act.

### Market Failure

The collapse of ABC Learning is a small example of the same failure of the free market that has seen stock markets crash and governments spending billions of dollars to bail out failed banks.

In 1997, the Howard government deregulated child care. Previously childcare centres had been directly funded by the government and run by community committees. The government began subsidising childcare fees for parents, allowing them to use “the child care of their choice.” With access to what was effectively a government-backed funding stream, private child care centres boomed.

It also meant that child care centres were opened where the private providers thought they could make the most profits.

Eddie Groves, formerly the chief executive of ABC Learning, became a very rich man out of child care. He was listed in the *Business Review Weekly* in 2007 among the richest 200 people in Australia with

him and his wife having a combined personal wealth of \$295 million. In 2004, it was estimated that ABC Learning made around \$100,000 per centre. ABC Learning ran 1042 centres.

Around 40 per cent of ABC revenue came from government subsidies. This year when the Rudd Labor government increased the child care rebate to \$7500 per child, ABC Learning jacked up its prices 11 per cent. In the last year, child care costs were rising at twice the rate of inflation and rose 50 per cent between 2001 and 2007.

At its height, ABC Learning ran 25 per cent of child care centres in Australia. The child care centres were just a stepping stone to speculation in the effort to make even more profits. Big debts and falling property prices in the US, where he was trying to extend his child care empire, brought Eddie down.

But the people who will pay for Eddie’s market adventures are the workers, the parents and children.

The market failure is obvious—the drive for profit meant poor conditions for workers and for the children in ABC Learning child care centres.

One former worker told *Solidarity* that ABC “didn’t ever pay teachers wages.” The pressures on staff were “full on” with expectations that cleaning duties were everyone’s responsibility.

Recently there were complaints that office staff were being required to supervise children in the ABC centres.

She also said that overwhelmingly ABC catered for child care in the three to five year age group, because the staff to child ratios could be as low as two staff to 24 children, while for younger ages the ratio in some states is one staff to four children. This meant that there were places where there were unmet needs for child care because it wasn’t profitable.

The Rudd government has announced a \$6 billion assistance package (over the next 13 years) for the car industry without requiring the car companies to guarantee one job in the industry.

If they can find that kind of money for the car industry, they can surely find the much smaller amount needed to take over and properly fund child care.

ABC Learning is a test for the Rudd government. There will be more ABC-type failures over the coming months as the global financial crisis rolls through the Australian economy. Is Rudd going to allow the madness of the market to dictate what jobs and services will survive or will the government act to undo some of the worst elements of the Howard years and get the profit motive out of child care?

**Above left: Eddy Groves benefited from the market in childcare before his speculative schemes crashed**

# New laws not the end of WorkChoices

THE FINAL piece of Labor's new industrial relations regime has been unveiled by Workplace Relations Minister Julia Gillard. The new legislation was hailed by Gillard and most of the media as bringing the end of WorkChoices.

Even the ACTU spoke about it glowing terms. President Sharon Burrow described the legislation as "a historic turning point in restoring workers' rights", while the week before the legislation was released Secretary Jeff Lawrence wrote in *The Australian*, "The Government's new industrial relations proposals are definitely not WorkChoices-lite."

But while the laws are an improvement on WorkChoices, they go nowhere near scrapping it.

The anti-union laws introduced by WorkChoices that remain are significant. They include requirements for secret ballots before industrial action and increased penalties for unprotected industrial action, including the mandatory docking of four hours pay for any unprotected stopwork meeting.

The ban on pattern bargaining across an industry and the special police powers in the construction industry that underpin the Australian Building and Construction Commission will also remain.

The ACTU is enthusiastic that union right of entry provisions and



access to arbitration are better than the government's original proposals.

Unions will have a slightly expanded right to enter workplaces and will be able to inspect a wider range of documents.

But the bulk of Howard's restrictions on right of entry remain, including the WorkChoices rules requiring a permit to visit workplaces and giving 24 hours notice of any visit.

ACTU Secretary Jeff Lawrence has claimed the new provisions will ensure recalcitrant employers like Telstra and Cochlear, who have refused to negotiate with unions and are trying to force non-union agreements on their workers, could be brought to heel.

But the government has made it clear that its new "good faith bargaining" requirement only means employers will be forced to enter into discussions with unions, not to actually sign onto an agreement.

It is only where employers persistently refuse to even bargain, or in the case of low paid workers who have been given a special exemption, that arbitration will be available.

But ordinarily, without taking industrial action, there is nothing to force employers to make concessions.

Unless unions are prepared to challenge the heavy-handed restrictions on industrial action which Labor has retained, our rights are work are not going to be significantly improved.

**James Supple**

## University staff resist job cuts in Victoria

By **Melanie Lazarow**

THE SHOCKING announcement a few weeks ago of the largest ever mass sackings in Australia's higher education sector at Victoria University (VU) prompted a well attended protest rally in a quiet time of the academic year. Seven hundred NTEU members and supporters gathered at the Athenaeum Theatre in Melbourne to oppose job cuts and the degradation of higher education.

VU is in the working class suburb of Footscray. Two hundred and fifty jobs are to be slashed, but Vice Chancellor Liz Harman is facing a revolt over job cuts with the NTEU set to take a range of industrial action including strikes over the next few

Two hundred and fifty jobs are to be slashed at Victoria University

months. The message that no university should fight alone was strongly posed by contributions from the floor of the protest meeting.

RMIT is seeking ten voluntary redundancies at two schools, health sciences and arts, but the union fears there is the potential for more losses as budgets are squeezed.

Melbourne University members are successfully holding off sackings. After protesting, handing out leaflets, holding meetings and campaigning the university has offered a further round of voluntary redundancies or measures other than sackings. Although not ideal this is a partial victory.

Collective bargaining is being held up nationally, but the NTEU executive has put members on a

war footing.

A memo from the NTEU leadership called for us to prepare for "coordinated industrial action commencing in early 2009. Such a campaign should include an agreed day or days for national strike action".

This decision was made after many of the national executive members of the NTEU judged the mood of attendees at the rally calling for coordinated industrial action to win demands, jobs and pay. It was clear that while Victorian universities are leading the way with job cuts, other universities nationwide may follow, unless our action halts them. Education staff and students should not be paying for the crazy priorities of the free market. The NTEU is gearing up for this fight.

# NSW government pushes privatisation and cutbacks

By Kieran Latty

IN THE context of the global financial crisis, governments across the world have abandoned financial conservatism, proposing significant expenditure programs, often funded through debt.

The Chinese government recently outlined US\$586 billion in infrastructure and welfare expenditures. Kevin Rudd is spending \$10.4 billion on a stimulus package.

However, NSW Premier Nathan Rees' recent minibudget rigidly adhered to neo-liberal orthodoxy in attempting to limit the NSW deficit through cuts to infrastructure expenditures, caps on public servants' pay and a fire sale of assets.

Rees is proposing to privatise the state electricity retailers, lotteries, waste management, two prisons (Cessnock and Parklea) and Pillar (which manages public sector superannuation).

Other items on the sell off list are Australian Technology Park in Redfern; the Harbourside Shopping Centre, the Sydney Aquarium and the IMAX Theatre, all in Darling Harbour; the EnergyAustralia office block opposite Sydney Town Hall; and dozens of school sites and other properties.

The Rees government came to power in the wake of the successful campaign by unions and the ALP rank-and-file against then Premier Morris Iemma's plans to privatise NSW's power assets.

But Rees has revived the power sell off. His electricity retail privati-



**Prison officers rally outside NSW state parliament against prison privatisations**

sation would pave the way for privatisation of electricity generation assets. His minibudget represents a continuation of his predecessor's right-wing policies. For example, he has cut proposed expansions to public transport including the North-West Metro rail line.

Instead of scrapping Iemma's modest plans, Rees should be massively expanding Sydney's public infrastructure. The 2006 Independent Inquiry into Financial Sustainability of NSW Local Government calculated that NSW local governments had a \$6.3 billion backlog in infrastructure renewal.

The downturn in the Australian economy strengthens the case for spending. Recent ABS data shows a steep decline in private construction and infrastructure expenditures. Unless governments offset this, economic growth will grind to a halt and hundreds of thousands will be put out of work.

Despite claims that the NSW government is in no position to borrow, its debt levels are not high by international standards. Even if NSW's credit rating were downgraded to AAA minus interest payments on existing debt would only increase by \$14 million per annum.

Governments can also easily increase future revenues to pay off debts incurred during economic downturns.

The minibudget contained two such positive proposals, raising land tax from 1.6 per cent to 2 per cent on properties worth more than \$2.25 million and raising coal mining royalty rates by 1.2 per cent to generate an additional \$152 million per annum.

The kind of mass agitation against privatisation inside the Labor party and the unions that we saw in the lead up to the Labor party state conference needs to be rekindled. We also need mass rallies of unionists, Labor party members and other community activists.

The Power To The People Coalition, which helped organise against Iemma's privatisation plans, is attempting to construct a strong campaign against the cuts and privatisation proposals in the minibudget.

## NSW teachers vote for 48-hour strike over pay claim

TWENTY THOUSAND teachers at meetings around NSW have voted to take 48 hours of industrial action at the start of the 2009 school year, in the event of the NSW government not abandoning its attacks on wages, conditions and the staffing of public schools.

The unpopular government—now headed by Premier Nathan Rees after the resignation of former Premier Morris Iemma, his deputy John Watkins and the hated Treasurer Michael Costa—is seeking to cut teachers' pay by offering a below inflation pay rise,

strip back sick leave as well as workers' compensation benefits, and is continuing to deny teachers in disadvantaged schools transfer through the previous service-based accumulated points scheme.

NSW teachers union president Bob Lipscombe reported: "This government must recognise the importance of attracting and retaining teachers to the profession in order that public education in this state is maintained."

The fight by teachers is an important step in resisting the budget cuts of the NSW government.

To date, the government has cut funding for rail lines and school bus pass schemes and has announced a long list of privatisation targets. It claims there is a budget "black hole", resulting from not selling the state's electricity generators. This government, with popularity ratings at the lowest point in recent memory must invest in infrastructure and public services to renew confidence in the state economy rather than bowing down to the whim of economic ratings agencies.

**John Morris**

# Nuke waste dump laws condemned

By Natalie Wasley

A STRONG community campaign involving Traditional Owners, health organisations, environment groups and the Central Land Council has called for immediate repeal of Howard-era legislation forcing a nuclear dump on the Northern Territory.

Over 100 people rallied in Alice Springs on November 17 outside the opening of Senate Inquiry hearings into the future of the Commonwealth Radioactive Waste Management Act (CWRMA), passed by the Howard government in 2005. The CWRMA overrides public health, land rights and environmental protection legislation along with NT law and the right to administrative appeal.

The Inquiry has been underway since September, when Australian Greens Senator Scott Ludlam proposed a bill to repeal the CRWMA.

Over 100 people and organisations commented on the Bill. The overwhelming majority called for the heavy-handed laws to be overturned.

The two days of public hearings in Alice Springs were well attended and heard evidence from affected community members and stakeholders.

Traditional Owners from Muckaty, Mt Everard and Harts Range put forward strong cases for repeal, referring to the absence of con-



**Above: Sammy Jungarayi Sambo (left) and Bindi Jakamarra Martin on the planned site for Australia's first national nuclear waste dump**

sultation, lack of communication from government and extreme frustration and disempowerment throughout the process. In a video submission to the Inquiry, Muckaty Traditional Owner Marlene Bennett said "most of our mob, we all found out when we read it in the paper. What sort of consultative approach by the government is that?"

Strong community opposition has held the NT government to a

position against the nuclear dump.

NT government representative Dr Diana Leeder told the Inquiry the laws are "an erosion of rights", adding: "The Northern Territory Government maintains its strong objection to the Commonwealth Radioactive Waste Management Act's capacity to override Northern Territory laws."

The ALP committed to repealing the Howard-era laws before the election, but has failed to do so.

ALP Politicians labeled the dump laws "draconian", "extreme", "arrogant" and "sordid" when first announced by the Howard Government. The 2007 national ALP conference voted to repeal them if elected. Earlier this year the Northern Territory ALP called for the federal government to honour this promise and scrap all site nominations.

ALP Senator Louise Pratt, part of the Inquiry committee, told the Alice Springs protest, "I don't know why we haven't repealed these laws yet". The delay stems from pro-nuclear resources minister Martin Ferguson being granted responsibility for the dump in the new Rudd government.

Communities will continue to mobilise and organise in the NT but national support is needed to build the campaign and increase pressure on the government to follow through with its election commitment.

## New service fee will silence dissent on campus

IN EARLY November the Rudd government announced it would introduce a Student Service Fee of up to \$250 per student which universities could choose to implement. This is to seek to address the damage done to student services since the introduction of Voluntary Student Unionism (VSU) in 2005.

VSU banned student organisations from collecting compulsory membership dues from students. This was designed to destroy the student union structures through which students could maintain a democratic voice and fight for their rights in an increasingly privatised sector.

Around the country VSU has caused wholesale collapses of student unions, massive cuts to student support services and silencing of the political activities of student unions

that managed to survive through restrictions imposed to get access to funding from their universities.

Murdoch Student Guild in Perth has been campaigning against the closure of the Rockingham campus and for better pay for lecturers and tutors. The University's Chancellor recently threatened to cut off the funding the Student Guild's receives from the university if they continued this, requesting that the Guild should consider whether their campaigning "is consistent with an expectation that the University's financial and in-kind support will also continue."

Yet Rudd's Student Services Fee will also go directly to university administrations. This proposal represents a continuation of the Howard-era attacks on student rep-

resentative bodies and does nothing to ensure the collective political voice of students is restored.

The Rudd government went to the election promising an Education Revolution, and many voted hoped to see desperately needing funding returned to university education. But the first 12 months of the Rudd government have brought no substantial increase in funding, no end to the mass casualisation of university staff and ongoing cuts to faculties such as the Arts, History and Politics.

Student unions should exist without restriction on their role as democratic representative bodies for students, and their right to collect membership dues on campuses without interference from government or university administrations on how they are spent.

# Labor axes CDEP and steps up the NT intervention

By Jasmine Ali and Lauren Mellor

IN EARLY October, the Federal Labor Government announced major changes to the CDEP (Community Development Employment Programs). The changes have been met with outrage from affected Aboriginal communities.

While a reformed CDEP will remain in operation in remote communities, the changes will dramatically affect regional and rural communities where CDEP has been the only mechanism to establish small local economies and generate income in areas where few other genuine employment opportunities exist.

Prior to the 2007 federal election, when the Howard government moved to scrap CDEP, Labor promised that CDEP would stay.

In fact, in 2007, Peter Garrett and Jenny Macklin praised Aboriginal communities for utilizing the scheme to ensure whole communities benefited. Peter Garrett stated: "We certainly recognise that there are a number of important employment positions that are at great risk and jeopardy as a consequence of Mr. Howard's actions and policies. We want to make sure that people have the opportunity in their communities to continue good purposeful and meaningful employment."

Then shadow Indigenous Affairs Minister, Jenny Macklin, said, "Getting rid of CDEP in the remote Northern Territory communities will actually make communities, parents and children more vulnerable".

CDEP was abolished last year by the Howard government because it could not quarantine the income of people on CDEP "wages" under its intervention policies.

Even in remote areas Labor says new CDEP participants will be paid income support (not "wages"), so they will not be exempt from the compulsory welfare quarantine.

The government's proposed cuts to CDEP will dramatically affect Aboriginal communities across the board. One hundred and twenty Aboriginal people in the Illawarra Lands Council's CDEP project are facing unemployment.

Despite winning a Merit Award at the recent NT Landcare Awards for their land management achievements, the Tjuwanpa Rangers from Hermannsburg, west of Alice



**Above right: The Illawarra Lands Council led a demonstration against the cuts to CDEP to parliament house in Canberra**

Springs, face closure. Central Land Council director, David Ross, said the ranger group was set up after traditional owners called for more work opportunities for their young people.

"This group which once worked," he said, "are now on work for the dole. They are embarrassed and humiliated. They have to register with Centrelink...their hours restricted and their hard-earned income reduced and quarantined."

## Job losses

Labor's pre-election promises are forgotten. Labor now maintains that their CDEP reforms are part of their national campaign to "close the gap" in employment between Indigenous and non-Indigenous Australians. But NT Labor MP Warren Snowdon could only identify 200 federal and state government CDEP positions that might potentially become full time jobs.

In 2004, nationally there were nearly 40,000 participants in CDEP programs spread across 250 organisations, accounting for nearly a third of employed Aboriginal people.

Professor Jon Altman, the Director of the Centre for Aboriginal Economic Policy Research at the Australian National University, argues that abolishing CDEP may actually see Indigenous unemployment double from its current rate of 14 per cent. He also points out that the government's own review reported that 1300 people in the NT had found employment through

CDEP, particularly in programs like Working on Country.

But facts are not about to get in the way of Labor implementing the intervention. The abolition of CDEP in non-remote areas like Alice Springs is part of the push to mainstream and disperse Aboriginal people and communities. There are indications, euphemistically called "mobility support", in the government discussion paper, that even in remote areas, the reforms to CDEP will be used to push people out of their communities. Similarly the new employment programs in non-remote areas will require people to move to accept jobs.

The announcement by the NT government that they will no longer fund outstations fits neatly with the federal government proposal to cut off funds and services to communities declared to be "unviable". The NT government has also announced that lessons will be taught in English for the first four hours at the NT's nine bilingual schools.

But, Yananyumul Mununggurr, Chief Executive Officer of Laynhapuy Homelands Association, in north-east Arnhem Land, told ABC radio last month, "... yes, we do have these small out-stations, or homelands, but governments should understand that those homelands are more to us, that we connect to the land, the land is our identity our language and our culture...if you go out to the homelands now...you will get the message that we are not moving..."

.....  
In 2004  
there were  
nearly  
40,000  
participants  
in CDEP  
programs,  
accounting  
for nearly  
a third of  
employed  
Aboriginal  
people

# Modeling shows loopholes in emission reductions plan

By Chris Breen

THE AUSTRALIAN government's proposed Carbon Pollution Reduction Scheme (CPRS) is more about profit than planet.

When the Treasury modeling on the CPRS was released on October 30, Treasurer Wayne Swan said it showed Australia could tackle climate change at the same time as boosting growth and jobs, according to *The Age* on October 31.

Many people will think they are moving seriously to tackle climate change. Are they?

The modeling only covers scenarios of 5-15 per cent emissions reductions, corresponding (if you accept the modeling), to 510ppm and 550ppm, spectacularly short of what scientists say is needed for the world to avoid abrupt climate change.

Not only do the targets not take into account the need for Australia to pull its weight as one of the developed countries with the highest per capita emissions levels, but will mean, as *The Age* headline summed it up: "Third World to do our dirty work". The article continued:

"While Prime Minister Kevin Rudd has pledged a 60 per cent cut in emissions by 2050, the modeling shows Australia could technically fulfil the pledge with a cut in its emissions of just 24 per cent, relative to 1990 levels. The other 36 per cent would be made up by the purchase of emission permits from developing countries."

### Carbon capture

The modeling also makes assumptions that Carbon Capture and Storage (CCS) will be cheap and that it will work, and work in time.

Opposition leader Malcolm Turnbull who has previously called CCS the low emissions technology "foremost in importance", has attacked the CCS cost presented in the modeling as "speculative", because it isn't actually in operation anywhere.

He is right on CCS but Turnbull has said this only because he wants to stop any action on climate that imposes a cost on business. He has therefore jettisoned the cheer squad for CCS to try and undermine the treasury economic case for introducing carbon trading. He has also



**Above: This year's Walk Against Warming in Melbourne**

called for carbon trading to be delayed because of the financial crisis.

Rudd, on the other hand, understands that the government must be seen to be doing something. Much of the confusion in this debate comes from the suggestion that carbon trading will be serious action on climate change—it's more about creating a market in carbon credits.

The Wall Street bailout shows what could be done if there was US\$700 billion to bail out the planet rather than the rich. In a rational world we could discuss how to best split that money to use towards both eliminating world hunger, and changing production priorities to reduce greenhouse gas emissions. In Australia the \$4 billion recently given to the banking system, could have built four solar power stations powering 400,000 homes.

### Movement must take position on carbon trading

THE WALK Against Warming rallies this year were smaller than last. This is largely because they had no particular clear demands, and they did not take a position on carbon trading.

If most people think that by introducing carbon trading the government is seriously addressing climate change, the task of building a movement becomes harder. If emissions trading is seen to reduce living standards unfairly, the task will become harder again.

The next big event for the

Just as the financial crisis has demanded direct government intervention (including wholesale nationalisations), the only solutions that will actually reduce emissions require similar committed government action, regulation and planning.

Governments should be stopping all new fossil fuel development and throwing money into renewable energy, instead Rudd is doing almost the opposite.

Nobody need be unemployed because of the current economic crisis; major government investment could reduce emissions and simultaneously provide full employment.

Debate on solutions to climate change can't be limited to tinkering with different versions of carbon trading. The fate of the planet and all of us, who depend on it, is too important to be left to market forces.

climate movement is the climate action summit from January 31 to February 3 in Canberra to coincide with the opening of Parliament, but it just has the slogan "Time For Action" with no other demands, and what was originally proposed by some as a blockade of parliament has become "encircle parliament" and advertises "TAKE PART IN THE lobbying blitz on Federal MPs."

To get solutions on climate change we will need a movement with clear demands that is prepared to fight for them.

# Global summits solve little as world economy slumps

By David Glanz

THE MAJORITY of western economies are now in recession. The OECD, an umbrella group for 30 industrialised countries, says its members are facing "a protracted downturn".

It forecasts its members to record an overall fall of 0.3 per cent in 2009, with the US economy set to decline 0.9 per cent, Japan 0.1 per cent and the eurozone 0.5 per cent.

The OECD, which comprises north America, Europe, Japan, South Korea and Australia, expects eight million workers to lose their jobs over the next year as a result.

Many capitalists are even more pessimistic. The *Financial Times* in London is talking of "the fear that the world is heading for a true depression, that will at least bear comparison with that of the 1930s".

Even Kevin Rudd was forced to admit: "Bank bailouts—30 and counting; diving sharemarkets—down 50 per cent and counting; Government rescue packages—from 15 countries and counting; and major developed economies, like dominoes, are falling one by one into recession."

China is unlikely to go into recession, but even a slowdown has a big impact, with the steel industry reducing output and hundreds of small and medium businesses closing.

Hundreds of workers sacked from a toy factory clashed with police and smashed buildings in the southern province of Guangdong in one of many protests.

The crisis is truly global. Stock markets everywhere have fallen, but in Brazil and Russia, trading has been suspended at times, such as been the panic.

In Hong Kong, 24,000 people applied for just 400 low-level public service jobs.

Countries including Hungary, Iceland, Latvia, Pakistan, Turkey and Ukraine have approached the International Monetary Fund (IMF) for loans. The loans will come with neoliberal strings attached—demands that borrowers "open up" their economies to international competition and push through more privatisation.

Hungary has received a \$US15.7



billion loan. In return, the IMF demanded cuts to government spending and further "reform" of public services.

Today, even before the next round of IMF-inspired cuts takes effect, child malnutrition is a growing phenomenon in Hungary.

## World leaders meet

There were two major global capitalist summits in November that focused on dealing with the crisis: the G20 (which brings together the Group of Eight major economies, plus a range of middle-ranking countries) and APEC (the countries bordering the Pacific).

At the G20 summit, leaders decided to regulate to stabilise the financial system, to spend more money to push up demand, and to fast forward the next, Doha, round of free trade talks.

The shift to greater regulation marked a defeat for George Bush's "Anglo-Saxon"-style neoliberal capitalism at the hands of the European Union.

But there is still support for more of the very neoliberal policies that have helped precipitate the current crisis. At APEC, Mari Pangestu, Indonesia's trade minister, told the *Financial Times* that the world had changed so much in two months that ministers no longer disputed the urgency of completing the Doha agreement.

However, beyond the rhetoric, little is likely to be achieved. Richard Baldwin, from the Swiss-based Centre for Economic Policy Research, said of the G20: "Many of the specifics still need to be worked out. The tough work lies ahead."

By the time G20 meets in London in April to flesh out policies, the world economy may well have deteriorated much further.

Some commentators have talked of the need for a new Bretton Woods, the conference of 44 Allied countries held in the US in 1944 to lay the foundations of our international economic order.

The negotiations gave birth to institutions that dominate the global capitalist system to this day including the IMF and the forerunner of the World Bank.

But it was only possible because the US dominated the global economy in a way that is hard to conceive today, accounting for half of the world's output. Today, the US accounts for about a quarter of global output. Once small economies such as China are now major powers with their own interests.

The World Bank is forecasting that 2009 will see the first decline in international trade since 1982.

Each ruling class is, in the end, out for itself. Our rulers will talk cooperation, but they are more likely to turn to ruthless rivalry, at our expense.

**Above: World leaders at the G20 summit where the US's weakened position prevented it from imposing solutions**

**The crisis is truly global. Stock markets everywhere have fallen**

# Revival of the socialist left in Malaysia

By Tim Erikson and Mark Goudkamp

OVER THE weekend of November 8 and 9, the Socialist Party of Malaysia (PSM) hosted "Socialism 2008" in Kajang, a rapidly growing working class town near Kuala Lumpur.

The conference brought together around 500 activists from across Malaysia, with others from Thailand, The Philippines, Singapore, Sri Lanka, Pakistan, Taiwan, Australia, Britain and Sweden.

This year has been momentous for the PSM. In the March general elections, they ran as socialists under the umbrella of the Anwar led opposition, and had both a federal and a state MP elected—putting the first socialists in the Malaysian parliament for some 40 years.

On the opening night we celebrated the anniversary of the Russian Revolution. Various speakers including PSM chairperson Nasir Hashim referred to the global financial crisis and the need for socialists to put forward our alternatives.

The first day of the conference saw sessions tackling the capitalist financial crisis; socialist solutions to climate change; and the Bolivarian Revolution in Venezuela.

In a session entitled, "South East Asia—People's Power and Betrayals", Giles Ji Ungpakorn from Turn Left in Thailand and Francisco Nemenzo from Laban ng Masa in the Philippines raised questions about contemporary politics in SE Asia which became recurring themes throughout the conference.

Giles raised the Thai People's Alliance for Democracy which he now describes as fascist. He asked if the left had given up building its own party in Indonesia, in the wake of the unfortunate split in the Peoples Democratic Party (PRD). In relation to the Philippines, he asked whether the left can place any trust in a junior officers coup opposed to the government.

On the following morning, the newly elected MP for Sungai Siput and PSM central committee member, Dr Jeyakumar Devaraj, outlined the principles that inform their engagement with electoral politics and the increasing need for ideological clarity and party democracy.

One of the strengths of the PSM has been their commitment to building social movements to mobilise the most oppressed in Malaysian society



One of the strengths of the PSM has been their long-standing commitment to building social movements to mobilise the most oppressed in Malaysian society, including plantation workers and slum dwellers. In 2002 they participated in JERIT, "network of oppressed peoples", and in 2004 played a leading role in the Coalition Against the Privatisation of Health Care which engaged 82 different groups.

More recently they are active in a range of united fronts: fighting water privatisation; against the US-Malaysia Free Trade Agreement; and a courageous campaign to scrap the draconian Internal Security Act (ISA) that has seen bloggers imprisoned for more than 12 months for expressing political opinions online.

## Electoral work

They feel that in Malaysia there has been a rehabilitation of left wing politics made possible by the arrogance of US imperialism, the efforts of veterans from the 1950s to retell their story and news from Latin America.

Dr Kumar outlined problems associated with being in parliament. He described an internal debate about whether he should stay at the YMCA when parliament was sitting or a five star hotel with other parliamentarians. It was decided that he should stay at the YMCA and give two thirds of his salary to the party.

He acknowledged that these decisions were largely symbolic but that they conveyed an important message—"we are different".

There is a strong tradition of politicians behaving like Santa Claus and tossing some coins around their electorate. PSM argues such behaviour is an obstacle to serious organising. They want their parliamentarians to act as catalysts for organising, share office resources to help squatters—urban pioneers—fight against eviction and so on.

PSM secretary-general Arutchelvan spoke about the way to achieve the right balance between electoral and mass movement work, and how to strengthen the opposition whilst building the PSM's independent profile. Crucially he discussed the importance of strengthening the multi-ethnic membership of the PSM, in a country that has long been characterised by race-based parties.

Alongside the PSM's impressive activism is a determination to popularise socialist history and theory. During the conference they proudly launched a Malay translation of Ian Birchall's *Lenin*.

The PSM emphasise the importance of building international solidarity across Asia and beyond, while arguing for the need for activists to build the struggle in our own countries. Next year, their Socialism 2009 will focus much more on local issues aimed at building the movements in Malaysia.

# Foreign rivalry over resources fuels war in Congo

By David Robertson

RENEWED FIGHTING in the Congo threatens to drag the country back into full-scale conflict, in a country where five million civilians died in war between 1998 and 2003.

The largest country in Central Africa, approximately the size of Western Europe, the Democratic Republic of Congo (DRC) is one of the most resource rich areas on the planet. North and South Kivu, the areas currently witnessing the recent violence, provide much of the world's coltan (a staple of the technology industry) and cassiterite (necessary for producing tin). Yet the DRC is one of the poorest countries on the planet.

Media coverage frequently depicts the conflict as a "civil war" between rival ethnic groups. But the situation today can only be understood as a continuation of the earlier war, driven by outside competition over the DRC's mineral wealth.

The roots of the conflict go back to the beginnings of colonial rule in the late nineteenth century. But the Rwandan genocide of 1994 triggered the current tensions. North and South Kivu experienced the influx of over a million Hutu refugees fleeing reprisals from the incoming Tutsi regime in Rwanda.

This fed into pre-existing tensions. In order to subdue Tutsi groups inside the Congo, then President Mobutu gave support to militias amongst the incoming Hutu refugees.

This led, in late 1996, to a coalition of both Tutsi and non-Tutsi militias launching a rebellion against President Mobutu. But this coalition was fragile. Whilst the Tutsi militias within it were backed by Rwanda and Uganda, other regional powers supported different elements in the rebel coalition.

After Mobutu was overthrown in 1997 and the leader of the coalition, Laurent Kabila, placed in power, the new regime failed to fulfil its promises to Tutsi groups living in the Kivu provinces.

Rwanda and Uganda knew perfectly well that by backing Tutsi groups in these areas they could gain access to mining resources. Thus the disappointment for the Tutsis also denied them access to



**Above: The brutality of the war in Congo has seen five million killed and millions more displaced since 1998**

Congolese minerals.

Both countries therefore supported a new rebellion—this time against the new president Kabila. One of these militias was led by the very general who is today declaring war against the Congolese government—Laurent Nkunda.

## Outside interference

The importance of outside powers in the conflict was clearly shown when the second rebellion reached the capital, Kinshasa, in 1998. Military intervention by Zimbabwe, Namibia and Angola saved the Kabila regime and prevented Rwanda gaining greater influence over the Congolese government.

These countries had increased their access to lucrative Congolese resources by supporting Kabila. This outside interference contradicts the views of those who regard the ongoing conflict as primarily a "civil war".

Violence has been continuous, particularly in the East. As Human Rights Watch wrote before the recent upsurge, "at least 150,000 people have been forced to flee from their homes due to ongoing fighting since the Goma peace agreement was signed on January 23, 2008." The UN currently estimates that there are approximately 1.2 million internally displaced refugees in the area and that the ceasefire agreements here have

been violated at least 250 times between January and August 2008.

But in late August peace talks between Nkunda's militia and the Congolese government broke down.

Nkunda's claims to be defending Tutsis against government and militia attacks are a veil for the real motives underlying the conflict. When Nkunda began his rebellion the first towns on his list of targets—Bukavu, Goma and Uvira—were all key mining areas. As the director of the International Crisis Group recently stated, "Nkunda is being funded by Rwandan businessmen so they can retain control of the mines in North Kivu. This is the absolute core of the conflict."

Sending in more UN troops will not end the conflict. During the recent violence the UN has fled from oncoming forces and failed to protect civilians. Recently fleeing UN forces were attacked with stones by civilians disheartened by its incapacity to help them.

A lasting peace requires an end to the jockeying for Congo's mineral wealth by outside powers and addressing the abject poverty which pushes everyday Congolese into the arms of militias. This requires far more foreign aid to help stabilise the country and the use of the country's wealth to benefit the local population, not foreign powers.

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**Military intervention by Zimbabwe, Namibia and Angola saved the Kabila regime and prevented Rwanda gaining greater influence**

# OBAMA VICTORY: MOOD FO

By Shannon Price

THERE WERE two million people in and around Chicago's famous Grant Park (the site of the infamous 1968 anti-war protests) at midnight on November 5 to hear Barack Obama's victory speech. People wept openly and danced in jubilation.

These scenes were repeated across the US and the world, including Indonesia, Palestine, Iraq and across Europe. It was a clear rejection of eight years of the Bush administration with its war-mongering, pro-corporate agenda.

The election night celebrations came after months of hard work. Obama's campaign mobilised tens of thousands of people in community and workplace networks, campaigning around his central theme of "change".

The economic crisis ensured Obama's victory with the Bush administration's "response"—bailing out the rich—igniting anger across America.

The people who celebrated Obama's victory on the streets are the people who are suffering the effects of the crisis—the working class. They expect Obama to take action to ameliorate its effects.

There have been one million home foreclosures and the number is fast rising.

Unemployment is increasing, with big employers—most notably Ford and General Motors—in serious trouble.

Unions that helped mobilise many of Obama's volunteers expect Obama to wind back years of anti-union attacks—starting with the Employee Free Choice Act, which would allow workers to join a union if a majority in their workplace want to.

Despite the war on terror taking a back seat to the economic crisis by the end of the campaign, the majority of people want Obama to pull troops out of both Iraq and Afghanistan.

## What will Obama deliver?

Obama is sandwiched between these enormous (and thoroughly justified) expectations and the

Obama's campaign mobilised tens of thousands of people in community and workplace networks, campaigning around his central theme of "change"



Above: Celebrations in Grant Park, Chicago on election night

## Can US workers unite across t

OBAMA'S ELECTION has buried the myth that the US white working class is inherently racist, hopelessly tied to the white elite.

Before the election we were told the so-called socially conservative "Reagan Democrats" (the US equivalent of the "Howard Battlers") would never vote for a black man. Without a white face to lead the Democrats, it was argued, they'd be reduced to a party of the minorities.

But Obama not only held onto the Democrats' white vote, he improved it by 2 per cent. In Indiana, a northern manufacturing state and home of your stereotypical "Reagan Democrat", the white vote increased from 34 to 45 per cent. Obama also took Ohio and the two former confederate states of North Carolina and Virginia, with the help of white voters.

It must be remembered that these swings came in spite of a concerted campaign by the Republicans to use racism to shore

up its white base. Sarah Palin appealed to "hockey moms" and "six pack Joes," accused Obama of "palling around with terrorists" and said he "doesn't see America like you and I see America". These were all coded messages to white workers to stay with the familiar.

This message did resonate in some Southern states where the Republican vote actually grew. But Republicans in many parts of the country were repelled.

While it would be wrong to interpret Obama's vote as a clear conscious stand against racism, it does show racism isn't an impenetrable wall. Concern about war, global warming and—in particular—the economy, overrode concern about Obama's skin colour. "Class trumped race," concluded sociologist Charles Gallagher.

## The end of Racism?

While Obama's victory is a tremendous blow to racism, some pundits are now concluding that the strug-

# FOR CHANGE SWEEPS THE US



interests of the forces that he is allied with.

The Democrats are fundamentally different to the ALP or the Labour Party in Britain. Only 14 per cent of Obama's funding came from trade unions and the unions have little organisational influence in the party.

In contrast, over half of the Obama's funds came from big business. Overall 67 per cent of Democratic campaign funds come from corporations.

This has a very real affect on the policies and interests of Obama and the Democrats.

Rhetorically Obama has separated himself from the Bush administration's plans for the economy and has announced plans to create 2.5 million new jobs. But he voted for the US\$700 billion dollar plan to bail out the banks.

Obama has also reiterated his position on the war since his victory—he will move troops from Iraq

into Afghanistan, whilst leaving significant numbers of troops on bases in Iraq.

Far from signalling "change", virtually every position announced for the new Obama administration have been granted to personalities recycled from the conservative Clinton White House.

For example, Obama's newly appointed chief of staff, Rahm Emanuel, was a top Clinton advisor and is one of Washington's staunchest supporters of Israeli aggression.

Bloomberg also reported "he was a director at Freddie Mac in 2000 and 2001 while it was committing accounting fraud."

There is speculation that Bush's Defense Secretary Robert Gates will retain his position for the opening period of Obama's rule.

He is one of several Republicans (even John McCain), in the mix for top posts in the new administration.

Madeline Albright was chosen to represent Obama at the recent G20 summit.

In 1996, as Clinton's Secretary of State, Albright infamously said "we think the price is worth it", referring to the deaths of 500,000 Iraqi children at the hand of a blockade imposed by her government.

None one of the 23 senators or 133 House members who voted against the Iraq war have received nomination.

Obama's victory, and the huge outpouring of emotion that came with it, illustrate the powerful forces driving for change in the US.

The challenge for the left in the US is to connect with the hopes that people have and to channel this into the social movements that are going to be necessary to put pressure on the Obama administration for real change.

The vitality of Obama's movement for change must be captured and channelled into an organised, working class response to the crises that beset the US to build opposition to the ruling class forces represented by both the Republicans and Democrats.

## the race divide? Yes they can!

gle against racism in the US is over. Martin Luther King's dream had been turned "into a reality", said Kevin Rudd about Obama's victory in a classic piece of overstatement.

The fight against racism, however, was always more than getting one person elected president. The civil rights movement had already opened doors for small numbers of African Americans to advance. The problem is that the vast majority remain disadvantaged, due to deep structures of racism embedded in American society.

Nearly 25 per cent of blacks live below the national poverty line, almost double the rate of 12.7 per cent for all Americans, and these households had the lowest median income of any racial group. The current unemployment rate for African-Americans is double the rate for white Americans.

According to US Department of Justice statistics, black men are more than six times more likely to be imprisoned than whites. African

Americans are still overrepresented in poor housing; in poor health; without health insurance - and more recently—with sub prime loans. Racism affects other minorities also.

Native Americans and Hispanics face similar disadvantage. Raids on undocumented workers are terrorising immigrant communities.

Two Muslim women wearing headscarves at one of Obama's rallies were barred from sitting behind him, in case they appeared in a photograph or on television. While an apology was issued, it none the less reveals that racism is just below the surface and remains a useful tool for politicians and the corporate elites to sow division and deflect opposition if necessary.

Rooting out racism means more than getting individuals into positions of power; it means challenging the whole class system that promotes and benefits from it.

**Mark Gillespie**

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**Obama's newly appointed chief of staff, Rahm Emanuel, was a top Clinton advisor and a staunch supporter of Israeli aggression**

# SOCIALIST PLANNING AND ALTERNATIVES TO THE MARKET

The failure of free market policies evidenced by the collapse of major banks and big falls on the stockmarket raise whether there is an alternative to the market as a way of running society. **Judy McVey** examines what a planned socialist economy would look like

MILLIONS OF people are looking for answers as the economic crisis grows daily.

In a complete turn-around western leaders have abandoned pure neo-liberal economic policies and admit that the state can intervene to save jobs and take over businesses and that we can spend government surpluses in a recession.

This has given rise to hope that we are seeing an end to the neo-liberal consensus which has wrecked our lives for the past 25 years.

But their idea of nationalisation of the major banks is not about bailing out the workers who face losing their homes.

Although public anger has led governments to talk about imposing limits on CEO salaries there is no talk of governments asserting control over the banks' operations or taking a slice of their profits.

The bailouts are about stabilising capitalism not taming the market.

But the question has been raised—is there a better way to run the economy than leaving things to the free market? Would a nationalised economy be better?

Many people are learning that the money is there for governments to save jobs and improve welfare. If we taxed the rich and their corporate profits adequately we could fund homes, pensions, services and jobs to benefit us all.

The housing crisis has resulted in hundreds of empty homes left by victims of unaffordable mortgages, yet thousands are homeless. It is not difficult to draw the conclusion that homeless people can be housed in empty houses.

It should be a principle that all people have access to water, food and shelter. After all the economy should be about satisfying the needs of human beings.

Socialists support nationalisa-

tion if it is used to protect jobs and homes.

Nationalisation would mean the government running the factory or service, which is not the same as Kevin Rudd's subsidy to the car industry—this will save jobs but its aim is to save the car industry bosses and their profits.

Socialists argue that if the car bosses cannot run their businesses and protect workers, then the government should take over and run the business.

Nationalisation would provide some protection, but it is not enough to protect workers. Look at how successive governments have cut jobs in publicly-owned services or the current effort of state governments to insist on below inflation wage rises for public sector workers.

Many commentators mistakenly call state-run enterprises socialist. However, real socialism is about ordinary people running things and managing the economy in the interests of human need, not profit. It's about workers' control.

Today the priorities in our workplaces are decided by bosses and managers, based on competition for profit.

So bosses wouldn't be able to organise and do the actual work. Imagine the CEO of BHP-Billiton working in a steel mill, or the hospital managers really dealing with emergency wards.

The real needs of people with disability are addressed by care-workers. Teachers understand about learning difficulties and know how to create better learning environments. Childcare workers' and parents' input into childcare centres is crucial.

Apologists for capitalism say that market mechanisms like supply and demand can create a more efficient distribution of goods and services. But the food crisis illustrates

Today the priorities in our workplaces are decided by bosses and managers, based on competition for profit

how, even though we have more than sufficient food, it can't get to people without the money to pay. The water and climate crises show those with power can block sensible suggestions for renewable energy. Competition and the capitalist market must be eliminated.

## Competition and planning

The free market is inherently inefficient due to competition between firms and the lack of planning across the economy. Different companies compete to manufacture and sell the same products, for example cars. This means there is unnecessary duplication in research and factories by any number of manufacturers producing very similar products.

But all car manufacturers compete to try to get a larger slice of the potential market—the number of people prepared to buy a car. That means they cannot know how many cars they are going to sell, and have to produce goods that may never be able to be sold. This problem—of overproduction—is particularly bad when recession hits and demand for goods such as cars slumps.

Today's capitalism shows enormous potential for cooperation and planning despite the competitive logic. Individual firms undertake extensive planning in order to make sure they have sufficient inputs to continue production or to get their products to the stores on time. Postal services can only get mail to its destination through complex systems involving the cooperation by tens of thousands of workers.

Government welfare and health systems rely on tens of thousands of workers cooperating across the continent. Some people say the system is too complicated. Yet new technology makes it easier to communicate and share ideas and proposals.

A genuine socialist society would involve planning across the

economy based on decisions made at thousands of local meetings in workplaces and communities to determine what individuals and society needed.

The best examples of workers' cooperation have developed in workers' struggles against exploitation and oppression. Because production depends on labour, workers had enormous potential social power to create a new social order based on this collective productive activity.

In 1917 workers kicked out the Russian Czar and set up a society run by workers councils. This workers government legislated equality for women and minority groups, an end to Russia's participation in war and gave land to the peasants.

One of the first decrees issued by the Bolsheviks on taking power stated that "workers' control over the manufacture, purchase, sale and storage of produce and raw materials and over the financial activity of enterprises is introduced in all industrial, commercial, banking, agricultural, cooperative and other enterprises".

John Reed, a US socialist in Russia in the early days of the revolution, describes this process:

"There was a committee meeting at one of the factories, where a workman arose and said, 'Comrades, why do we worry? The question of technical experts is not a difficult one. Remember, the boss wasn't a technical expert, the boss didn't know engineering or chemistry or bookkeeping. All he did was to own. When he wanted technical help, he hired men to do it for him. Well, now we are the boss. Let's hire engineers, bookkeepers and so forth ... to work for us.'"

Over the last 90 years workers' control has reappeared again and again. In Spain 1936, in France 1968, in Chile 1973, in Poland 1980 and most recently in Argentina, workers have taken control of their own workplaces and shown that the old owners and managers were quite unnecessary.

In Iran in 1979, when the Shah's dictatorship was overthrown, workers established "shoras" (councils) to run the factories. The writer Maryam Poya described how they functioned:

"The shoras began to exercise their power at every level of factory life, in purchasing, sales, pricing and orders for raw materials. Different committees were organised to carry out various tasks. Guild committees



**In recent years workers in countries like Argentina and Venezuela have taken over and run factories themselves. Above are workers from worker-controlled and co-managed factories in Venezuela**

to secure trade union demands with respect to wages, conditions, insurance, health and safety.

"Financial committees to control the incomes and expenditures of the individual factories and to watch over managerial financial affairs. Communications committees to maintain contact with shoras in other factories.

"Women's committees, made up solely of women, to press women workers, specific demands, especially in the chemicals and textiles industries where women constituted the majority of the labour force."

In these examples the real movement came from below. As factory owners were driven out or fled, workers had no option but to take over the workplaces and run them for themselves.

The working class today is larger and more international than ever. While working conditions have changed, the potential social power of workers only grows because of human economies continue to depend on labour. For all the new technology and massive machinery workers are needed to operate it.

A new society cannot emerge automatically. It must be built out of the people and situations we have today. But it will not be given to us from our governments. Are the proponents of neo-liberalism likely to put jobs and planet ahead of profit?

Workers will have to fight for

change. It is in the struggles for reforms today that new ideas for better ways of organizing can emerge.

But while nationalisation may protect some jobs, we need to convince activists and unionists of the need for a new mass movement for real change.

There is a complex relationship between the state of the economy and the potential for resistance, many people may lose confidence as they lose their jobs and houses, but there will be anger and there are pockets of resistance already.

This year a revolt by unionists and anti-privatisation activists was the driving force behind a totally unexpected change of government in NSW as part of a campaign to stop electricity privatisation.

The worldwide crisis we are confronting is not simply the crisis of neo-liberalism as an ideology and as a policy regime, but of the capitalist mode of production itself.

We need to argue to defend every job and public service. Working people must fight for policies to ensure ordinary people don't pay for the crisis and at the same time build alternative structures based on ideas of democratic workers' control.

To do this effectively will require a rebuilding of the trade unions and the broader left and that is where socialists can put their energies. Socialist answers to the crisis are now more relevant than ever.

# UNIONS AFTER THE RIGHTS AT WORK CAMPAIGN

The union campaign against WorkChoices succeeded in getting Howard voted out, but has not put unions in a stronger position to organise and fight. **James Supple** examines why

THE UNION movement played a vital role in securing Kevin Rudd's election. But the new Labor government's IR legislation is a slap in the face for unions, keeping most of WorkChoices in place.

WorkChoices' key anti-union measures criminalising basic union organising, such as the restrictions on union right of entry to workplaces and the special laws policing construction unions are set to stay.

Yet one year into Rudd's term in office the union movement has made virtually no effort to force the new government to deliver real change. This failure is a direct result of weaknesses of the union Rights at Work campaign. While it was an effective tool for electing Labor, the opportunity to rebuild unions' own ability to fight was squandered.

We need to learn the lessons in order to organise successfully to get rid of the rest of WorkChoices, as well as the anti-union laws in the construction industry including the ABCC.

Opposition to WorkChoices was vital to Kevin Rudd winning last year's election. It was the union movement, not Kevin Rudd, that was primarily responsible for this.

The union campaign against the laws began in 2005—almost three years before the election. As early as August 2005, over 60 per cent of the public said they were opposed to the laws.

It combined both a sophisticated media strategy of TV advertising and grassroots activist mobilisation.

The grassroots side of the campaign culminated in the campaigning in marginal seats. This was an undoubted success in swinging key marginal seats to Labor. Thousands of unionists and community activists worked to letterbox, petition and campaign against Howard in seats across the country.

Unionists everywhere were buoyed by Howard's crushing election defeat. But the Rights at Work

Hundreds of thousands of people left the rallies with a sense of confidence that the campaign could stop Howard's laws

campaign did not increase unions' own strength to campaign and fight.

Total union membership actually fell by 5 per cent, or 89,000, in the year to August 2007, according to Bureau of Statistics data. This reflects that the focus of Your Rights at Work was on organising local community-based campaign groups in key marginal electorates.

There were very few examples of workplace-based campaigns, and even those that took place were in the handful of marginal electorates targeted.

At the vast majority of workplaces not in marginal electorates unionists were not involved in the campaign. As a result a larger layer of rank-and-file union activists with an understanding of how to continue campaigning either around issues at a workplace level or to pressure Rudd to genuinely scrap WorkChoices was not built.

## Industrial strategy

This failure was a result of the lack of any industrial campaign to fight WorkChoices.

The Rights at Work campaign began with mass union delegates' meetings in Victoria and NSW in March and May 2005. They were among the largest and most enthusiastically attended in years.

In Melbourne, where the Victorian Trades Hall Council encouraged all unions to mobilise for mass protests, 150,000 hit the streets in June and another 200,000 in November. Across the country 600,000 demonstrated on November 15.

Unfortunately senior union leaders and the ACTU only saw the demonstrations as a sideshow to their electoral campaign. Once the government passed the WorkChoices legislation at the end of 2005 the size of the demonstrations declined as the ACTU focussed unions' efforts on marginal seats.

Hundreds of thousands of

people left the rallies with a sense of confidence that the campaign could stop Howard's laws.

Even in regional towns like Bathurst there were comments like: "All of a sudden you don't feel as isolated... That there are *all* of these people who feel the same way you do and with all of these people surely we can change something."

The success of the mass rallies could have been used to build an escalating campaign of larger and more frequent demonstrations to stop the laws being passed through parliament, or resist their implementation.

The Howard government was cautious about provoking a large industrial confrontation with the unions after its failure to break the maritime union in 1998. All along the Workplace Relations Minister Kevin Andrews was at pains not to inflame opposition, repeating statements like "What we'll do is apply a very cautious and careful approach".

The decline in union density is often held up as a reason unions need to be cautious about taking action. But the mass demonstrations showed how this could be overcome. The biggest contingents were from industries with high levels of unionisation like construction, manufacturing and nursing.

But the rallies drew in thousands of workers from poorly organised workplaces—including many who weren't even union members. They also gave confidence to unionists in workplaces where striking is difficult to defy their bosses and attend the demonstrations.

Many employers tried to intimidate workers out of attending. The ABCC Deputy Commissioner even declared construction workers could face individual \$22,000 fines for going on strike to attend the rallies. But these threats were ignored in a show of mass defiance of the anti-union laws.



By contrast the acceptance by union officials that WorkChoices could not be fought industrially meant enormous damage was done to union organisation after Howard introduced WorkChoices.

With WorkChoices in place for two years many union leaders argued that there was nothing unions could do to resist the laws, and that they had to accept the new restrictions on union activity and wait for a Labor victory at the 2007 election.

This was particularly damaging in the construction industry, where it meant unions abandoned basic routines of organising such as regular workplace meetings. Some employers took the opportunity to weaken unions by sacking union delegates like Barry Hemsworth, a construction unionist in Sydney.

### Unions under Labor

The ACTU's "community campaign" model drawn from the Rights at Work campaign does not apply so easily when faced with Labor governments in power. Unions cannot campaign to remove Labor MPs in marginal seats when the only alternative in many places is a Liberal.

As a result the union leaderships have opted to simply lobby within the Labor party for changes to government policy. This has meant that there has not been a single mass demonstration na-

tionwide demanding Labor repeal WorkChoices.

The limitations of this lobbying can be seen in the legislation that Labor has produced—which as the *Financial Review* gloated "retain most of the WorkChoices laws rather than abolish them".

The two areas where unions have campaigned more openly against Labor governments since the election—against NSW power privatisation and the ABCC—show the problems with this approach.

Unions NSW's campaign against the state Labor government's power privatisation plans was spearheaded by John Robertson, a key figure in the Rights at Work campaign.

The campaign has seen the unions lead an important fight inside the Labor party—winning an overwhelming vote against privatisation at the NSW Labor party conference and putting serious pressure on Labor MPs not to vote for a sell off in parliament.

But the unions' victory in forcing the resignations of Morris Iemma and Michael Costa and defeating the original plan to sell the power stations has been squandered.

Instead of building on the momentum of the victory the unions scored, John Robertson and other senior union leaders have accepted the sell off of electricity retail as a compromise necessary to hold the

Labor party together and give support to the new premier.

Robertson has taken a position as a Labor MP in the NSW upper house and his deputy at Unions NSW Matt Thistlewaite has moved into the job of NSW Labor Party State Secretary.

As a result their fight to shift the direction of the Labor government has been all but abandoned.

The campaign against the ABCC has seen construction unions organise nationwide mass demonstrations calling for the commission's scrapping. But similar to the Rights at Work rallies, these demonstrations are seen by the union officials as a minor part of a strategy of lobbying Labor MPs.

Without the brave decision of Noel Washington to defy the ABCC even these rallies might never have happened, as senior construction union officials have no enthusiasm for a campaign of industrial action in defiance of the commission. Instead they are still agreeing to pay fines imposed by the ABCC, such as a \$55,000 fine for taking action to reinstate a sacked apprentice imposed in September.

Unions should fight inside the Labor party for policies that benefit working class people. But the main strength of the union movement is industrial. Union power is based on the ability to organise at a workplace level and to take strike and protest action that can force employers to concede better safety, pay and work conditions. This is a power that can also be mobilised around political demands such as pressuring Labor governments to deliver real change.

Disrupting or shutting down workplaces by taking industrial action costs employers money, and forces them to either grant concessions over workplace issues like pay, or to demand the government act to resolve political issues that are causing disruption.

But most union leaders have become too afraid of using this power. We need to rebuild networks of rank-and-file unionists across the union movement to push for a serious industrial strategy to campaign for the scrapping of the ABCC, as well as the rest of WorkChoices and to demand an end to policies like privatisation. Without that there is no way we can successfully rebuild the unions and win back our rights at work.

.....  
**Union power is based on the ability to organise at a workplace level and to take strike and protest action**

# BEATING THE ANTI-UNION LAWS HOW THE PENAL POWERS WERE DEFEATED

In 1969 over one million workers took part in a general stoppage and won the freedom of jailed union official Clarrie O'Shea and an end to the penal powers. With the ABCC and most of the WorkChoices laws intact, **Amy Thomas** looks at the lessons for today

ON HIS way to court on 15 May 1969, Tramways Union official Clarrie O'Shea led a march of five thousand workers.

They were mostly union delegates from a meeting at Melbourne Trades Hall, called by left wing union leaders who had recently split from the other conservative unions in Victoria. The 27 unions had met to discuss and vote on a course of action to fight the penal powers and the recent court action against the Tramways Union.

During the wages struggles of the 1960s, the Conciliation and Arbitration Commission sought to restrict union activity by placing "bans clauses" into awards that made strike action illegal. The penal powers had been used heavily since Liberal Prime Minister Menzies introduced them in 1956.

The Commission used the laws to discipline unions and to make industrial action a criminal and costly exercise.

Over 13 years, unions were fined 799 times, at a total cost of \$282,410. By contrast, bosses were fined just \$2978 over 25 years. Once you add legal costs, unions were robbed \$1 million of members' money.

For its work over five years in militantly defending the rights of its members, the Tramways Union alone had accumulated 40 fines, totalling \$15,619, most of which was accumulated for leading workers in a 14-week bus strike in 1966. While the Tramways leaders had agreed to pay a tokenistic amount of \$100 per month, they consistently made clear a strategy of defying the penal powers.

Their stance wasn't to the liking of the courts and the bosses, who were worried about the success of the metalworkers' 1968 wage claim and the threat of more to come. The government moved to confiscate the union's funds in 1969, and seized the bank account of the

.....  
The government moved to confiscate the union's funds in 1969, and seized the bank account of the Victorian branch

Victorian branch.

O'Shea was called to court to produce the union's books. After ignoring several notices to appear, O'Shea took to the stand after leading the rally on 15 May and refused to take an oath, or to reveal the location of the unions remaining funds.

He stated: "Because I am a paid servant of my members, I am directed to protect their interests at all times, whether it is in regard to their wages, working conditions or their funds." John Kerr, later to become the Governor General who sacked Whitlam, immediately jailed O'Shea for contempt of the Industrial Court.

The arrogant overconfidence of the bosses, built up over several years of union bashing, was about to take a battering.

## A wave of action

As soon as the news reached the rally outside, a mood of anger and defiance spread quickly. There were immediate walkouts in Victoria, followed by two 24-hour stoppages involving 40 unions. Trains and trams stopped, delivery of goods was restricted, the power went out and TV and radio broadcasts were disrupted.

The Trades and Labour Council of WA, the Queensland Trades and Labor Council and the United Trades and Labour Council of South Australia all called statewide general strikes. In Queensland, mass meetings or strikes occurred in 20 cities and towns. Newcastle, Wollongong and Canberra had members of affiliated unions on the streets.

In Tasmania, where the Trades and Labour Council refused to sanction any action, "rebel" unions representing 50,000 workers—or 80 per cent of Tasmania's workforce—organised a general stoppage.

The conservative union leaders,

including those at the Australian Council of Trade Unions (ACTU), where forced by rank-and-file demands to support the actions, despite a previous unwillingness to take on the penal powers.

Even when their union wasn't officially supporting the strike, workers themselves took action. The secretary of the Geelong Trades Hall Council, Bernie O'Leary, reported: "Although some unions were not officially involved, in some cases large numbers of their members knocked off and were present at our meetings." Australian Workers Union members struck at the Stuart copper refinery and in Pilbara and Kalgoorlie against the instructions of conservative officials.

The strength of the strike wave surprised many. John Arrowsmith, a historian of the strike and then member of the Communist Party, has said:

"I think it surprised everyone. But the reaction to the announcement that O'Shea had been jailed was absolutely electric. Everybody thought that this was something they had to get into. Every union official was swamped by calls—people wanted to know what the unions were going to do."

A combination of factors drew workers onto the streets. There was a rising tide of anger among workers who had suffered under 13 years of the penal powers and were not getting their share of the 60s economic boom. The campaign against the Vietnam War and the growing radicalisation among students and youth at the time was also beginning to spread to the workplace.

The Tramways Union, along with other left-led unions, had also made clear their intention to escalate industrial action to defeat the powers before O'Shea's jailing.

The leadership to the left of the ALP, predominantly from the



Communist Party and its splinter groups (O'Shea himself was a member of the China-aligned, Communist Party Marxist-Leninist) was crucial to leading rank-and-file resistance and building confidence to fight the laws.

Arrowsmith said of this: "We spent years organising. We fought against the idea of the 'menace from the north', we fought against attacks on democratic rights; we worked most effectively among youth; we resisted the attacks on the unions... It was undoubtedly the vision of a handful of Communists in Victoria that was the core of it all."

As well as a general expression of working class anger and frustration, the O'Shea strike was the culmination of this defiant vision.

The powerful display of work-

ers' confidence and control shook up the ruling class. Six days after his jailing, O'Shea's fines were paid by a former newspaper editor, widely believed to be acting for the government.

O'Shea was released to a mood of mass celebration. The penal powers, while they weren't repealed, became a dead letter.

### Refusal

The ACTU soon had an official policy of refusal to pay any fines, and the ALP national conference of 1970 passed a motion opposing the powers.

Employers were requested to refrain from using them, so frightened was the government at the possibility of another backlash!

The victory also paved the way for further struggles. Renewed

### Clarrie O'Shea emerges from jail after successfully defying the anti-union laws of his day

working class confidence saw rages rise by 20 per cent in the early 1970s. Jack Munday, leader of the Builders' Labourers Federation 'green bans' struggle in the 70s, attributes some of his union's confidence to the victory of the O'Shea dispute.

It was the gains of that period that the Howard government set out to erode with the introduction of both WorkChoices and the Australian Building and Construction Commission. It was the "right to strike" particularly—the most fundamental and effective display of workers' collective power—that Howard sought to remove from workers' arsenal.

While the unpopularity of such anti-worker policies was surely what cost the Howard government the election and swept Rudd to power a year ago, we are still struggling against WorkChoices-lite and at least another year of the ABCC.

The new industrial relations legislation (covered elsewhere in this edition of *Solidarity*) changes some basic conditions but keeps very similar restrictions on industrial action. It is a victory and a testament to Labor's awareness of WorkChoices' unpopularity—but the continued restrictions on the right to take action are the result of the fact the union Rights at Work campaign didn't take the fight for those rights seriously or far enough.

The campaign against the ABCC is a chance to take up the fights for those rights. The specific targeting of the more militant construction unions is no coincidence—it is because they pose the most threat to efforts to hold down wages and conditions.

There is much to learn from O'Shea's, and now Washington's, refusals. In both cases, their defiance, and the widespread support for it, was too much for the ruling class to take.

If we want to make the injustice of the ABCC the next dead letter law, the "rights on site" campaign needs to adopt an official policy of defiance of the Commission and of the remaining restrictions on industrial action. As the economic crisis unfolds, the struggle over who pays for the bosses' mess is set to begin—and we need a fighting union movement to make sure it isn't us.

# PUTIN'S RUSSIA: BACK TO THE FUTURE?

Jarvis Ryan looks at the re-emergence of Russian power and explains its significance



THE BRIEF but bloody war between Russia and its neighbour and former colony Georgia, a small but important US ally in August this year put Russia back in the international spotlight. Western commentators condemned Russian aggression and warned of a new Cold War, less than 20 years after the collapse of the once mighty Soviet Union.

Russia claimed its invasion was to defend the rights of the people of the tiny region of South Ossetia, who want autonomy from Georgia. But the real aim of prime minister Vladimir Putin and the Russian state was to reassert Moscow's power on the global stage.

As Robert Baer, a former senior CIA operative, argued in *Time* magazine: "Russia's invasion of Georgia has less to do with South Ossetia than with a Russia that never reconciled itself to losing an empire—or to being treated like a

second-rate power all these years... It was only a matter of time...before Russia taught the world a lesson."

Just what is that lesson? How seriously should we take talk of a new Cold War? What underpins Russia's dramatic re-emergence, and is it sustainable?

## Dark days

Whatever we think of the Russian state, there is no doubting it has undergone a remarkable recovery under Vladimir Putin's leadership. Just 10 years ago the Russian economy came close to complete collapse, a victim of financial speculation and rampant corruption. The financial crisis was the final humiliation for a state that had been the world's second superpower only a decade earlier.

After the break-up of the Soviet Union in 1991, Russia suffered a social and economic collapse virtu-

ally without modern precedent. The loss of its Eastern European satellites in 1989, and then its colonies in 1991, saw economic output plunge by 45 per cent during the transition to the free market.

Male life expectancy plunged from 64.2 years in 1989 to 57.6 in 1994 as poverty, unemployment and alcoholism soared.

Eager to punish Russia and consolidate its position as the sole remaining superpower, the US government subjected Russia to a neo-liberal "shock therapy" program of rapid privatisation and market restructuring, spearheaded by the International Monetary Fund and World Bank.

## Fire sale

The senior bureaucrats of the old Soviet Union, known collectively as *nomenklatura*, were best placed to benefit from the fire sale of Russia's assets. Many still held important government posts, and used their position to siphon off cash and assets for themselves and a new breed of well-connected entrepreneurs.

The "new oligarchs" amassed wealth on a scale never before seen. According to Mike Haynes, writing in *International Socialism*, the oligarch "Boris Berezovsky suggested that 50 percent of the economy was controlled by seven oligarchs and Mikhail Khodorkovsky said, 'Politics is the most lucrative field of business in Russia. And it will be this way forever'."

However, other elements within the *nomenklatura* realised that the robber baron style of capitalism sweeping Russia left it in danger of becoming a "failed state", especially after the 1998 financial crisis. This group represented the nucleus of the old state—the bureaucracy, the military and the intelligence services—which had survived the 1991 debacle and whose members wanted to restore Russia's interna-

**Above: Putin has reorganised the Russian state and overseen a recovery from the crisis following 1991**

tional prestige.

Their hopes were embodied in Vladimir Putin, a high-ranking official, firstly with the former secret service, the KGB, and with its successor, the FSB. Putin was anointed as Russia's new leader in 1999 by ailing president Boris Yeltsin.

Putin's most pressing task was to stop the economic rot. He gradually restored a degree of state control over the economy by limiting the power of the oligarchs, culminating in the arrest and jailing of Mikhail Khodorkovsky, Russia's biggest new capitalist, and the renationalisation of his company, the oil giant Yukos.

Oil and gas have underpinned Russia's economic revival, accounting for more than half of all exports. Russia is the world's largest gas producer and recently overtook the US to become the second-largest oil producer. Particularly since the resource price spike in 2002, Putin has been able to use revenues to consolidate his power and also address some of the widespread and often extreme poverty affecting ordinary people.

Growing at 6-7 per cent a year, the economy has almost doubled in size in the last decade. This largely explains why Putin has consistently enjoyed huge approval ratings. Income per capita has finally surpassed pre-1991 levels, although income distribution is far more uneven now. Many Russians have been willing to overlook Putin's autocratic nature and the return of a repressive apparatus similar to the police state of the Stalinist era.

Putin has also sought to boost morale and expand his base by appealing to Russian nationalism and the past glories of both Tsarist Russia and the Soviet Union. Besides having political benefits, this strategy fits neatly with his second priority: to rebuild Russian geopolitical influence in "near abroad" of its former colonies.

### Encirclement

Since 1991, Russia's rulers have felt besieged by the steady eastward advancement of the US-led NATO military alliance. In 2007 Putin declared: "NATO has frontline forces on our borders." This was a deliberate strategy on the part of the American ruling class to neuter Russian imperial power in the former Soviet colonies.

Russia was forced to suffer the

Russia was forced to suffer the ignominy of watching no fewer than nine of its former satellite states and colonies become members of NATO

ignominy of watching no fewer than nine of its former satellite states and colonies become members of NATO. The noose tightened after the 9/11 attacks when the US set up military bases in several Central Asian states.

Putin's first chance to challenge NATO encirclement came shortly after he was appointed prime minister by Yeltsin in 1999. He ordered a massive military escalation to crush rebel fighters in the break-away southern region of Chechnya (which borders Georgia). Thousands of civilians were slaughtered and the Chechen capital Grozny lay in ruins, but Putin had sent a message that the Russian ruling class would not cede any more territory.

### Multipolar world?

This message was delivered even more emphatically in the recent war with Georgia, where Russia risked a confrontation with the US, reflecting a newfound confidence in Putin and his advisers.

Their self-assurance is based on two things. Firstly Russia's much stronger economic position; and secondly, an awareness that the US is significantly weakened by its military commitments in Iraq and Afghanistan.

The Russian government's thinking was spelled out bluntly in Kremlin document in April 2007: "The myth about the unipolar world fell apart once and for all in Iraq... A strong, more self-confident Russia has become an integral part of positive changes in the world."

Some important figures on the left welcome Russia's re-emergence as a counterweight to US power. Venezuelan president Hugo Chavez is among them. Dilip Hiro reported in *Salon.com* that "while visiting Moscow in June 2007, [Chavez] urged Russians to return to the ideas of Vladimir Lenin, especially his anti-imperialism. 'The Americans don't want Russia to keep rising,' he said. 'But Russia has risen again as a centre of power, and we, the people of the world, need Russia to become stronger.'"

But just how powerful is Russia, and what should our attitude be? Sweeping claims about America's decline, and Russia's supposed revival, need to be kept in perspective. Russia's economic output is still roughly similar to what it was 20 years ago, and its economic base much narrower. The recent fall in

commodity prices will certainly dent its influence. For its part, the US is weakened but remains by far the most powerful economic and military force on earth.

The *American Conservative* offers a more nuanced view of Russian power, pointing out that "Russia's strategic aims are [most likely] modest, largely confined to its own neighbourhood" and "more defensive than offensive".

Hiro offers a similarly cautious view: "with not even a decade of this century behind us, we are already witnessing the rise of a multipolar world in which new powers are challenging different aspects of American supremacy—Russia and China in the forefront, with regional powers Venezuela and Iran forming the second rank. These emergent powers are primed to erode American hegemony, not confront it, singly or jointly."

Russia is not siding with the popular movements from below that are challenging imperialism. On the contrary: Putin is a nasty autocrat who wants to eradicate dissent in his own country, and reinstate Russian imperial power in Central Asia and the Caucasus. Hiro is right to say Russia is not seeking a confrontation: it is seeking a better bargaining position for Russian capitalism within the post-Cold War world.

We should not echo the hypocritical denunciations of Russia typical of the Western press. Putin is guilty of many killings and human rights violations, but in that regard he is not so different to our own supposedly democratic rulers, who continue with their bloody wars in Iraq and Afghanistan and restrict civil rights at home.

The conflict in Georgia is evidence of a shift to a more multipolar world, but that is not without its complications. A stronger Russia makes future conflicts with the US and other states more likely. The left's task is not to take sides but to build the radical movements from below that can challenge the imperialist powers and their profit-driven mentality.

### Further reading

- Mike Haynes, "The uncertain return of Russian power", *International Socialism* #116, [www.isj.org.uk](http://www.isj.org.uk).
- Dave Crouch, "Nato and Russia: Georgia on their minds", *Socialist Review*, September 2008, [www.socialistreview.org.uk](http://www.socialistreview.org.uk).

## How Chifley lost Labor's supporters: the 1949 coal strike

**Infamous Victory: Ben Chifley's Battle For Coal**  
ABC1, November 6  
Watch online at [www.abc.net.au/tv/view](http://www.abc.net.au/tv/view)

FOR DECADES, only the Left has talked about the 1949 coal miners' strike, using it as an example of how low a Labor government can stoop—to the point of using soldiers to scab.

So it should have been welcome news that the ABC had put resources into an hour-long dramatisation, *Infamous Victory: Ben Chifley's Battle For Coal*.

Unfortunately, the ABC has given us little to cheer about, creating a show that turns the ideological tables to paint Labor as the embattled victim of a Cold War plot.

The years immediately following the Second World War were pregnant with radical possibilities.

Worldwide, millions had died, tens of millions more were wounded or displaced. Europe was in tatters.

Workers on the home front had been cajoled or coerced into heroic feats of production.

These were the same workers who had suffered enormous privations in peacetime—in the Depression that preceded the conflict.

Australia was no exception. Unemployment peaked at about 30 per cent in the 1930s. Some 40,000 Australians died in the war and those at home were made to sacrifice, through rationing of essential goods and inflation.

The mood in 1945 was that it was time for workers to get their reward.

The first to gain from this was Labor under Ben Chifley, returned with 51.3 per cent of the first preference vote in the 1946 election—its best ever result. It held 33 of 36 senate seats.

But workers quickly found that improvements would still have to be fought for.

Chifley opposed calls for wage increases to compensate for war-time sacrifice. Unionists responded with strike action—four million days

in 1945-46 alone—and won substantial gains.

Labor's obstruction continued over the move to a 40-hour week. Again it was mass action that tipped the balance. The Arbitration Court, in granting the claim from January 1948, declared:

"This working class claim has been and is the basis of industrial dispute and unrest ... No realist for a minute thinks that a rejection by the Court in these cases would bring about industrial harmony and would abate for an instant the demand for the shorter week."

The 40-hour week raised the question of a five-day week with penalty rates for weekend working. Railway workers led the charge in February 1948.

Once again they faced resistance from Labor. Queensland premier Hanlon banned picketing. Police baton-charged a demonstration, injuring several people.

Central to this union struggle was the Communist Party, which emerged from the war (in which Russia had been an ally of the West) at the peak of its success.

It had 23,000 members, an MP in the Queensland parliament, control of some local councils and, crucially, the support of between 25 and 40 per cent of unionists.

By 1948, many of its middle-class, wartime recruits had fallen away. But the party still had some 300 top-level trade union officials and control of key blue-collar unions.

In 1949, the CP leadership of the Miners Federation decided to launch a three-pronged claim, for a 35-hour week, long service leave and a 30-shilling a week pay rise.

### Justifying Chifley's attacks

*Infamous Victory* paints Chifley as a friend of the workers. He had taken part in the NSW general strike of 1917 as a train driver. It was he who coined the inspirational Labor slogan, the Light on the Hill, pointing the way to a better society.

The central theme of *Infamous*

.....  
The central theme of *Infamous Victory* is that the decent Chifley was forced to do the unthinkable, even at the risk of alienating Labor voters, by the CP

*Victory* is that the decent Chifley was forced to do the unthinkable, even at the risk of alienating Labor voters, by the CP.

According to the program, the dispute was imposed on the miners, concocted by the CP to produce a revolutionary situation.

This was the justification for Labor's vicious attacks on the miners and their supporters, which included:

- banning strike pay and solidarity donations;
- jailing eight union officials;
- a police raid on the CP's Sydney headquarters; and
- sending in troops to mine open-cut coal.

The truth was that the miners were overwhelmingly behind the strike. They had a proud and militant tradition to draw on.

Many of the older miners well remembered the death of Norman Brown—shot by the police on the picket line at Rothbury in NSW in 1929.

They also remembered that 1929 had been a lock-out by the employers and that the state had lined up with the bosses.

As one miner put it in the *Newcastle Morning Herald* in July 1949:

"I have no doubt that the conditions I enjoy today are the direct result of the struggle and hardships of the past ...

"We will continue to use our gifts in the only way we ever have found to get results—by struggle."

Miners backed the claim and the call for a general strike by 7995 votes to 822.

Their union paper, *Common Cause*, reported that meetings were "among the best in the Federation's history ... with a higher attendance and better vote than those on the eve of the big 1940 general strike".

A further blow to the *Infamous Victory* thesis was that the employers used deliberately provocative tactics in the run-up to the strike.

They not only rejected the pay claim and the 35-hour week, but called on the Federation to make



**Above: Chifley in the ABC documentary**

four significant concessions in return for a watered-down long service leave clause.

In June, the Federation was poised to call mass meetings for action. When the head of the Coal Industry Tribunal indicated that the union's claim would be "generously" considered, the leadership postponed the meetings for a fortnight.

Far from accepting this olive branch, the employers announced that they would oppose long service leave outright.

It was this, much more than any "Communist plot", that tipped the balance towards striking.

The dispute was a turning point that shaped Australian politics for a generation.

On their side, the miners had the power that comes from stopping coal supplies in a society dependent on the stuff. Industry ground to a halt.

While the miners also enjoyed widespread solidarity, they found they were up against not just the employers, but the state.

Chifley deployed some new tactics, such as major advertisements in the newspapers putting the government's case, as well as a dirty old one—convincing the rail union to scab.

Labor put itself on the line, with MPs going into the coalfields and into major workplaces to argue with the miners and their support-

ers head on.

The tone deteriorated. As *Infamous Victory* shows, the Minister for Immigration, Arthur Calwell told tens of thousands in the Sydney Domain that Communists should be put into concentration camps—just four years after the Holocaust. He continued:

"We will use all the resources of the country against them. We will use the army on them, the navy on them and the air force on them ...

"Only the stars are neutral in this fight. This is a fight between the Labor movement and the Labor Government on the one hand and the Communist ratbags on the other. It is a fight that the Government must win ...

"The army will be used in the open cuts. We will run up the Australian flag and it will cover Australian servicemen mining coal in Australia for the Australian people."

#### **Damaging the left**

In *Infamous Victory*, Chifley refers to "civil war" and a "semi-revolution". It is this analysis that justifies his use of the state to drive the miners back to work.

By 1949, the Communist Party's analysis was that a recession, even a Depression, was coming and that workers should grab what they could before the going got tougher.

The CP had also sharpened its

anti-Labor rhetoric and was counterposing itself to the ALP in an increasingly shrill, ultraleft way.

But there is no indication that the Communist Party was planning for insurrection.

Far from bringing down capitalism, the outcome of the strike weakened the Left for a generation. The CP went into what turned out to be a long decline.

Labor lost the December 1949 election. The strike was not the only reason—Chifley's pledge to retain rationing in order to help Britain was also deeply unpopular.

The result was not only an even more rabidly anti-Communist government under Menzies, but the deepening of anti-Communism within the ALP, leading to the 1955 split.

The story of the 1949 strike is more than historical curiosity. It shows the depth of Labor's loyalty to the system. It shows how Labor will fracture its base rather than threaten capitalism.

Sixty years on, it is inconceivable that a Labor minister would stand on a soap box and talk directly to striking workers.

But it is sadly all too believable, if the stability of the system demanded it, that today's Labor would wield its biggest sticks against us.

The ghost of Chifley hovers over unionists forced to appear at the ABCC under threat of jail.

#### **David Glanz**

■ In most respects, *Infamous Victory* sketches a broadly accurate picture of the course of events. But one element does not ring true.

With the strike under way, Chifley is shown offering to concede the full claim.

He does this, according to the scriptwriters, knowing that the miners' leaders would not be able to accept without undermining the Communist Party's strategy for destabilisation.

Yet if the rank-and-file knew, it would foment a revolt against the strike.

The only evidence for this that I can find is a line by Phillip Deery in the *Journal of Australian Studies*, No. 54-55, 1997, republished at [http://www.api-network.com/main/index.php?apply=scholars&webpage=default&flexedit=&flex\\_password=&menu\\_label=&menuID=homely&menubox=&scholar=212](http://www.api-network.com/main/index.php?apply=scholars&webpage=default&flexedit=&flex_password=&menu_label=&menuID=homely&menubox=&scholar=212)

.....  
**The dispute was a turning point that shaped Australian politics for a generation**

## Series exposes colonialism's brutal history, but paints it as in all in the past

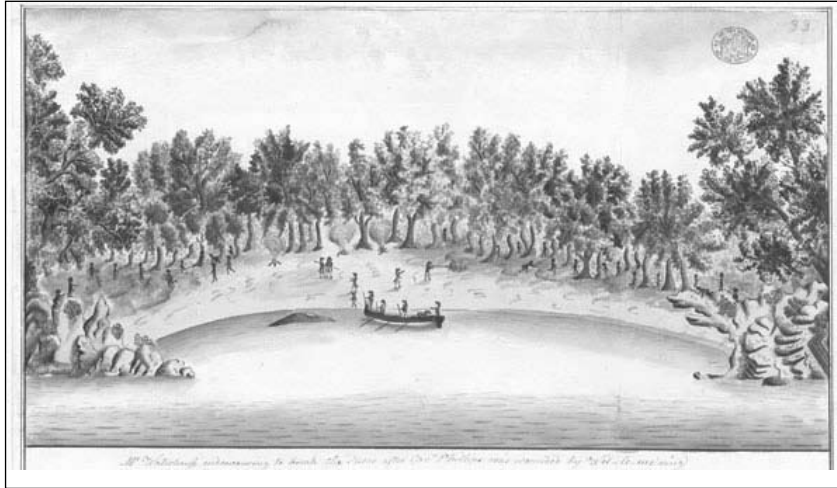
**The First Australians**  
 Directed by Rachel Perkins  
 Available on DVD soon

*THE FIRST Australians* is a six part television documentary series which attempts to portray on a national scale the impacts of colonisation and dispossession on Australia's Indigenous people. The ambitious undertaking by filmmaker Rachel Perkins, daughter of the late civil rights campaigner Charles Perkins, took six years.

The series begins with Aboriginal Dreamtime stories and pre-invasion life for Aboriginal nations, then documents the arrival of the First Fleet and early contact between Europeans and Indigenous nations. The first episodes deal with significant Aboriginal leaders like Bennelong and Pemulwuy attempting to negotiate life with the encroaching white settlements and British soldiers. They also document the impact of dislocation and diseases like smallpox. The series gives a powerful and detailed portrayal of organised Aboriginal resistance as the colonies expanded, accompanied by massacres and violent retribution against Aboriginal people who killed livestock to survive.

Perkins wants the stories to be part of a national school history curriculum, and has won broad support for its revealing narrative and a more honest look at the colonisation of Australia.

Later episodes deal with state governments' attempts to assimilate or exterminate Aboriginal populations, and the series concludes with Rudd's Apology and his promise



**Above: The early episodes depict the arrival of British settlers and their clashes with Aboriginal people**

**Rather than the series being solely of historical interest, it reveals the historical assimilationist policies manifested in the Northern Territory intervention**

to "never again" repeat past wrongs. Using many first-hand accounts from Aboriginal people, *The First Australians* is an impressive history of Australian colonisation from an Indigenous perspective.

While the racist history of State Protection Boards, the church missions, and the plight of the Stolen Generations may be more familiar, the stories of Aboriginal leaders, struggle and resistance are a particular highlight of the program.

### **A benevolent colonisation?**

However, the fundamental flaw underpinning *The First Australians* is the idea that relations between Aboriginal people and white colonists could have proceeded harmoniously while the British invaded and occupied large swathes of Aboriginal land. The first episode focuses on the diplomatic overtures of Governor Arthur Phillip towards Bennelong.

However, when this relationship sours, *The First Australians* depicts the acts of retribution against Aboriginal people as arising from cultural

misunderstanding, rather than the inevitable result of invasion. Yet, an episode describing the colonisation of Victoria tells the story of William Barak, a young Wurundjeri man who witnessed the first white settlers arrive in 1830. Within his lifetime his people were confined to Corranderk, struggling to retain just under one per cent of their original land.

Author Steve Kinnane discusses the period during the late 1800s-1910, known in the Kimberley area as the "Killing Times" for the brutal massacres and violence committed against Aboriginal people.

In 1894, the Western Australian government declared war against Jandamarra's resistance to police attacks on Aboriginal people. The Derby Correspondent for the *North West Times* comments: "It would be a good time for the WA government to shut its eyes and open up to the settlers a little time to teach the niggers here the difference between mine and I."

Following an ambush and the release of over 100 Aboriginal hostages, the

police began wholesale attacks on the Aboriginal population killing men, women and children. Survivors were removed to jail in chains. Police used Aboriginal trackers to hunt him down. He was shot and decapitated and his head was sent to England. Jandamarra's three year rebellion was the last armed resistance to invasion.

Commenting on the series, Rachel Perkins said, "There's nothing like looking at history to see how far relationships have come in the last 200 years, from killing each other to negotiating and having more of a partnership."

But rather than the series being solely of historical interest, it reveals the historical assimilationist policies that are currently manifested in the Northern Territory intervention.

However, *The First Australians* overwhelmingly presents the colonisation of Australia as a series of past atrocities, and of mismanaged circumstances by individual opportunistic colonists, leading to the unfortunate breakdown in relations. While the series calls for recognition of these atrocities, there is an implicit attempt by the producers, including co-author and historian Marcia Langton (an ardent supporter of the intervention), to counter any idea that an entrenched assimilationist agenda imbues today's government policy formulations.

The series features Rudd's historic apology to the Stolen Generations as a piece of finished business, and to its discredit has nothing to say about the racist policies that have followed in its wake.

**Lauren Mellor**

## Symbol of Northern Ireland civil rights struggle

**Hunger**  
Directed by Steve McQueen  
In selected cinemas now

THE FILM *Hunger* depicts the 1981 hunger strike of Irish Republican prisoner Bobby Sands. It is a stark reminder of the last “war on terror” waged by the British state against the nationalists of Northern Ireland. The horrors of Abu Ghraib in Iraq were rehearsed in the brutality inflicted on the Irish political prisoners.

For more than 30 years armed Irish Republicanism, mainly in the form of the Irish Republican Army (IRA) fought a bitter war of liberation against the British state. At the time the media portrayed the IRA as vicious psychotic gunmen, “men of violence”, criminals with no genuine support in their community. The “Provos” attracted all the venom that is now directed at Al Qaeda or Jemaah Islamiyah.

But it is important to remember where this armed struggle came from. In the late 1960s a mass civil rights movement burst on to the streets of Northern Ireland to demand equal rights for the “Catholic” minority of the six counties.

Northern Ireland had been created in 1921, as a Protestant enclave, attached to Britain, while the rest of Ireland became independent. The ruling elite of Northern Ireland, loyal to Britain, made no attempt to hide their biases. James Craig, first prime minister of Northern Ireland, proudly declared, “We are a Protestant Parliament and a Protestant State”. The unstated reality was that if you were part of the sizeable Catholic minority you were a second class citizen.

Northern Ireland’s



civil rights movement sought to address the discrimination against Catholics in housing, jobs and voting rights. The central issue for the civil rights marchers was not Ireland’s partition into two states but a fight for basic democratic rights. The response of the Northern Irish state was to try to beat the protesters off the streets.

In July, August and September 1969, five per cent of Catholic families were driven from their homes in Belfast. As attacks by the Royal Ulster Constabulary and the Loyalist militia (the B Specials), against Catholics and the civil rights marches escalated, the Catholic minority sought to defend themselves—erecting barricades and arming themselves with stones and petrol bombs.

In 1969 the Northern Ireland government requested that the British army help restore “order”. Believing they would provide non-partisan security, initially the British army were welcomed by many in the Catholic community but

**Above: Bobby Sands discussing whether to start his hunger strike in a scene from the film**

**The hunger strikes offered an alternative to the military stalemate and the possibility of a return to the mass struggles of the civil rights movement**

it quickly became apparent that the British troops were first and foremost determined to protect the sectarian structures of the Northern state.

Hundreds of Catholics were imprisoned when internment without trial was introduced in 1971. Then in 1972 on Bloody Sunday, 14 civilians were shot in cold blood by British troops.

In late-1960s Northern Ireland there were influential leftist currents but these were unable to offer a political alternative. With protesters (and innocent bystanders) being shot down on the street, it seemed the IRA and armed struggle against the British state was the only choice.

By 1981, the year of Bobby Sands’ (and nine other Republican prisoners’) hunger strike, the war in Northern Ireland had settled into a bitter grinding conflict of vicious repression, bombings, and sectarian murder. The hunger strikes however offered an alternative to the military stalemate and the possibility of a return

to the mass struggles of the civil rights movement. The minority community revived its political activities and broad based committees were established to support the striking prisoners’ demand for political status, without necessarily endorsing the IRA’s armed struggle.

*Hunger*, while vividly showing the brutality of the British regime and the bravery and self-sacrifice of the Republican prisoners, does not move much outside of the Maze prison walls. You get a hint of the mass movement that grew for the hunger strikes in the credits at the end of the film which tells the audience that during the hunger strike Bobby Sands was elected to both the Northern Ireland and the British parliaments.

In 2008 with the Northern Ireland peace process ten years old—the IRA declared a ceasefire in 1994 and the Belfast Agreement was signed in 1998—perhaps something of a wider vision might have been expected.

The peace process in Northern Ireland, far from breaking down barriers between Protestant and Catholic, has instead institutionalised sectarianism in the form of “power sharing” between Loyalists and Republicans. With declining living standards for Protestants and Catholics in Northern Ireland, tragically the political leaders of both sides now seem to agree on one thing—a neo-liberal agenda of privatisation and partnerships with business.

But the mass mobilisations of the civil rights era and the hunger strikes period offered the prospect of a path out of divided communities that are still walled off from each other.

**Phil Chilton**

## Labor goes missing in the Howard years

**The Howard years**  
**ABC1, November 17 to**  
**December 8**

WE SURVIVED the Howard years, and now you want us to watch it on Monday night prime time! That's the sentiment of lots of people who are not tuning in to see Howard and Downer, Abbott and Costello, and Peter (still-a-liar) Reith justify themselves in our lounge rooms.

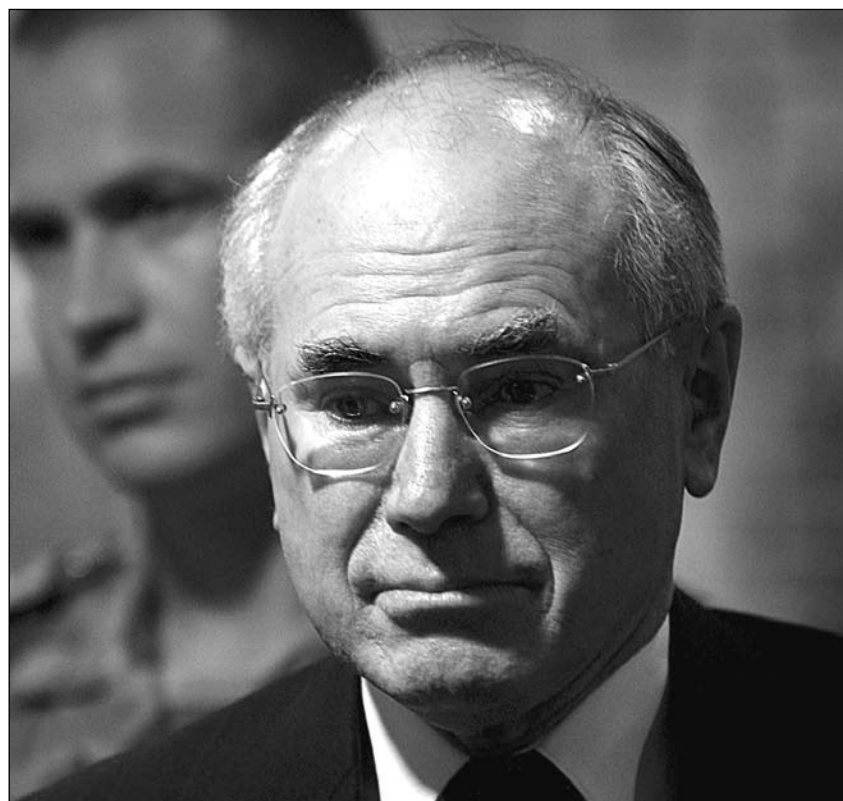
The ABC's veteran queen of bland radio journalism, Fran Kelly, has spent months interviewing the Liberal-National heavies of 1996-2007. While promoting the TV series as "no spin" what we get is self-justification, ego and sympathy seeking from politicians and mates.

### **But where is the opposition?**

In *The Howard Years* Labor is invisible. It's as if the producers decided they were irrelevant to the story. Yet it was Labor's failure to effectively oppose the government that allowed Howard to appear relatively decisive and competent.

Yes, the Coalition won four elections, but surveys showed a majority opposed government policies like the GST, the sale of Telstra, increased funding to private schools, higher HECS payments, and the war in Iraq; and were in favour of a republic, reconciliation, union rights and signing the Kyoto Protocol.

It was a time that saw some of the largest demonstrations in history—thousands picketed to defend the Maritime Union in 1998, 10,000 shut down the World Economic Forum in Melbourne in 2000, and a million protested the inva-



**The series tells the story of Howard's time in power from the point of view of insiders in the government**

**His main political strategy was to expose Labor's lack of an alternative**

sion of Iraq in 2003.

However Labor's loser leaders—Beazley, Crean, Latham, then Beazley a second time—accepted Howard's neo-liberal starting point: privatisation and the "discipline" of the market, tax cuts for the rich, and acceptance of the US alliance.

In 1998, in the "GST election", Beazley's credibility suffered because Howard relentlessly told voters he was on record back in 1985 as wanting a GST. In 2001, in the "Tampa election", Beazley tried to out-compete Howard being 'tough on border security'.

Then in 2004—despite the enormous protests against the Iraq War—Latham went out of his way to show his commitment to the American alliance. His very modest reform agenda gave room for Howard to narrow down debate in the final days to the accusation that mortgage interest rates

would go up under Labor.

Certainly the series reminds us how Howard lied. In 1996 he was cunning enough to keep his anti-worker policies secret behind slogans such as "for all of us". This was enough to wipe out the discredited right-wing Labor government of Paul Keating.

And in 2001, the pictures "proving" asylum seekers threw their children overboard to "queue jump" came straight out of slimy Peter Reith's office.

But people didn't vote for Howard simply because they were deceived. Commentator Alan Ramsay was about right when he said in August 2003 that many voters thought of Howard as a "nasty little twerp, but a little twerp who knows what he's doing".

Howard's comparative credibility had plenty to do with being around while the world economy grew steadily, so job insecurity fell and incomes rose for many people, de-

spite (and often because of) longer working hours. And he had the support of the ruling class media.

His main political strategy was to expose Labor's lack of an alternative.

Howard used nationalism to obscure class differences, especially around border security and a once-proud-nation history narrative, intensified by troops sent to Timor, Afghanistan, the Solomons and Iraq.

He explained this to the NSW Liberal Party after the 2004 election: "... one of the greatest errors that my opponent made over the last year was to reintroduce into Australian politics the notion of class. We perform as a party that represents all of the Australian community. We are a party that believes in the capitalist system..."

As we said in March 2006, "Howard has understood that maintaining power requires convincing the majority that his policies are not based on privilege and inequality. Howard has fought the idea that class exists in Australia, while doing everything he can to increase inequality."

Yet people were not conned. The struggle against WorkChoices—a return of more open class politics, with large street marches—underpinned Rudd's victory a year ago.

The truth is, if Labor and its union official allies had taken the fight up to Howard after his first win in 1996—instead of accepting he had a mandate and people had become more right-wing—*The Howard Years* could have been a one-part comedy of errors instead of this four-part romanticised Liberal family drama.

**Bruce Knobloch**

# Letters

We welcome letters. Send us your feedback, views and ideas. Letters over 250 words may be edited for length.

Email [solidarity@solidarity.net.au](mailto:solidarity@solidarity.net.au) Post PO Box A338 Sydney South NSW 1235 Fax 02 9211 6155

## Flannery a dubious ally

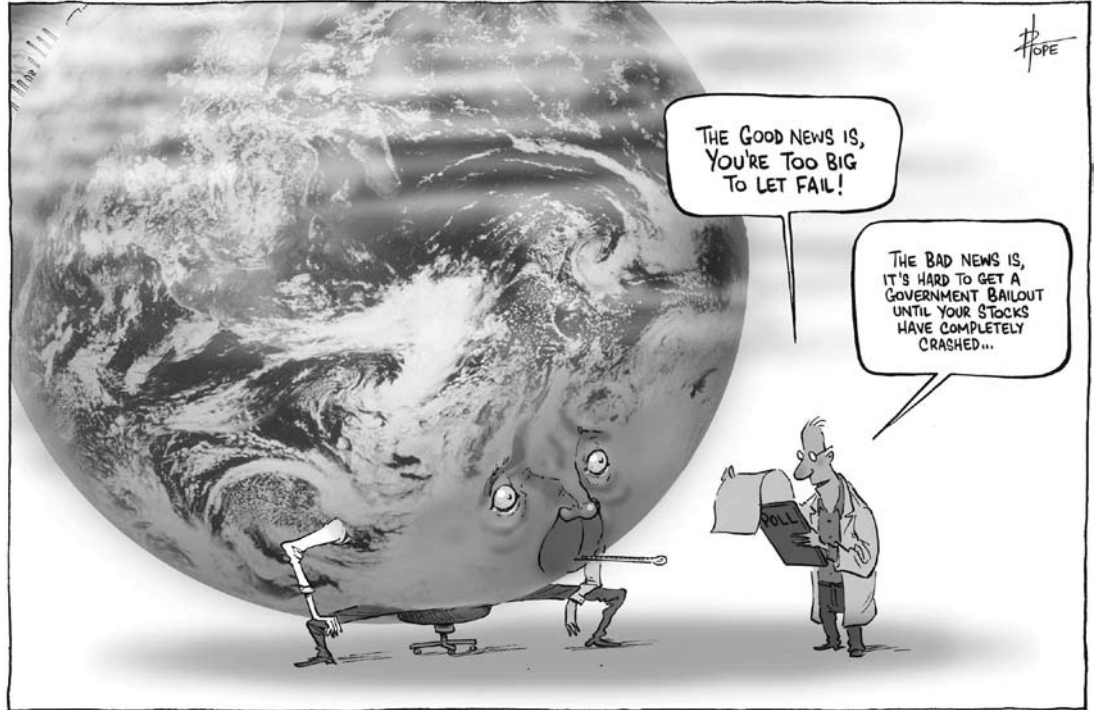
Anne Picot and I must have read different copies of Tim Flannery's Quarterly Essay, "Now or Never" about global warming.

Flannery's commitment to the market and carbon trading leave him bereft of solutions to global warming and irrelevant to an increasingly urgent debate.

True, he talks up the possibilities of geothermal power, but even this is put forward as part of a capitalist development fantasy of it turning Australia into a global mineral processing giant (Flannery notably includes uranium!).

Worse, at the centre of Flannery's argument is clean coal—indeed his proposition that Australia could be a global mineral processing centre (revealingly including uranium!) is based on Australia's "unique position to develop and rapidly deploy clean coal technology."

If this wasn't strange enough clean coal is also at the centre of his "Clean Development Mechanism"—Flannery's global version of a carbon trading scheme. And on the



Cartoon © David Pope/The Canberra Times

world scale he proposes that first world polluters should be able to pay for emissions abatement in places like China, "if that is more cost-effective than reducing pollution themselves."

Such is his fascination with technological fixes, he advances the idea of using the

world's jet fleets to seed the stratosphere with sulphur to cause "global dimming".

Flannery does believe that human activity is responsible for global warming, but his attachment to the system means he is reduced to fanciful schemes and just-so stories.

Flannery has always been a dubious ally in the fight against global warming, if for no other reason than his vacillation on nuclear power. With this essay Flannery has confirmed his irrelevance. The essay thankfully is doomed to oblivion.

Ian Rintoul, Ipswich

## THINGS THEY SAY

**"Banks are going to fail, so keep them individually small so that the failure of one can't upset things."**

Paul Volker (former Chairman of the Reserve bank and suggested treasury secretary for Obama)

**"We can argue about how deep it [the downturn] is going to be, but it is going to go on a while."**

Volker again

**"America is still the number one power in the world. Is it the only one? No, it isn't."**

Nicholas Sarkozy enjoying the decline of US power after the G20 meeting in Washington

**"The worst is yet to come."**

IMF chief economist Olivier Blanchard on the economic crisis

**"I've always been a positive person and optimistic, but I don't see a solution here."**

Former Goldman Sachs chairman, John Whitehead, at the November 12 Reuters Global Finance Summit in New York

**"You could go out and give a million dollars to a charity tomorrow to help the homeless. You could argue that it is just wasted..."**

**You are helping a whole heap of no-hopers to survive for no good reason. They are**

**just a drag on the whole community...**

**Society might have been better off without them but we are supposed to look after the disadvantaged and so we do it."**

Gerry Harvey, owner of Harvey Norman, personal fortune est. \$1.6 billion. It's nice to know you care, Gerry

**"I would line them up against the wall and shoot them, all the short sellers."**

Gerry Harvey targets a group society would genuinely be better off without

**Couldn't you all have downgraded to first class or jet-**

**pooled or something to get here?"**

Democratic Congressman Gary Ackerman pours scorn on the CEOs of GM, Ford and Chrysler who all chose to fly private jets to Washington to plead for a government bailout

**"I think many young people in Japan are afraid of the future, and that fear is sometimes turning to anger. Reading comics might only be the start."**

Japanese anti-poverty activist Kosuke Hashimoto on news that a manga version of Marx's Capital is set to hit bookstores

## NT HOUSING HELD TO RANSOM

# LAND RIGHTS NOT LEASES

By Paddy Gibson

A MAJOR investment program in Aboriginal housing in the NT is being used as a weapon to further break up community control, push people out of remote areas and entrench the NT intervention.

The \$647 million Strategic Indigenous Housing and Infrastructure Program (SIHIP) is a joint venture between the Federal and NT governments.

Under SIHIP, communities are being denied new housing until they sign control of township land over to the government for between 40 and 90 years.

And despite overcrowding being a serious problem in virtually all 73 communities "prescribed" under the NT intervention, only 16 have been offered any new housing, along with the town camps in major population centres like Alice Springs and Darwin.

Even many larger communities of more than 500 people are excluded, such as Papunya and Ali Curung, with on average 12 people living to a house.

SIHIP is a further step in the government strategy of assimilation and "population concentration".

The Northern Territory Emergency Response task force, in their June report, recommended precisely such a restriction of resource provision to communities deemed "economically viable" in order to force Aboriginal people off remote communities on their traditional lands.

### Aboriginal control

Community control of township land was won through decades of struggle for Land Rights. It signaled a break with the days when Aboriginal lives were controlled by



**A meeting of people from prescribed Aboriginal communities called for opposition to the push for leases over Aboriginal townships**

paternalistic welfare boards and mission managers. It ensures that local people have input into what developments take place on their land and play a central role in service delivery.

As a result of the NT intervention, compulsory five-year leases have already been imposed by the federal government over "prescribed" communities.

Even the government's official review into the intervention found that the subsequent denial of community control has caused enormous damage and left hundreds of millions of dollars wasted on ineffective projects.

The five-year leases have allowed control over current housing arrangements

in some areas to be taken away from community-based committees and given to the "mainstream" NT Government public housing agency. This means higher rents, more restrictive tenancy conditions and easier eviction. SIHIP would write these intervention powers into stone.

Contracts for construction under SIHIP have already been signed with multi-national construction and infrastructure consortiums.

For example, Parsons-Brinkerhoff, who have made millions from reconstruction contracts in Iraq, are now following the troops into NT Aboriginal communities. They have a guaranteed place on the SIHIP operational steering committee.

Many of the communities have said they will not be held to ransom for basic entitlements.

### Aboriginal resistance

When Aboriginal Affairs Minister Jenny Macklin visited the Central Australian community of Yuendumu, she was presented with a petition signed by 236 residents denouncing the intervention and stating, "We want the Government to stop blackmailing us. We want houses, but we will not sign any leases over our land, because we want to keep control of our country, our houses, and our property".

David Ross, Director of the Central Land Council has said, "Aboriginal people are being delivered ultimatums—sign a lease with Canberra before Christmas or forget about any further funding... of course people are resisting."

It is becoming increasingly clear that, along with the \$1 billion already spent on the Intervention, much of the money allocated to "close the gap" will be used to further disempower and dispossess Aboriginal people unless there is a serious fight-back.

On November 7, the Prescribed Area People's Alliance, whose meetings have been attended by over 130 people, condemned the SIHIP leases and stated:

"We call on other communities to take action, in their communities. We call for rallies here in Alice Springs and around the country to mark Human Rights Day on December 13, 60 years since the UN human rights charter was signed. We call for everyone who supports Aboriginal rights to converge on Canberra for the opening of Parliament in 2009".