



# Solidarity

Issue No. 40 / November 2011

\$3/\$5

**STRIKES ROCK GREECE  
MILLIONS MARCH IN SPAIN  
'OCCUPY' GOES GLOBAL**

**THIS IS WHAT  
DEMOCRACY  
LOOKS LIKE**

**INSIDE:**

- EYEWITNESS REPORTS FROM GREECE AND SPAIN'S MOVEMENTS
- WHY AUSTRALIA IS A CLASS SOCIETY
- THE GREENS: BETWEEN PRINCIPLES AND PARLIAMENT

# SOLIDARITY: WHO ARE WE?

Solidarity is a socialist group with branches across Australia. We are opposed to the madness of capitalism, which is plunging us into global recession and misery at the same time as wrecking the planet's future. We are taking the first steps towards building an organisation that can help lead the fight for an alternative system based on mass democratic planning, in the interests of human need not profit.

As a crucial part of this, we are committed to building social movements and the wider left, through throwing ourselves into struggles for social justice, against racism and to strengthen the confidence of rank and file unionists.

Solidarity is a member of the International Socialist Tendency. Visit our web site at [www.solidarity.net.au/about-us](http://www.solidarity.net.au/about-us) for more information on what we stand for.

---

## SOLIDARITY. NET.AU

full content from the magazine / online-only updates  
/ up to date details of demonstrations and meetings

### SUBSCRIBE

*Solidarity* is published monthly. Make sure you don't miss an issue—send in this form along with cheque or money order and we will mail you *Solidarity* each month.

- 5 issues—\$15
- One year (12 issues)—\$36
- Two years (24 issues)—\$65
- I would like \_\_ copies to sell

**Name**.....

**Address** .....

.....

.....

**Phone** .....

**E-mail** .....

Cheques/MOs payable to Solidarity Publishing.  
Send to PO Box A338 Sydney South NSW 1235 or  
phone 02 9211 2600 for credit card orders.

**Solidarity No.40**  
**September 2011**  
**ISSN 1835-6834**  
**Responsibility for election**  
**comment is taken by James**  
**Supple, 410 Elizabeth St,**  
**Surry Hills NSW 2010.**  
**Printed by El Faro,**  
**Newtown NSW.**

## SOLIDARITY MEETINGS

### Sydney

Thursday November 3

**Malcolm Fraser and refugee boats:  
A model policy?**

Sydney Solidarity meets 7pm every  
Thursday at the Brown st Hall, above  
Newtown library on King Street, Newtown.

For more information contact:

Jean on 0449 646 593  
[sydney@solidarity.net.au](mailto:sydney@solidarity.net.au)

### Melbourne

Melbourne Solidarity meets 6.30pm every  
Tuesday at Melbourne University Student  
Union, Graham Cornish A room, 2nd floor.

For more information contact:

Chris on 0403 103 183  
[melbourne@solidarity.net.au](mailto:melbourne@solidarity.net.au)

### Brisbane

For more information contact:

Mark on 07 3123 8585 or  
[brisbane@solidarity.net.au](mailto:brisbane@solidarity.net.au)

### Perth

For more information contact:

Trish on 0405 597 598 or 08 9339 7128 or  
[perth@solidarity.net.au](mailto:perth@solidarity.net.au)

### Magazine office

Phone 02 9211 2600

Fax 02 9211 6155

[solidarity@solidarity.net.au](mailto:solidarity@solidarity.net.au)

# CONTENTS

## ISSUE 40, NOVEMBER 2011



Above: 'Occupy' arrives in Sydney on October 15

## Strikes rock Greece, millions in Spain, 'Occupy' goes global

**5** Labor barracks for the 1 per cent, time to build the alternative

**6-7** Reaching out to the rest of the 99 per cent

**8** Eyewitness: Spain's occupy spirit spreads to the workplace

**14-15** Greek activist: "workers can take us out of the crisis"

## Features

**16-17** The Greens: between parliament and principles

**18-19** The police: armed guards of the rich and powerful

**20-22** Why Australia is a class society

**23** From bubbles to bad banks: credit and capitalism

## Union reports

**4** Qantas unions battle bosses and government

**12** Teachers' strikes can sink O'Farrell's laws

## NT Intervention

**9** Bankstown builds links with NT Intervention campaign

**9** Consultations whitewash Intervention's failure

## Refugee rights

**11** Discriminatory offshore processing still in place on Christmas Island

## International

**13** Afghanistan: an unending and unwinnable war

**24** Malaysia agreement stalled, now end mandatory detention and free the refugees

## Comment and reports

**10** Say no to free speech for the likes of Andrew Bolt

**12** Hands off Sydney Uni Political Economy

## Things they say

**“They told me they would be there until capitalism ended, well, that is going to be a very long time away.”**  
NSW Premier Barry O’Farrell, after a conversation with Occupy Sydney, keeps his hopes up about the system

**“What a magnificent job by Victoria Police. From the outset the police planning and attention to detail was outstanding.”**  
Melbourne Lord Mayor Robert Doyle applauds the violent precision of the police at Occupy Melbourne

**“Don’t blame Wall Street, don’t blame the big banks, if you don’t have a job, if you’re not rich, blame yourself.”**  
US Republican and multimillionaire Herman Cain tries to deflect attention

**“I have been called a liar, I’m shoddy, I’m slipshod, I’m terrible, I’m nasty and I’m a racist”**  
Andrew Bolt provides a helpful list of his crimes

**“When you talk about a jet-set life, it means I spend a lot of time in jets, which is true.”**  
Ex-British PM Tony Blair does it hard

**“I would expect British companies, even British sales directors, [to be] packing their suitcases and looking to get out to Libya.”**  
New UK defence secretary Philip Hammond sees opportunities for business in a post-Gaddafi Libya

**“I have been called a liar, I’m shoddy, I’m slipshod, I’m terrible, I’m nasty and I’m a racist.”**  
Andrew Bolt provides a helpful list of his crimes

**“They hushed when she arrived, bathed in the pleasure that always seems to radiate from the Queen, no matter how trying her duties.”**  
*The Daily Telegraph* thinks sponging of British taxpayers and holding up Melbourne is a tough job

**“Detention [of asylum seekers] has clearly not been a deterrent.”**  
Andrew Metcalfe, secretary of the Department of Immigration and Citizenship

## Qantas unions battle job cuts and outsourcing

QANTAS UNIONS are fighting for job security against the airline’s efforts at outsourcing and cutting wages.

The pilots and engineers oppose Qantas’ plans to set up new Asian-based airlines to either employ workers on lower wages or shift their jobs offshore.

Transport Workers’ Union (TWU) members in baggage handling have rejected a company pay offer that involves cutting 1000 jobs, employing new staff on lower wages than existing workers and no limits on outsourcing jobs.

One TWU delegate told *Solidarity*, “There are two tiers of pay—EBA and entry level. [Any vacancy is] filled by an entry-level worker. The EBA gives you more job security than an entry level casual.

“The union wants entry level people to go onto the EBA after a period of time. Qantas won’t come to the party.”

The unions have been demonised by the media and the federal Labor government, accused of everything from “damaging the company” to harming the tourism industry and targeting passengers with their strikes.

The odious Martin Ferguson, in his role as Tourism Minister, and Julia Gillard, have raised the prospect of government “intervention” to end the dispute using the Fair Work Act. Ferguson, a former leader of ACTU, called Steve Purvinas, leader of the licensed engineers union, “unAustralian”.

They raised the spectre of the 1989 pilots’ strike that was broken by the then Hawke Labor government using air force pilots as scabs.

The tourism industry is campaigning for government intervention. In early October, John Lee, CEO of the Tourism and Transport Forum, said the \$94 billion tourism industry depended on ending the strikes. He was joined by David Clarke, the chairman of Webjet and Graham Turner, managing director of Flight Centre.

But tourists have not been stopped going anywhere, Qantas is just concerned that they’re not the ones making the profits off them. Aviation journalist Ben Sandilands noted in October, “the Qantas claim to have been forced to remove 88,000 seats from availability in the current four weeks has it seems been more than offset by Virgin Australia



**Above: TWU baggage handlers on strike**

putting an additional 124,000 seats on sale over the same period.”

Despite the tough talk Gillard has backed away from taking action so far. As the *Sydney Morning Herald* observed, “Intervention would require triggering the untested national interest provisions of the Fair Work Act and would provoke union outcry.”

The unions have used their strategic power to hit Qantas hard during AFL and NRL Grand Finals. Their 4-hour stoppages have been enough to create a serious backlog of passengers.

Qantas retaliated with a semi-lockout, cancelling hundreds of flights to punish the unions by denying their members work.

Unfortunately the licensed engineers then suspended all industrial action, saying they wanted to show that Qantas was to blame for flight cancellations, not any union action.

Meanwhile, the Qantas board has given CEO Alan Joyce a 71 per cent pay rise, to \$5 million a year.

Qantas also finalised “the biggest sale in Australian aviation history” paying \$9 billion for 110 new Airbus A320 aircraft. The jets will be used for Qantas’s new premium airline based in Singapore.

The unions are wary of Qantas’s promises: “We have learnt from previous pay sacrifices that Qantas won’t give job security and makes ever upward profits. So we are digging our heels in this time,” a TWU delegate told *Solidarity*.

The unions are right to resist Qantas’ efforts to slash pay and conditions. This is a fight that Qantas should not be allowed to win.

**Tom Orsag**

.....  
**“We are digging our heels in this time”**

# EDITORIAL

## Labor rules for the 1 per cent—time to build an alternative

AS THE world economy again teeters on the edge of crisis, the Occupy protests that have spread across the globe has inspired people to fight against the priorities of the capitalist system.

In Australia, the Occupy protests have forced even Treasurer Wayne Swan to acknowledge, “there appears to be a growing sense of frustration in many countries that opportunities are not being evenly shared and that the burden of the global economic downturn has been carried by those who can least bear it.”

It was an astonishing comment from a slavishly pro-business Treasurer who has driven the policies that have created an even greater gap between rich and poor in Australia (see p20).

But, Swan, Gillard and the rest are not about to learn any lessons. The Labor Party hasn't been so unpopular since the 1930s. They are so concerned with running the system for the 1 per cent that they're incapable of doing anything meaningful for their supporters.

Although Swan, admits that the economic crisis may yet hit harder here, he blindly declares that he is “absolutely determined” to return the budget to surplus in 2012-2013. Commonwealth public servants have begun rolling stoppages as they take on Swan's efforts to impose a wage cap.

At a state level, Barry O'Farrell, the NSW Premier, has rammed through the first 1,900 of 5,000 job cuts planned for the NSW public sector.

One in ten Australian households is in housing stress and at risk of financial hardship, according to Australians for Affordable Housing. Many households are saddled with huge mortgage debts to the big banks. The median house price is around 6.5 times the disposable income, or more than double what is considered “affordable”.

Yet NAB is challenging the Victorian Residential Tenancies Act in the Supreme Court because they want to give renters less than 28 days notice for evictions.

And it was recently revealed that the US Federal Reserve bailed out the NAB to the extent of \$4.5 billion US dollars in 2008-2009. Westpac, too, took \$1.09 billion from American



**Above: The Occupy protests have struck a nerve in Australia because concerns about inequality and governments that govern for the corporations are widely felt**

taxpayers.

Everybody knows that four years of a Labor government has changed virtually nothing in our lives. Gillard's shift to the right has only workers to push Abbot and the Coalition to an election winning high in the polls and pushed the mainstream political debate further to the right.

The comment more than a year ago by Patrick McGorry that detention centres are “factories of mental illness” has been proven again in the worst way, with yet another suicide at Villawood detention centre in October.

But even despite the defeat of third country processing, Gillard is still desperate to appear the best at stopping the boats.

### Occupy movement

It is no wonder the Occupy protests have hit a nerve.

The political and economic system is failing the 99 per cent, but Labor's worship of market is unquestioning. In

preparation for the November meeting of G20 of rich nations, Gillard even lectured European leaders to effectively speed up their austerity drive, calling for “less debt ... freer trade and fewer barriers”—austerity that has driven down living standards and driven up unemployment.

But the market approach has failed us on climate change.

At the same time as Gillard made a song and dance about a “clean energy future”, pushing the carbon tax through parliament, the South Australian parliament pushed ahead with the expansion of the massive uranium, copper and gold mine, Olympic Dam.

The environmentally toxic project will cost more than \$30 billion dollars (massively subsidised by the state). It shows the kind of money and planning that is possible when BHP stands to make more billions in profit.

But there is no money for renewable energy development and green jobs.

These are the perverse priorities of the capitalist system. While The Greens have stood strongly against some of Labor's agenda, the real issues will not be settled in parliament. We need to organise to fight the Labor and the system itself. That means building stronger movements but also a stronger socialist organisation to link up the struggles into a fight against the system.

Qantas workers are still battling to get decent pay rises and keep jobs. Wharfies are facing up to battle with the union-bashing company Patricks.

A six-hour occupation of a Shell ship by nine MUA members has stopped Shell's plans to use a “flag of convenience” ship and the cheap labour. Customs staff are staging a 24-hour strike as *Solidarity* goes to press.

There will be two major rallies at Labor's national conference in December—on Saturday 3 December for Equal Marriage and on Sunday 4 December for refugee rights—an end to offshore processing and mandatory detention.

We need to build every fight for a different world—a world where those who create the wealth can reclaim it from the 1 per cent who exploit us.

By Amy Thomas

THE OCCUPY movement, rallying against a world run in the interests of the wealthy 1 per cent, has burst onto the scene in Australia.

Vibrant demonstrations on October 15 turned into city square occupations that were centres of radical political discussion and debate.

The movement here is a reverberation of the worldwide resistance to the economic crisis. As Occupy Sydney explained in a statement, “resistance around the world against corrupt governments and the devastating effects of the global financial crisis has exposed the realities of the world in which we live.”

Protesters have faced violent attacks from the defenders of the 1 per cent. Melbourne’s occupation was fenced in by police and protesters dragged out violently, many by their necks. In response a spontaneous, angry rally of 1000 grew on Melbourne’s streets—and though protesters had to confront police horse charges and capsicum spray, they marched through the city for three hours.

Police also launched a violent dawn raid on Occupy Sydney. Hundreds of police descended on sleeping occupiers, beating and assaulting many in an effort to clear people out.

But over 200 showed up to an emergency meeting that afternoon to discuss the next steps.

But to successfully stare down police efforts to break up our occupations and protests, we need to mobilise much larger numbers than we have so far. The movement needs to push outwards into the suburbs, schools, universities and workplaces.

Occupy Wall Street won a stunning victory against police intimidation thanks to union support. A threat from the City to disband the camp was withdrawn after a call to mobilise to defend the occupation from the AFL-CIO, the peak union body in the US. Thousands of union members have joined solidarity marches.

Union strike action is a direct threat to the flow of corporate profits. There are much higher consequences for the authorities of moving in to manhandle organised union members.

The movement here has already begun linking up with the unions. Organisers in Sydney arranged for the Licenced Aircraft Engineers Union, currently fighting Qantas, to speak to occupiers, and the camp endorsed a statement declaring, “support for the courageous struggle of Qantas and Jet-

# Occupy—reaching out t



star workers”. Qantas’s CEO has just handed himself a 71 per cent pay rise while workers fight for 5 per cent.

Unions NSW passed a resolution supporting the aims of the occupation and the Maritime Union of Australia and the CFMEU each donated \$1000. We need to build on these openings by getting out to as many construction sites, union meetings and workplaces as possible to draw union members into the Occupy movement.

But while an occupation can be a base for organising, it is not an end in itself. Our challenge is to radicalise as many of the 99 per cent of people as possible and win them to fighting for a better world. That involves political argument, and relating to issues that can mobilise and attract people as well as radicalise them.

We can make common cause with everyone fighting the system and feed the spirit of Occupy into all the campaigns challenging Labor’s right-wing agenda.

## Crisis and class

In the US, unemployment has been above 9 per cent for more than two years—and reflecting the racism of the US system, an astonishing 46 per cent of African American youth are unemployed. Obama has served up only betrayal. An audit in July estimated the US Federal Reserve put \$16 trillion into bailing out the banks and corporations in the US and around

**Above: Unions join a solidarity march with Occupy Wall St in New York**

the world. A similar response in Europe has shown the priority of governments of all stripes is to defend corporate profits, not the 99 per cent of us.

Australia’s economy has not yet plunged into recession in the same way, but we are linked into a global economy: if China’s growth slows, the crisis will hit here in a bigger way.

Still, the system remains weighted towards the big end of town. We have a hugely unpopular Labor government that is slavishly pro-business—and the “alternative” is a Liberal government that is even more so.

Corporations here are making record profits. BHP Billiton made \$22.46 billion last financial year. Westpac made \$3.17 billion and the Commonwealth Bank \$3.34 billion in the last six months of last year. Yet Julia Gillard’s first act as Prime Minister was to cave in to the mining companies and hand back \$60 billion in revenue over ten years from the mining super-profits tax.

The Occupy Wall Street slogan “we are the 99 per cent” resonates with many, sick of wealth concentrated in hands of a few while we all work harder for longer. An ACTU survey this year showed 61 per cent of people are forced to work unpaid overtime.

We also face our own version of the spending cuts being imposed overseas. Along with a 2.5 per cent pay cap for public sector workers, the NSW Liberal government wants

.....  
**Occupy Wall Street won a stunning victory against police intimidation thanks to union support**

# o the rest of the 99 per cent

to sack 5000 public sector workers and privatise Port Botany. Serco, the corporation that runs refugee detention centres, is bidding to run a privatised Sydney Ferries. Victoria's Liberal government is attacking teachers and introducing new anti-construction union hit squads.

At least 35,000 public sector workers took to the streets of Sydney on September 8 against the pay cap. With the NSW Teachers' Federation about to begin fighting for a pay rise, there is a chance for one of the largest and most militant public sector unions to defeat the wage cap.

Both Qantas and the MUA are fighting greedy employers, including the infamous Patrick's, who tried to smash the MUA in 1998.

A win for any of these struggles could set the scene for more widespread resistance to the governments, banks and corporations that hold down the 99 per cent of us. Support from a vibrant Occupy movement can only

boost their chances.

To break pro-business policies, we also need to oppose Gillard and Abbott's constant battle over who can be the most racist towards refugees. Both Liberal and Labor are using racism to scapegoat asylum seekers and distract attention from their efforts to boost corporate power.

We also need to demand real climate action, not market mechanisms like the carbon tax, to tackle the power of the fossil fuel industry and transition to renewable energy through guaranteeing jobs and living standards.

### Fight the system

It is capitalism's ruthless, blind drive for profits that has created a world controlled by a wealthy few. Labor's determination to serve that system has destroyed their popularity.

The global economic crisis is a product of the inability of the capitalist system to restore profit rates since their decline in the 1970s. The problems in

Both Qantas and the MUA are fighting greedy employers, including the infamous Patrick's, who tried to smash the MUA in 1998

the financial system have spread to the "real economy", and the global working class is paying through its pensions, wages and public services.

As Occupy Sydney put it, this is a world where we produce a surplus of food, but people starve. It is a world where Aboriginal communities are deprived of health services but we can launch drone strikes that murder civilians from the other side of the world.

This system is being challenged worldwide—from Egypt where strikes are now facing down the military, to Greece where general strikes have shaken the government.

Every bit of resistance can be part of fighting the system. The global Occupy movement has become a focus for anger at the priorities of capitalism. Spreading the spirit of Occupy is the key to a world run not by a handful of billionaires, but one we control ourselves. We need to fight for a socialist society run in the interests of human need, not corporate profit.

## 'The whole world is marching'



MORE THAN a million people have taken to the streets around the globe as part of the Occupy movement. From Seoul to Santa Fe, in so many different languages, the protests expressed the anger felt by millions at the economic crisis and a political class that doesn't represent their interests.

Along with a huge showing in

Spain (see page 8), 100,000 filled Times Square in New York on October 15 and thousands faced down tear gas and water cannons in Rome.

The call out for a global day of action originated from Spain's "Indignados" movement, which was itself inspired by the Tunisian and Egyptian revolutions. On top of that,

the inspirational scenes from Occupy Wall Street over the last month have struck a chord. Their rallying call, "We are the 99 per cent", against the "1 per cent" elite that accumulates power and wealth by robbing and exploiting the rest of us, has been taken up globally.

It shows both a feeling of rage that there is something wrong with the capitalist system, but also a new hope that we can do something about it.

The movement is full of creativity and humour. A 150-strong orchestra fittingly played Beethoven's *Ode to Joy* in Madrid. A popular placard in the US is "Lost my job—found an occupation".

Very importantly, the movement has fed into the resistance of the working class to the economic crisis in many countries.

As socialist Jonathan Neale explains, the protests are putting the idea of class back on the map: "Now a generation is saying that the economy is the central reality, and the great majority of us are the class enemies of the ruling class. It cannot be put back in the bottle. And because protestors ... are defining themselves in class terms, it is easy for unions to respond."

The spirit of the movement shows the desire for a world not run by a handful of billionaires, but one that we run for ourselves.

Above: An Occupy protester in Japan

# Eyewitness: Spain's occupy spirit spreads to the workplace



By Daisy Farnham, in Spain

THERE WERE beautiful scenes on October 15 when more than a million people took to the streets across Spain. One protester in Seville described it as “a human rain, an indignant rain which was to clean the streets of the filth of capital.”

Importantly, the “Indignados” (indignant) movement, that began with mass demonstrations and square occupations in May, is starting to link up with workers fighting the effects of the economic crisis.

The demonstrations gave inspiration to the indignados movement in the face of disparaging media coverage proclaiming it in decline. But people are angrier than ever about the crisis. The Labor and conservative parties have put a cap on public spending, instead prioritising paying the state’s debt that was accumulated by bailing out the banks. Unemployment is now at 21 per cent.

In Madrid our numbers were boosted by tens of thousands of teachers fighting education cuts. In some cities the demonstrations ended with symbolic occupations. In Madrid and Barcelona, protesters occupied vacant bank-owned buildings and converted them into housing for those evicted from their homes by the banks. In Barcelona three families have already moved in.

## Beyond the squares

But many in the movement are finding

**Above: Teachers join the mass protests in Madrid on October 15**

that the occupations alone will not stop the cuts or be enough to build a new economic system. After a month of occupying public squares in May, the movement was exhausted by the colossal logistical task of maintaining the protest camps.

Some in the movement have said that creating “autonomous” spaces outside the system is the solution. They saw the protest camps as an end in themselves and now advocate small-scale local activities to promote “self organisation”.

But most people couldn’t maintain the rhythm of sleeping in the square when they had to work or study the next day.

The shift to create assemblies in the suburbs in June expanded the movement and shifted the focus from the internal organisation of the camps to the coordination of actions to address concrete political issues. It connected the indignados with workers’ struggles against job losses and cuts.

In regions affected by the spending cuts, hospital workers and teachers have formed mass assemblies like those of the movement to make decisions about the way forward. In Catalonia the assemblies have organised militant occupations of hospitals, some lasting more than 50 days. Recently, in the face of the inaction of their union leadership, several assemblies of hospital workers voted for an indefinite strike.

In Madrid, primary and high school teachers’ assemblies have al-

ready organised seven days of strikes, more than the one day proposed by the union leadership. The confidence of the workers was undoubtedly boosted by the presence of a supportive social movement in the streets.

Teachers and parents occupied several schools the night before their strikes whilst students gathered outside in support, holding meetings and discussions. One activist said, “The coordination between schools has been important. United action has given us confidence”.

These are important steps forward for the movement that has been held back by suspicion of trade unions and organisations. The strikes have demonstrated the power that workers have.

Activist Juan from Seville said, “I think the movement should use the trade union base that already exists to demand a general strike”.

Inspired by the Madrid teachers, the students’ assembly in Barcelona has called a general strike of students and workers for November 12. It was immediately endorsed by the left wing unions and even the major conservative unions, showing that they will act under mass pressure from below.

This month elections will be held. The government is struggling to maintain credibility in the face of a social movement demanding real democracy and actively creating it in the assemblies and the workplaces. The cuts will not be stopped at the ballot box—Spain’s future will be decided on the streets.

**In Catalonia, workers’ assemblies have organised occupations of hospitals**

## Bankstown builds links with NT Intervention campaign

THE BANKSTOWN campaign against income management and the campaign against the Northern Territory Intervention exchanged delegations in October, building strength in the campaign against the Intervention.

Activists have united to call for a moratorium on income management. Income management quarantines 50 per cent of Centrelink payments onto a BasicsCard that can only be used to buy approved items at government-approved stores.

It is a cornerstone of the racist NT Intervention, imposed on Aboriginal communities since 2007.

In May, Bankstown was announced as one of five “trial sites” across Australia where income management will be expanded from July 2012.

Barbara Shaw addressed a rally of 150 people that marched through the streets of Bankstown in October.

Randa Kattan, CEO of the Arab Council of Australia and Semra Gupta from the Western Sydney Community



**Above: The crowd at Bankstown’s demonstration against income management**

forum traveled to Yuendumu, Amoo-nguna and smaller communities in the Anmatjere region.

Both delegates were outraged at apartheid conditions in Central Australia and the destructive impact of the NT Intervention.

Ms Kattan said, “income manage-

ment represents profound disempowerment, discrimination and hardship. We cannot allow this system to extend into Bankstown. We are also calling for a full restoration of the rights of people already suffering under income management. Our campaign is growing in strength.”

## Consultations whitewash Intervention’s failure

INDIGENOUS AFFAIRS Minister Jenny Macklin has used sham consultations with Aboriginal communities to announce an extension of the failed NT Intervention beyond the current legislation’s “sunset clause” of July 2012.

The entire process of consultations was designed to whitewash the deep pain and anger felt in NT communities ripped apart by the Intervention. They were based on a discussion paper, *Stronger Futures*, which made it clear the agenda of the Intervention was not up for negotiation.

Macklin wants more of the same punishment policy.

Results from the government’s own *Closing the Gap in the NT Monitoring Report*, released in October, show an 108 per cent surge in incidents of attempted suicide and self-harm since the Intervention began. In a clear echo of the paternalism of the past, child removal rates have increased 40 per cent. The NT Department of Justice has also reported a similar 40 per cent increase in Indigenous incarceration.

Communities are hurting because of the federal and NT government’s restriction of resources to a handful of “growth towns”. This policy has no

Aboriginal support, but it was excluded from discussion in the consultations.

Amnesty International chief Salil Shetty visited homelands in the Utopia region in October. He condemned the “growth towns” policy and described the third world living conditions at Utopia as “devastating”.

Community leader Rosalie Kunoth Monks told Mr Shetty: “It’s not that they’re coming here with bulldozers or getting the army to move us, it’s that they’re trying to starve us out of our home... if it’s not ethnic cleansing please let me know what it is.”

The consultations report acknowledges that Aboriginal people want jobs in their own communities. But it fails to mention thousands of waged employment jobs have been lost as the Community Development Employment Projects (CDEP) close down. The government is committed to pushing 2000 people who remain on CDEP wages onto the dole from April next year.

Macklin also announced the expansion of the School Enrolment and Attendance Through Welfare Reform Measure (SEAM). Under SEAM, parents whose children do not attend school can be cut off Centrelink benefits for up to 13 weeks.

The consultation report claims that

“most respondents” support cutting welfare payments as a way of improving school attendance. But many community representatives say they weren’t even asked about the policy. The report fails to acknowledge the deep community opposition to the bans on bilingual education imposed by the NT government in 2008.

When it was raised, government officials running the consultations presented welfare cuts as the only concrete policy available to improve school attendance.

There has been a decrease in school attendance and there are now less Aboriginal staff working in schools since the Intervention.

Remote schools badly need resources, funding for local staff and local control over curriculum and school policy.

Greens Senator Rachel Siewert said even senior Education Department officials had acknowledged the failure of SEAM in six communities where it has been trialed since 2009, saying, “We were clearly told... that punitive programs such as the school enrolment and attendance through welfare reform measure cannot be linked to better education outcomes in communities”.

**Paddy Gibson**

.....  
**“They’re trying to starve us out of our home”**

## Say no to free speech for the likes of Andrew Bolt



**Above: Andrew Bolt outside the court**

By James Supple

THERE IS no real freedom of speech in society.

The mainstream media has overwhelming control of the views and opinions that we read. Australia is one of the most concentrated media markets in the world. Rupert Murdoch's News Limited alone controls about 70 per cent of newspaper circulation and there are just three commercial TV stations in each city.

This gives a tiny number of companies enormous control over what appears in the media.

While they are not all as ideological as Murdoch, the media owners are all part of the corporate elite and share a desire to defend the profits and power of big business.

Even the range of alternative views that the ABC will air is strictly limited, following government efforts forcing them to maintain "balance" by weeding out left-wing views.

That is why socialists reject the idea of universal freedom of speech under capitalism.

We defend the freedom to discuss and organise for the working class, not free speech for the corporations and the ruling class.

### The Bolt case

Andrew Bolt's commentary is a particularly shocking of the way limited opinions dominate the media. Bolt has a practically unequalled level of access to the media, with newspaper columns in the country's highest selling tabloids, a Fox News-style TV

show and a radio program.

Bolt's media access is not due to his popularity, but to the fact that he spews out the kind of right wing, pro-corporate views that the media barons want. There are no comparable figures on the left that get anything like his media air time.

That's why it was great to see him momentarily humiliated after a court ruling in October found him in breach of the Racial Discrimination Act (RDA), for publishing a column claiming fair-skinned Aboriginal people claimed to be Aboriginal to receive varied benefits.

The conservative media is foaming at the mouth about the claimed threat to Andrew Bolt's freedom of speech.

But Bolt's claim to have been "silenced" by the judgement was, ridiculous. He appeared on the front page of the *Herald Sun*, the country's highest selling newspaper, responding to the judgement the next day.

Nevertheless, some bought into the claim that the court judgement set a bad precedent for freedom of speech.

In fact, as has been widely noted, Bolt only lost the case because what he wrote constituted "a significant distortion of the facts", according to the judge.

Furthermore the judge added that, "The intrusion into freedom of expression is of no greater magnitude than that which would have been imposed by the law of defamation."

This is why even liberal journalist David Marr had no issues with the court ruling.

Many have a desire to defend free speech for everyone, no matter what they say. Often, this is because they want to defend the comments of left wing and marginalised groups.

It's certainly true that the left often has to fight to defend our free speech and the right to demonstrate. Our limited means of political expression are constantly under attack, such as the ability to hand out leaflets on university campuses or in public areas.

In the 1970s Queensland Premier Joh Bjelke-Peterson banned street marches. In 2007 police tried to intimidate people out of marching against the APEC summit.

Companies such as Gunns have used defamation laws in an effort to silence criticism. In 2004 it claimed \$6.9 million from 20 activists for protesting and criticising its pulp mill plan.

The left often has to fight for freedom of speech and a voice for the voiceless. But this shouldn't bind us to defending it as some sort of absolute value.

For example, there is another important instance where socialists oppose free speech—for those attempting to incite racial hatred and bigotry, or build political movements aimed at destroying democracy and free speech itself.

When Pauline Hanson started to build a political party based on racism against Aboriginal people and Asians, the result was a rise in violent racist attacks. Organised racist parties give confidence to racists to act on their repulsive ideas.

In recent years the far right in Europe has become a real threat, winning parliamentary seats from Britain to Hungary. Worse, groupings like the English Defence League have organised street marches against Muslim immigration and mosques. Where these are allowed to happen, blacks and Asians face physical attacks from the racists.

At the core of many of these far right groups are fascists who aim to build a movement of street thugs capable of attacking not just Muslims and blacks but trade unionists and the left as well.

Allowing them to abuse "freedom of speech" in this fashion puts the physical safety of others at threat and allows the poison of racist ideas to spread.

This is why it's extremely dangerous for the left to accept that the idea of universal freedom of speech.

**The conservative media is foaming at the mouth about the claimed threat to Bolt's free speech**

By James Supple

THE DEMISE of third country offshore processing, and the government's efforts to send refugees to Malaysia or the Pacific, does not mean the end of all offshore processing.

The government maintains a discriminatory offshore processing regime on Australian territory on Christmas Island. Located 2600 kilometres from Perth, Christmas is among the most remote pieces of Australian territory.

The Howard government excised 4600 islands off Australia's coast from the migration zone. This was designed to deny rights to asylum seekers arriving by boat who arrive there. They are prevented from making asylum claims under the Migration Act, so that their claims are made simply on the discretion of the Minister, outside the formal legal framework.

Labor promised to repeal the excision of many of these islands but reneged once in power.

By contrast, anyone that arrives by plane and applies for asylum after they have reached Australia is almost automatically granting a bridging visa, allowing them to live in the community while their claim is processed. Here they have much easier access to lawyers and community support than in a remote detention centre.

If they are unsuccessful, they are also entitled to appeal to the Refugee Review Tribunal for a full review of the decision.

Even last year, with a higher than usual number of boat arrivals, there were more refugees that arrived by plane and applied for asylum—6316 compared to 5175 by boat.

Normally more plane arrivals are granted refugee status each year too. In 2008-09, just 206 people gained refugee status after arriving by boat, compared to 2172 arriving by plane.

Last year 2700 boat arrivals got a final grant of refugee status, compared to 2100 people who arrived by plane and applied once they got to Australia. Many more were still awaiting a decision on their claim.

But the bulk of the refugees accepted have remained those that Australia selects from refugee camps in other countries—last year of the 13,800 total refugee visas granted, 8900 went to people outside Australia.

Some of those accepted from overseas include family members of refugees already in Australia. In a vindictive effort to encourage division among

## Discriminatory offshore processing continues on Christmas Island



**Above: Refugee boat arrivals that are intercepted and brought to Christmas Island are denied rights compared to other refugee applicants**

refugee communities, the Howard government introduced changes in 1996 that limited the number of family members accepted. They now compete for places with boat arrivals, so that in years when more refugees arrive by boat, less family members of other refugees are granted visas.

### Two-tier system

Labor has maintained the two-tier processing system that discriminates against boat arrivals.

A High Court decision last year granted rights of appeal to the courts to boat arrivals, but did not end the discrimination. Asylum seekers who arrive by boat can now appeal to the Federal Court if their asylum claim is rejected, but only on errors of process, not factual errors in their decisions.

For instance the asylum seekers who won that initial High Court case showed that some of the issues they raised were not considered by their assessors, and the assessors had failed to give them the chance to respond to adverse information.

The government can get around this by improving its "checklist" that assessors must go through to ensure due process. But all this requires is ticking the box and "considering" relevant issues, however unfairly.

There is now overwhelming evidence that decisions on boat arrivals are being subjected to political inter-

ference. Upon announcing its "visa freeze" in 2010, the Labor government made it clear that it expected more rejections because it judged "conditions were improving" in Sri Lanka and Afghanistan.

Assessors heard the message loud and clear. Rejection rates by Immigration Department assessors jumped from 26 per cent to 62.1 per cent from 2009-10 to 2010-11.

Approval rates for Iranians have sunk from 65 per cent in 2009-10 to 27 per cent 2010-11 as the number of boat arrivals leapt from 197 to 1549 following the crackdown on the democracy movement.

At the same time Iranians arriving by plane were accepted at rates of 98 and 96 per cent in the last two years.

Many rejections are being overturned when they are reviewed by independent assessors. However their independence is compromised by the fact that they are employed on contracts by the department. The desire to see their contracts renewed acts as an incentive not to overly offend the department.

But the figures are a measure of the efforts the department is making to ensure more asylum seekers get rejected.

Nothing short of a complete overhaul of the refugee determination process, and the Immigration Department itself, will be necessary to see a fair assessment process for refugees.

**Labor has maintained the two-tier processing system that discriminates against boat arrivals**

## Hands off Sydney Uni Political Economy!

TWO HUNDRED students rallied and staged a sit-in at Sydney University in October to oppose the possible merger of the Department of Political Economy into the Department of Government and International relations.

A review board is considering the plan, which would destroy the possibility of taking a Political Economy major. They have so far ignored over 50 submissions from students and staff.

The rally showed that many students are prepared to fight these cuts, turning up to the demonstration in the midst of assessments.

Speeches from students, staff and union representatives were met with applause and students marched up to the Dean of Arts' office chanting "Dean of Arts, hear us say, political economy, here to stay!" and "no ifs, no buts, no education cuts!" Outside his office students sat down and chanted, "O-pen the do-or!"

Political Economy has always been a thorn in the side of the university establishment, discussing criticism of mainstream, neo-liberal economics and encouraging discussion of radical economists.

The Department was won the 1970s out of a joint student and staff campaign. Then as now, there was a major economic crisis sweeping the globe. Sydney University wants to cut the only economics department in the country that offers an understanding of the situation.

The attacks on Political Economy are part of a plan for cuts across campus. Each subject is being made responsible to bear its own costs and income so as, in their words, to "encourage the development of revenue".

The university is increasingly orientated towards corporate sector funding rather than providing quality education.

However, this amalgamation is not a fait accompli. As well as the brilliant demonstration, students have passed unanimous resolutions in several classes opposing the merger.

The administration is nervous about confronting a politicised group of students. If we keep up the pressure, we can save Political Economy.

## Teachers' strikes can sink O'Farrell's laws



By Mark Goudkamp

NSW TEACHERS were gearing up for two-hour stop work meetings on November 2 as *Solidarity* went to press. The meetings are to map out a strategy to win our recently lodged wage claim. The next step is likely to be a 24-hour strike and rally outside NSW parliament later in the month.

Our entirely legitimate claim for 5 per cent a year over three years (plus 1 per cent superannuation and recognition of all temporary and casual work for progression up the salary scale) will be the first major challenge to the O'Farrell government's 2.5 per cent pay cap.

Far from signalling a willingness to negotiate with the NSW Teachers Federation, the O'Farrell government (supported by the Shooters Party and Fred Nile) has upped the ante with an attack on TAFE. In October they introduced legislation to transfer NSW TAFE teachers over to the federal FairWork Australia industrial framework, a significantly worse arrangement than the previous laws.

It mirrors the former Labor government's attempt during our last salary settlement to separate the pay and conditions of TAFE teachers from school teachers.

There's a risk that TAFE teachers will be discouraged from participating in our upcoming industrial action, because under FairWork both unions *and* individuals can face large fines for doing so.

**Above: Teachers Federation members on the huge September 8 rally against O'Farrell**  
Photo: Unions NSW

The scale of the attack is such that the only way to confront it is head on. The more teachers we have taking action, the less likely fines will be. We can build on the fighting spirit that was on display at the September 8 union rally, where a huge number of the 35,000 in attendance were teachers. The Teachers Federation should feel confident to encourage TAFE workers to join us.

O'Farrell's attacks on TAFE dovetail with Gillard's plans to deepen competitive tendering in vocational education, pitting institutions against one another. We've seen what such privatisation does to quality provision in areas like the Adult Migrant English Program.

At the national level, the Australian Education Union has called a national day of action on November 15 around the need for greater investment in public school.

The Gonski Review into education funding is finalising its report and recommendations in December. We'll need to do more than send messages to the review panel and lobby federal MPs, which is the actions currently on the table.

The Activist Teachers Network intends to call an after school protest to bring these issues together. Getting organised in our fight against O'Farrell here in NSW is crucial. If we win we can boost the confidence of other workers across the sector to defeat the pay cap, the TAFE workers to beat back the new legislation and of teachers across the country in their battles.

# Afghanistan—an unwinnable war with no end in sight

By Tom Orsag

AFTER TEN long years of war, Afghanistan is no safer, nor is an end date for the conflict any more certain.

The deteriorating security situation and the failure of the occupiers was underscored in September, when Taliban fighters made it into the centre of Kabul. Attacks on the US and other embassies led to gun battles that lasted for 20 hours. It was the second major attack in Kabul in less than a month.

Then at the end of September the head of the government's "peace council" and former president Burhanuddin Rabbani was assassinated by the Taliban.

Officially, the war is supposed to be drawing to a close, with a deadline for handing over control to Afghan security forces by 2014.

But NATO's planning meeting in October, in Brussels, committed the West to an ongoing, open-ended, occupation of Afghanistan, well beyond the supposed handover.

The continuing neo-occupation of the war-ravaged country is testimony to the West's inability to "win" the war. Julia Gillard and Defence Minister Stephen Smith talk about "progress" on the ground. Marc Grossman, the US Special Representative for Afghanistan and Pakistan, has pushed the same contradictory spin. He admitted that the security situation across Afghanistan is "bad", while hailing "considerable progress". But the admission that a continuing troop presence after the 2014 deadline is needed undermines such optimism.

## Ongoing Australian commitment

Ian McPhedran, News Limited's defence columnist, outlined the preparations for an ongoing war on October 7, before the NATO meeting:

"According to well-placed sources, the long-term plan includes transforming huge and costly coalition bases, at places such as Tarin Kowt, where Australia has invested millions of dollars, and Kandahar, into training centres and permanent special forces bases.

"This is where elite Australian SAS and commandos would be based for years to come to provide 'over-watch' for Afghan forces."

The commander of the Australian



Above: US troops in Afghanistan

force in Afghanistan, Major General Angus Campbell, told McPhedran that, "Australian troops, including trainers, logistics experts and importantly elite special-forces fighter, will be based in the country well beyond 2014."

This confirms comments made in August 2010 by the Chief of the Australian Defence Forces (ADF), Angus Houston, about Australian involvement.

The ADF would stay in Afghanistan "well beyond" the 2014 deadline set by the government for an end to Australian involvement, he predicted.

The Australia ruling class sees this as part of maintaining a strong alliance with the US. The US alliance allows Australia to act as the dominant military power in the South Pacific. In return it acts as a loyal ally of the dominant Western imperial power. The ruling class does this in the face of popular, passive opposition to the Afghan war. The deaths of 29 soldiers and hundreds injured and the \$1.2 billion a year the war now costs are seen as the premium paid on the US "insurance policy".

While the West has enough troops to contain the insurgency, they cannot defeat it. And their actions continue to breed further resistance to their occupation. In the first half of 2011, more than 1462 Afghan civilians were killed, up 15 per cent on the same period in 2010.

The US wants to impose its will on Afghanistan, which has the misfor-

tune of lying on a faultline of conflict between the great powers for one and half centuries.

The US has bigger enemies than the Taliban and al-Qaida. Despite the end of the Cold war, it is locked in gigantic, geopolitical rivalry with other imperial powers. And that is why US victory is so important.

For all its military and economic muscle, the geographical position of the US places it offshore to the Eurasian landmass, where the bulk of the world's population and wealth, including natural resources, is concentrated. That landmass also contains its two main imperial rivals, Russia and China.

The war on terrorism has provided the US with an opportunity to establish a string of military bases in Central Asia—a region closed to it during the Cold War.

Tensions with these other powers are rising. Russia's envoy to NATO, Dmitry Rogozin said Russia would not agree to a US military presence in Afghanistan after the end of the UN mandate of 2014. Rogozin told the media that the US offer to train armed forces in Afghanistan served only as a "pretext for preserving their military presence. This is something we have never agreed with."

But after its failure in Iraq, a humiliating defeat in Afghanistan would be a further blow to the credibility of US power, and one it cannot afford.

In the first half of 2011, more than 1462 Afghan civilians were killed, up 15 per cent on the same period in 2010

# GREEK ACTIVIST: “WORKERS CAN TAKE US OUT OF

**Kyriacos Banos** is a member of Solidarity’s sister organisation in Greece, the Socialist Workers Party (or SEK). He spoke to us about the escalation of workers’ struggle in Greece.

## Can you give us some of the political background to the current situation in Greece?

Since the austerity measures started from January 2009 and from January 2010 when the government entered into agreements with the “troika” [the IMF, the European Union, and the European Central bank] they have tried to present the cuts as necessary.

They said the Greek working class and the Greek government together could not do anything but implement the cuts to wages, unemployment and the cuts to public services like hospitals, schools and welfare. They claimed that it was a special and exceptional crisis in Greece due to the high cost of the public sector wages and a lack of competitiveness in the Greek economy.

## What sort of resistance did Greek workers offer at that stage?

The first strike on December 17, 2009 was small. It was organised by smaller unions. Only 3000 workers marched in Athens. The big union confederations of both the public and private sectors did not want to support it... they were saying that the austerity measures were “medicine for Greek society.”

[But] the austerity measures of the ruling class were failing to solve the crisis. They said they would cut benefits only once, now all benefits have been cut. They promised that the first cut to the [public service] salaries would be for one month. Now the cuts are permanent. They said they wouldn’t fire people in the public sector. Now they have sacked 150,000 public sector workers. What the government does every three or four weeks is announce new cuts, new taxes and new privatisations.

## As the attacks got worse did the workers begin to sense there was a political crisis going on?

At first workers were talking about issues like cuts to benefits and cuts to wages. But some groups of workers started to speak about more political issues. They started to say, “we don’t want a troika involved in Greece.” This happened from January 2010



**Above: Hundreds of thousands amassed outside parliament in Athens on October 19**

when we had the first big strike supported by the unions. People became aware that the attacks were not just directed at their individual jobs and wages, they recognised it as an attack on all workers. They began to connect the battles on an ideological and political level. They now understand that this is a European and international crisis.

## So what about the last three months, has that political development increased?

The Arab spring and Spain helped to internationalise the crisis in the eyes of the mass of Greek people. That inspired the occupation of Syntagma Square [in Athens]. People were even waving Spanish flags outside of the Greek parliament... It helped give a new coordination to the mass of people who wanted to organise themselves and not wait for the leadership of the government or even the trade unions.

People were meeting every day in the square and having political discussions. They were not always politically clear. Some had autonomous politics. But it was clear that they were all against the form of democracy that the government offered them.

## Were the trade unions involved in Syntagma Square movement?

Yes. The three most important days in Syntagma coincided with general strikes on June 15 and June 28 and 29. The movement of the working class became mixed with the occupation of Syntagma Square. After that at the base of the unions, within workplaces, people started to organise

their own committees.

## So the union leadership was being pulled along behind the rank-and-file workers at that point?

Yes, exactly. They started coordinating with other committees in other workplaces. The biggest example was the strike yesterday [October 5]. That strike was pressed to the union officials by members working in hospitals, schools, municipalities and the big companies involved in transportation and electricity.

## Where do the union leaders stand politically?

Around 60 per cent of the unions in the public sector are tied to the ruling social democratic party (PASOK), like a Labor party. The big public-sector strike on October 5, which was built from below, forced those union bureaucrats to come out and say, “from now on we are at war with the government.” This happened because we have had the ... workers committees.

[The] committees were voted for at the general assemblies of workers and were intended not to work apart from the unions but within them. We believe this is a shift towards workers control within each workplace. So far it has only within the public sector and at a relatively small level.

Workers in several government ministries coordinated to occupy their buildings on the same day and to have common demonstrations.

## How has SEK been involved in the movement?

We sell our newspaper [*Workers’ Solidarity*] in over 450 workplaces around Greece.

.....  
**“After Syntagma Square... workers started to organise their own committees”**

## THE CRISIS

After 2005 the party went through a transition. From a youth organisation, we became more of a workers organisation ... our student members became workers, we developed a presence within several public sector unions. We could argue for general assemblies and strikes and so on.

We have the analysis that social democratic parties don't genuinely represent workers' interests. Now that the support base of those parties is beginning to politically separate from the leadership we are in a position to push our ideas.

We are the main organisation pressing for workplace committees. What we are saying is that you, the workers, must organise yourselves in your own workplaces with your own demands but at the same time have the political aims of the whole working class as part of your agenda. And in doing this you are laying the first bricks to build a society to take us out of this crisis.

We are trying to make these arguments in every workplace that we have members. Our arguments are that to end the crisis we must drop the debt, nationalise the banks, stop the sackings and tax the rich.

Because of the relationships we have built over the last 25 years in various campaigns ... people are willing to trust our ideas. The Anti-Capitalist Front [of which SEK is a part], got 100,000 votes in the last municipal election.

### What role are students playing within the party?

The aims of student campaigns has been to stop the privatisations of universities, to keep businesses out of universities. But the shift we have seen in the recent wave of university occupations is that students... now see openly and clearly that the attack against students is connected to the attacks on every other section of society.

The students asked for support from the workers. They wanted connections with the unions of the lecturers and teachers including those in schools. So we saw at the recent strikes the students demonstrating and protesting together with the education unions and other workers across the public sector. Our student members argue in the assemblies that there is no other way to stop the privatisations of the universities other than to continue the connections with workers unions.

.....  
**"We need the strikes to last for days and days"**

## Eyewitness: Strikes a show of workers' power

HUNDREDS of thousands of angry Greek trade unionists marched through central Athens on October 19 in the biggest workers' demonstration since the toppling of the military dictatorship in 1974.

The mass strike followed another on October 5, itself one of many in the last year that have been the centrepiece of revolt against austerity measures.

Greece's entire transport system stood still; even taxi drivers and airline pilots refused to work. Banks, shops and government offices shut, TV stations didn't broadcast and ships stood idle in ports. The cost of the "mother of all strikes" will run into the billions, a serious blow to Prime Minister George Papandreou, who is failing to convince other Eurozone leaders that austerity is politically tenable.

The "troika" (a tripartite committee including the European Commission, International Monetary Fund and the European Central Bank) are demanding more cuts in exchange for bailout funds to allow Greece to pay its €370 billion debt. 30,000 jobs have just been slashed and taxes hiked, but the troika want 200,000 more jobs slashed in 2012.

Official unemployment is now at 16 per cent; many still employed have had their wage cut 30 per cent or more. Suicide rates among males have doubled.

The austerity program was supposed to save Greece from the crisis, but GDP has fallen 15 per cent in three years. The ever-shrinking tax base has eroded almost all hope of Greece avoiding a default.

### Rising struggle

Workers, pensioners and students are adamant the debt is not theirs to pay. The latest strikes came after weeks of protests. Workers have occupied hospitals and several government ministries, while students have shut down hundreds of universities and schools.

A mass meeting of Metro transport workers in Athens in September voted to join bus drivers and municipal workers for several rolling days of strikes; by October taxi drivers had joined them.

Georgiois, a worker involved in the transport strikes told *Solidarity*, "There are 600 billion euros in Swiss banks owned by people who never pay taxes. That is more than twice

the Greek debt. But [the government] never talks about them."

He believed Greek workers were ready to escalate their struggle, "The general view is that there are too few strikes. Union leaders try to calm the workers. But we think we have to strike more often."

Rank-and-file workers are taking the initiative. Tax office workers took over the Ministry of Finance in central Athens for several days and prevented the government and the troika meeting in the building. They hung a banner from the window declaring solidarity with other workers. One of the strikers told *Solidarity*, "They [the government] will not stop. They want to take everything from us."

Networks of unionists helped build a series of hospital strikes and occupations, including a takeover of the Ministry of Health. Kristos, a doctor, said, "We set up our own syndicates at work to build support in the union for this occupation and strike... The workers wanted the strike but the union leaders did not. But now even [the union leaders] are talking against the government and speaking against capitalism," he said.

Mass assemblies of hundreds or thousands of workers have become common, especially in the public sector and transport. Likewise, each occupied university has weekly assemblies where students vote on the next steps.

Vanessa, a student occupying her university, said, "It is important we join with the workers. Tomorrow we will be the new workers. They cut our wages and tax us more to save the bankers ... We need the strikes to last for days and days. We need to fight them on the streets."

Another student, Konstantinos, from Athens University added, "We suffer from the education [cuts] and then there are no jobs. The government now gives 1.4 per cent [of the budget] to education. It used to be 4 per cent."

Another student joining the union rally described a shift in political consciousness among students, "I think most students are anti-capitalist now after what the government has done... We know that under this kind of capitalism you cannot win alone."

Confidence among Greek workers is beginning to match their anger. They're showing the rest of Europe how to fight.

**Carl Taylor, in Athens**

# THE GREENS: BETWEEN PARLIAMENT AND PRINCIPLES

**Amy Thomas** analyses the The Greens' role in left politics since the federal election

THE ONLY bright side to the federal election one year ago was the breakthrough of The Greens, who scored 1.6 million votes and won their first lower house MP, Adam Bandt, and the “balance of power” in the Senate. It was an expression of dissatisfaction with Labor and a small antidote to Abbott’s rise. There were very high hopes The Greens’ influence would help shift politics to the left.

But a year on, The Greens’ impact has not been what it could. Their support has hovered around 12-13 per cent. While Labor has sunk to a seriously low low of 26 per cent, the Liberals have grown an election winning lead. Labor is not bleeding to the left—they are haemorrhaging to the right.

Despite speaking out on various issues, The Greens’ focus on parliamentary politics means they have missed opportunities and been pulled into compromises with the Labor government.

There is an unresolved contradiction at the heart of The Greens. Are they a parliamentary party of the centre left, as some comments from Bob Brown would indicate, or are they to become a fighting left alternative to Labor as many of its members and voters are hoping for?

## Left votes, but not yet a left party

Since the economic crisis of the 1970s, social democratic parties across the world have increasingly given up on the idea of redistributing capitalism’s wealth for social good. In Australia, Labor’s support drained away during the Hawke-Keating era as they embraced labour market deregulation, privatisation and economic rationalism.

When Labor capitulated to Howard over refugees in 2001 and the Iraq war in 2003, The Greens stood proudly against them and reaped the electoral rewards.

Statistics show a majority of The Greens’ votes in 2007 came from

people who had voted Labor in 2004, and that trend intensified in 2010. Greens member and academic Ben Spies-Butcher’s research shows that Greens’ voters political attitudes are on average the most left of any major party and that Greens’ voters are most likely to identify as left of centre, including on “economic” issues like privatisation and union rights.

The Greens came out of the Tasmanian campaign against damming the Franklin River in the 1980s, aiming to take a conservationist voice into parliament. In terms of parliamentary representation and membership The Greens have come a long way since then, but there are contradictions between their radical origins in fighting the establishment and the parliamentary ambitions that pull them to make peace with it.

There are forces that want The Greens to become more mainstream. Bob Brown has even expressed an aspiration for The Greens to become the “major party of reform” in the “next fifty years”. But that pull to respectability and the mainstream in practice has meant filling the void left by the Democrats.

Bob Brown has declared that economically, The Greens are “mainstream and highly economically responsible”. He often talks up The Greens’ support for Labor’s 2009 stimulus package as evidence that The Greens can be relied on to accept the limits imposed by the system and not to rock the boat.

Guy Pearse, a prominent Greens member and commentator argues that The Greens should “seek to govern ... beyond Right and Left.”

Labor’s crisis has provided The Greens with many opportunities to make stronger connections with organised labour in the trade unions. A few trade unions have both disaffiliated from Labor and donated to Greens candidates.

.....  
**Labor is not bleeding to the left, instead, they are haemorrhaging to the right**  
—————

However, The Greens officially regard unions in the same way they regard corporations, as “special interest groups”, and so far will not allow unions to affiliate to the party. But if they are going to make inroads into the Labor vote and present a left alternative, an orientation to the working class will have to become a strategic priority.

## Voting for change?

This is in contrast to building a party that “seeks to govern”, which ends up as part of the establishment.

In Tasmania, The Greens entered a coalition with the Liberals in 1989 and joined them in vicious public sector cuts and school closures. Now, The Greens-Labor coalition in Tasmania are implementing spending cuts of 10 per cent over the next four years, meaning the loss of 1700 public sector jobs, increasing water costs and public housing rent and cutting \$190 million from public education. They have backed down on the closure of 20 public schools temporarily only after a union and community backlash. Tasmania reveals graphically where being “economically responsible” for capitalism actually leads. Instead of being on the side of those fighting the priorities of the system, The Greens are on the side of those implementing them.

The focus on getting votes and getting elected means relying on Liberal preferences and being willing to seek Liberal votes, such as in the 2010 Victorian election. Bob Brown has declared the party, “more liberal than Liberals”.

The prioritisation of elections is not confined to the more conservative elements of The Greens. In a major speech on the future of The Greens last year, a leading member of the NSW left, Sylvia Hale, argued that The Greens could only hope to influence politics through taking part in minority governments and pushing for electoral reform, in particular to get

proportional representation.

Such a focus on elections inevitably stifles the ability of the party to mobilise its membership and supporters beyond elections themselves.

### The BDS test

One of the ramifications of this approach was exposed in the furore that surrounded the support of The Greens local councillors for a successful resolution in Marrickville Council for the pro-Palestinian Boycott, Divestment and Sanctions (BDS) campaign.

Although BDS is The NSW Greens policy, in the face of a tirade from *The Australian* and Zionist lobby groups, Bob Brown caved in and distanced himself and The Greens from the Marrickville councillors.

A hundred or so pro-Palestinian supporters crammed into the council chambers when the motion was re-committed. But in a humiliating back down, two of The Greens councillors reversed their position, voting against Mayor Fiona Byrne to rescind the council's support for BDS.

Rather than seize the opportunity to take the arguments about Palestine onto the front pages, The Greens took the route of other parliamentary parties willing to bend to conservative pressure on "unpopular" positions.

### Carbon tax debacle

The carbon tax is an even more obvious example where The Greens have shot themselves in the foot by putting a pragmatic outcome with Labor before a principled position.

The Greens did not let their agreement with Labor stop them from opposing Labor's Malaysia solution. But over the carbon tax, they have pinned their colours to Labor's mast.

The Greens have even mobilised to back up the climate NGOs "Say Yes!" campaign promoting the tax. Bob Brown has parroted Julia Gillard's sales pitch, calling the tax, "the most important economic reform in decades".

But this is a market reform that will raise prices while doing very little about emissions. While a majority still favour climate action, the carbon tax's impact on the cost of living has made it unpopular.

The Greens correctly opposed Kevin Rudd's CPRS, but from the beginning of their agreement to support the minority Gillard Labor government, The Greens attached themselves to a parliamentary committee on climate policy. Yet the limits of such a committee were obvious; it would



**Above: Some of The Greens' Senate team in action**

only discuss a carbon tax and was only ever going to adopt something acceptable to Labor and big business.

The Greens Senator Sarah Hanson-Young explained this approach in an article on The Greens and the balance of power written in July: "With this new position in the political landscape and our new seats on the Senate benches comes even greater responsibility to deliver achievements for the community and stability for the Parliament. We will work hard to improve legislation and to keep presenting innovative ideas to be adopted by government and opposition. But, just as importantly, we must make sure we deliver more constructive than destructive solutions to the topics that land on our desks. Working to secure our nation's future prosperity requires more leadership than just saying 'No'."

But even as the carbon tax was launched, Greens deputy leader Christine Milne admitted that the \$23 a tonne carbon price "isn't high enough to drive the revolution in renewables that we need".

Adam Bandt's statement that "We are now going to see dirty power stations like Hazelwood [in Victoria] close and we will not see any more commercial coal-fired power stations built in this country," is at best wishful thinking, at worst deceptive apologetics. In the case of the carbon tax, The Greens are pulled to a false solution by the mirage of a market solution to climate change and the prospect of a compromise with Labor.

Rather than setting the political agenda, The Greens have found themselves tailing Labor's.

### What kind of party?

Gillard's shift to the right over refugees will no doubt have cemented more Labor voters to the Greens. But the future does not belong to holding the balance of power or displacing Labor to become a mainstream reformist party.

The power to change society doesn't lie in parliament. It is the power in the streets and workplaces that can change the world.

A voice in parliament can help build the movements—it could fan the flames of resistance of the Occupy movement, stand up to O'Farrell and the Baillieu and their police thugs who cleared the protests in Sydney and Melbourne in October, condemn the Qantas bosses, champion the rights of the Palestinians and the need for renewable energy.

Parliamentary democracy tries to separate politics and economics and limit democracy to a tick or cross on a ballot paper every three or four years. Socialists fight to overcome that division.

With BDS, the carbon tax, refugees and everything else, there is a constant contradiction between parliamentary pressure and the principles that won them votes in the first place.

The future of the Greens is going to be determined by which side wins out—stronger movements and stronger unions to fight for real change or the dead hand of parliamentary politics.

**A focus on elections stifles the ability of The Greens to mobilise their membership beyond parliamentary politics**

# THE POLICE: ARMED GUARDS FOR THE RICH AND POWERFUL

The actions of the police at the Occupy protests say a lot about their role in our society, argues **James Supple**

AFTER A week of peaceful occupation, police in Melbourne and Sydney moved in to violently break up the Occupy movement and clear out protesters. Occupiers were punched in the face, grabbed by the throat, pepper sprayed, dragged across the ground and assaulted, in operations involving hundreds of officers.

A video on YouTube shows a Sydney occupier's arm bent backwards by police while he screams in pain, begging them to loosen their grip.

The mass use of force overwhelmed the occupiers. Close to 100 were arrested in Melbourne and 40 in Sydney, though most were released without charge.

Victoria Police were cheered on by Melbourne Lord Mayor and former Liberal opposition leader Robert Doyle who congratulated them on "a magnificent job" and called occupiers a "self-righteous, narcissistic, self-indulgent rabble".

Police told straight out lies about the operation, claiming in Sydney that Occupiers had received plenty of notice to leave, despite entering the occupation at 5am in the morning with less than a few minutes warning.

They also accused Occupiers of violence, saying police encountered "varying levels of resistance" but had acted "very peacefully". Federal Treasurer Wayne Swan joined them in accusing the protesters of "instances of violence".

But it is clear that the police were responsible for the violence, launching pre-meditated, vicious assaults to disperse the Occupations. One person

was arrested in Melbourne simply for taking photos of police who had removed their nametags to avoid identification.

An occupier in Sydney was given a bloodied nose by police, but disgracefully, has been charged with assault.

Police come to demonstrations armed with guns, batons and pepper spray to contain and demobilise them. Resisting police violence by linking arms or even mass marching on police lines when they are blocking a march route is not violence, it is an assertion of our right to protest.

More than that, it is absurd to talk about violence from protestors when police are defending an extremely violent system that leaves people to starve, wages wars for profits and leaves 300,000 homeless across Australia every night.

## **Capitalism and the state**

The Occupiers are not the first protesters to face this. Police have a long history of violent attacks on protests and strikes. The reason they are so brutal towards protests has to do with the role they play in our society.

We live under capitalism, a world system where a tiny rich minority, the 1 per cent, seek to control and live off the work of the other 99 per cent of us.

And as the rich and powerful are only a small number in comparison to the people they exploit, they have created the police and the army to protect this wealth and power. These "armed bodies", the police and the military

together with institutions like ASIO, the courts, prisons and government departments, make up the state as we know it.

The wars in Iraq and Afghanistan have brought home with terrible clarity the continuing strength of states.

It was not General Motors or Shell that hurled F-16s and cruise missiles onto Iraq. It wasn't Ford or Exxon that planned the war on Afghanistan. It was the US state and the other states it attracted to its murder gang.

Karl Marx wrote that this state apparatus came into being when social classes emerged. The exploiters needed some organisation to apparently "stand above" the battles between classes, while in reality helping one class to crush another.

Once the state is created, the economically dominant class, the one that owns and controls the factories, banks and so on, becomes the politically dominant class.

The state creates "order", an order that enshrines the right of the rich and powerful to exploit the vast majority of society, of the government to launch imperialist wars against the wishes of the majority, of the courts to imprison people who refuse to be evicted from their homes.

Marx therefore described the state as "a committee for managing the common affairs of the whole bourgeoisie", the capitalist class.

In extreme situations the state has been prepared to physically eliminate governments when the interests of capitalism are threatened—such as when the military overthrew Salvador Allende's government in Chile in

.....  
**People draw lessons from their own experience that conflict with mainstream ideas**

1973.

The state is much more permanent than any government. Parliamentary majorities change. But the state machine goes on regardless of the views of voters.

### The police

The origins of the police go back to the early days of capitalism. The ruling class realised they needed such an organisation as the new urban working class gathered strength.

In 1848 the Chartists, the first mass working class movement in the world, faced down London's Metropolitan Police. They are generally considered the first modern police force and had been set up less than 20 years earlier.

Some 150,000 workers wanted to march from London's Kennington Common to parliament to present their six million signature charter, but the government used 100,000 special constables to stop the march.

Protecting wealth doesn't just mean making sure we don't steal from the rich, it means making sure their authority isn't challenged by large numbers of people. It means propping up the existing system.

Throughout history, ordinary people have marched against injustice only to be met with violence, even when their demonstrations have been overwhelmingly peaceful.

During the Vietnam War a peaceful crowd outside the Chicago Democratic National Convention in 1968 faced a savage police beating. Tear gas canisters were fired directly into the crowd, some protesters shoved through restaurant windows, and others pushed to the ground and kicked repeatedly. Four students were shot dead by police at Kent State University in the US in 1970 for protesting against the Vietnam War.

### Not neutral

The police's defenders argue that they are simply "workers in uniform", and that any violence is perpetrated by a few "rotten apples" or in response to a hostile and violent crowd.

But police violence is a result of the force's role in society. They are not some kind of neutral "referee" between the movement and the ruling class; they are the arm of the state used to oppress the working class.

Some police recruits may be from working class backgrounds, but once they become police they are no longer workers. They are taught to hate working class people and protesters and are systematically used against us.



**Above: The police violence at Occupy Melbourne that outraged many**

Photo: Justyn Burrows

New recruits are trained to "keep order"—meaning protect the existing system—and given weapons to do it with. And they are protected from accountability for their actions.

We're told that the police are there to "fight crime". But their real purpose is to fight us.

At the S11 anti-capitalist protest in Melbourne in 2000, 30 people were hospitalised following vicious police assaults on the non-violent blockade of the World Economic Forum, a gathering of some of the world's most powerful CEOs and government leaders. Then Victorian Trades Hall secretary Leigh Hubbard called it "the worst savagery by police in 25 years". Police were prepared to act illegally, removing their name badges to prevent identification and using baton handles as a weapon to assault protesters.

Yet the rich and powerful were incredibly pleased with their performance—having threatened to cancel the meeting unless police moved in to defend them. Klaus Schwab, the founder of the World Economic Forum, summed up their attitude: "The police action was excellent. They gave the protesters a chance at the first day to behave in a civilised way, they charged when it was necessary to restore law and order."

Then Victorian Premier Steve Bracks said that the police "did a sterling and outstanding job" and that protesters "got everything they deserved".

There were similar scenes of police thuggery in defending the APEC

meeting in Sydney in 2007, another gathering this time of world leaders including George Bush, Hu Jintao and John Howard. Reporters were thrown to the ground, a middle-aged accountant was punched and aggressively restrained while trying to cross the road, and again police refused to wear identification badges at protests.

But when workers and students unite, our side can win. The police may have batons and helmets and horses—but a mass movement can beat them back and win victories for us and future generations.

The key to this is building a movement large enough to stare down the police.

The APEC protest was a tremendous example of this. Activists faced a sustained campaign of police intimidation, with the introduction of a set of special powers to keep people and protests out of large areas of central Sydney and establishing an "excluded persons list" of activists.

Police made it clear they did not want street marches during the summit. But 10,000 people defied the police intimidation to join the anti-APEC protest and the police had no alternative but to allow the march to take place. It was a major victory for the right to protest and the police were seriously embarrassed.

Fighting against the repression of the state must be part of a fight against capitalism as a whole—to beat back the armed guards of the rich minority and win justice for the vast majority of people.

# UNDERSTANDING THE CLASS DIVIDE: THE 99 VERSUS THE 1 PER CENT IN AUSTRALIA

For weeks world attention has focussed on the Occupy movement that spread from Occupy Wall Street. Across the world placards have proclaimed “we are the 99 per cent”. Every society in the world is divided by class with a ruling class—the 1 per cent—owning and controlling the wealth of society. **Tom Barnes** looks at class in Australia.

THE EVIDENCE on income and wealth inequality illustrates that the class divide in Australian society is alive and well. Australia may be a relatively rich society compared with countries like Bangladesh or even Egypt.

But Australian workers don't have to be as absolutely poor as their third world sisters and brothers for them to make common cause against a system that exploits them both. People everywhere have understood that the struggle in Wall Street is the same as the struggle in Spain, Greece, Italy, Britain and the Philippines.

The key to understanding the impact of class in any society is relative inequality, that is, the income and assets considered necessary to survive from a general social or cultural level in that society.

If we set the poverty line at half of the national median income, then Australia ranks poorly by OECD standards. A study ten years ago by the Economic Policy Institute in the US found that 17 per cent of people in Australia were living in poverty, the second worst in the OECD after the US. For the elderly, the proportion was nearly 30 per cent.

Inequality has been on the increase. According to Frank Stilwell and Kirrily Jordan's 2007 study, *Who Gets What?*, the incomes of the top 20 per cent of households rose four times faster than the bottom 20 per cent between the mid-1990s and late 2000s.

According to Bureau of Statistics figures just released, in terms of wealth (i.e. asset ownership such as shares or property), the wealthiest 20 per cent owns nearly 70 per cent of all wealth in Australia.

The *Global Wealth Report* by the



**Above: Service sector workers, including call centre workers, are just as much classically working class as blue collar workers**

Boston Consulting Group, released in June, shows an increasing concentration of wealth in Australia in 2010. Millionaire households jumped from 98,000 in 2009 to 133,000 last year—a record 36 per cent increase. Twelve more Australian families joined the “ultra wealthy” during the past year, taking the total to 231 households that have more than \$US100 million (\$94 million) in personal wealth.

The same report revealed some-

thing of the astonishing inequality at a global level—with 1 per cent of households having 39 per cent of the globe's wealth.

Most people perceive this injustice. In the mid-2000s, the Australian Survey of Social Attitudes, which covers about 4000 respondents, found that 82 per cent believed the gap between rich and poor was too large.

So the carbon tax debate comes in the context of rising relative inequality and widespread opposition to this. In this context, arguing that we should all bear the burden of the transition to lower emissions is silly.

In the face of unaffordable housing and childcare costs, the suggestion that we are all well-off only strengthens the hand of the big polluters. In many people's eyes, it confirms the caricature that proponents of action on climate change are middle-class elitists.

**Marxism and theories of class**  
Marxists have always argued that capitalist society is divided by class. Marx argued that the emergence of capitalism drew social groups into two “great hostile camps”: the capitalists, who owned and controlled the means of production, and the working class, whose survival depended on the exchange of labour power for wages. A person's relationship to production is therefore what determines their class position.

Capitalism's competitive drive for profit compels employers to attack workers' wages and conditions. This logic can force many different kinds of workers into defensive struggles, whether they work as teachers, nurses, and retail workers in the “services” sector or as manufacturing workers, bus drivers or in other “blue collar”

occupations.

For Marxists, the key question is what drives workers to resist and how their ideas change in the process of fighting. It is such attacks motivated by their employers' class interests which has pushed Qantas workers to fight against real wage cuts and public sector workers to campaign against draconian anti-union laws in NSW.

However, there are different "class analyses" which emphasise factors like occupation, status and income rather than class struggle.

One view, influenced by the German political economist Max Weber, says that class divisions represent the different economic resources that people are able to access by virtue of their social standing or wealth. While this sounds very similar to Marxism, Weberians have never been particularly concerned about class struggle. They have been far more likely to emphasise things like occupational status or levels of education.

For Marxists, the fact that a "blue collar" trade-qualified building worker might earn more than a university lecturer with a PhD is not the most important issue—the issue is how workers struggle, how these struggles can be linked together and how an anti-capitalist consciousness can be built.

Construction workers with a long tradition of militant unionism might show a higher degree of class consciousness, but university lecturers themselves are becoming proletarianised as universities become tertiary industries. They are increasingly likely to be involved in industrial action over their employment conditions.

Another view—which students of politics or sociology are likely to come across—is that of French radical theorist Pierre Bourdieu in which class divisions reflect individuals identifying with particular groups, trends or tastes. For example, people use their "cultural capital" (such as their education, consumption habits, sense of fashion, etc), as well as their "economic capital" (wealth, assets and so on) to distinguish themselves from "lesser" groups.

An example of this might be the idea of the "bogan", identified by their sense of dress, schooling, accent or any number of supposed, often derogatory, characteristics.

Like Weberians, followers of Bourdieu have a lot in common with Marxists. They draw links between people's incomes, jobs and social sta-

## Class and the carbon tax

CONFUSION ABOUT class and the class divide in society lies behind the argument among climate campaigners about who exactly should bear the burden of making the transition to a less carbon-intensive economy. "Make the polluters pay," is a popular slogan.

But how do we make sure that those responsible for carbon pollutions really do pay?

In July, Geoff Lemon, a pro-climate Melbourne-based blogger, wrote that genuinely struggling working families:

"Will get compo anyway. But even they could afford it if they had to. Buy one less deck of Holiday 50s a week. Buy two less beers. Leave off the Foxtel subscription". Whether it was intended or not, this argument from a climate sympathiser involves a dreadful caricature of working class people.

At the heart of the debate about who should pay is the widely-held view that individuals and households should pay their fair share of the transition as well as polluting companies.

It is true that individual actions have an impact on climate change. But individual choices are far less important than the economic decisions of large producers in a capitalist economy.

Large capitalist firms have enormous power to manipulate prices. Increased costs can be absorbed by some firms looking to drive out competition. For example, Coles and Woolworths have enough market control to be able to engage in periodic price wars.

Other firms can pass on higher costs as higher prices for consumers without suffering from a major drop in demand.

For instance, motoring bodies have criticised the big fuel companies for keeping petrol prices artificially high during the dollar's recent appreciation.

BP, Shell, Caltex, etc, are able to do this because individuals don't have any choice but to accept the bowser price.

And it's clear that mining companies feel they can either absorb the extra cost of the carbon tax or pass it on to with no threat to their

profits.

Australian Bureau of Agricultural and Resource Economics data for April revealed that mining companies are planning to invest a whopping \$173.5 billion, with capital expenditure set to rise by 86 per cent in a single year.

### Playing on class

Tragically, this is being used by climate deniers and opponents of radical action to stifle the debate, even though such figures would ordinarily have nothing to do with working class interests.

The "Australian Trade and Industry Alliance"—a collection of peak bodies representing large manufacturing firms, coal miners, steel producers, retailers, builders and the Chamber of Commerce—has run a \$10 million campaign with TV ads that show workers asking the government, "Why threaten our jobs?", families, hospital workers and farmers asking, "Why should our electricity bills nearly double?" and a pensioner asking, "Why should I have to pay more for groceries?"

The ads are nauseating, but they rely on assumptions about class. We do not see images of mining magnates explaining, "Why we should keep our profits" or top CEOs trying to justify, "Why I should be paid millions"!

Under the carbon tax, any cost imposed on carbon-emitting firms will be passed down to smaller firms and, eventually, onto wage-earners. The unpopularity of the carbon tax suggests that most workers perceive this.

Tony Abbott and the big capitalists are exploiting this mood to prevent action on climate change.

Climate is a class issue. To argue that capitalist markets can fix climate change is to rely on a lop-sided economic world-view in which classes do not exist.

Worse still, to emphasise that the cost is small and that we can all pay—when it is clear that the burden is not evenly shared—will only strengthen the influence of capitalist ideas over workers while seriously damaging the prospects for radical climate action in Australia.

tus. Bourdieu himself was an excellent critic of capitalism and a prominent activist.

There is significant agreement between all of these analyses. For example, they would acknowledge evidence which shows that where you live, or were brought up, has a huge impact on how much you will earn, how much wealth you will have or how you are regarded by others.

But Marxists differ because of their much clearer emphasis on class struggle. We argue that incomes, geography, social standing, etc, are all intimately connected with class divisions but they do not explain or subsume them. “Bogans” are part of the working class.

The prospect for a better society is ultimately linked to our orientation to the production process and whether we exercise any real control over it. The central divide is between the ruling capitalist class and the mass of wage-earners, the working class, rather than the differences between categories of wage-earners.

Confusion over the meaning of class has practical consequences. Take, for example, the debate over the means-test for family tax benefits and paid parental leave in Labor’s last budget.

The Liberals and News Ltd responded with the usual anti-Labor line, lamenting this as an attack on workers. Sydney’s *Daily Telegraph* raised this as a class argument with the headline, “It’s a bit rich”, suggesting that two-income households earning \$150,000 were under attack. Many people responded that “upper middle class” families on this income were “bleating” for undeserved entitlements.

But the suggestion that workers on above-average incomes are undeserving reduces debates about tax and welfare to an issue of redistribution within the working class. While it’s fair that those workers on higher incomes should pay a bit more tax, the real money is not among people who rely on wages to survive.

A quick glance at *Business Review Weekly*’s top 200 “rich list” for 2011 clears up any confusion about this. The cut-off for this year’s list was a personal fortune of \$215 million. Gina Rinehart topped the list (\$10.3 billion), followed by commodities trader Ivan Glasenberg (\$8.8 billion), miners Andrew Forrest (\$6.2 billion) and Clive Palmer (\$5.1 billion), manufacturer Anthony Pratt (\$5.2 billion) and retail and property developer Frank Lowy (\$5 billion).

---

**The prospect for a better society is ultimately linked to our orientation to the production process and whether we exercise any real control over it**

---



**Working class people are pushed into resisting efforts to hold down wages and conditions by bosses’ desire to keep down costs**

The biggest money is with the miners, including Rinehart and Forrest who were instrumental in fighting Labor’s Mining Rent Resources Tax and currently want to derail any action on climate change. But, as the examples of Pratt and Packer show, there’s plenty of money elsewhere. James Packer, further down the list at \$4 billion, was able to spend \$12.5 million for recent house purchases in Vaucluse, Sydney, and planned to spend \$13 million on a 13-car garage, a 23-metre pool, underground cinema and gym.

The super-rich occupy another world—and this should put debates about tax and welfare spending among wage-earning households in perspective. Hardly a week goes by without a media report attacking out-of-control CEO salaries.

A few years back, labour market researcher John Shields reported that the average total salary packages of

CEOs in Australia’s top 51 companies listed with the Business Council of Australia rose from 18 times the average full-time wage in 1990 to 63 times in 2005.

These forces own and control the lion’s share of wealth and investment resources and make up the core of Australia’s ruling class. They are united in their belief that the profits of the companies they control should not take even a minor hit.

They are not accountable in any way to the “99 per cent” yet they have the power to create and manipulate markets. It is their decisions that largely determine the level of unemployment.

That’s why if society is to be run for human need and not profits, we need to take the power away from the 1 per cent and build a new socialist society in which the control of every aspect of society is democratically controlled from below.

# Bad banks, credit and the capitalist economy

Jean Parker begins a series on issues in economics by looking at credit and banking

THE COLLAPSE of investment bank Lehman Brothers in September 2008 was the event that triggered the global economic crisis. Pointing to the financial sector as the creator of the crisis, many argue that we must tame the credit system.

But Marxists argue that financial regulation will neither fix nor prevent economic crises. This is because financial crises are merely a symptom of a wider crisis of profitability in the whole economy.

Credit is essential to the functioning of capitalism. Even when Marx was writing in the mid 19th Century, companies had already grown to the point where they required credit in order to invest and expand their businesses.

The scale of investment in new machines and buildings needed could no longer be funded simply by the money made from their own profits in previous rounds of production. To stay in the game capitalists had to borrow money.

Other companies found that they had pools of profits lying idle which they did not yet need to fund their own investments. These capitalists realised that they could profit by loaning it to another firm and charging interest. As capitalism developed this lending and borrowing became run by banks and finance capitalists specialising in lending.

Banks and other credit providers are capitalists too and need to make a profit to stay afloat. But unlike those of other capitalists, bank profits don't come from the direct exploitation of workers. The bankers' profits—interest—are made by taking a slice of the profits made by other capitalists.

As we saw in the sub-prime housing bubble, lending to workers for mortgages and credit cards has also become a huge market for financial institutions. But for a time this credit too contributed to the expansion of real production. This is why the US government allowed the housing bubble to grow so big. The housing boom led to a boom in construction, and consumer credit allowed consumption in places like the US and Australia to support the growth of industry in export-focused economies like China.

But the “interest-bearing capital”



**Above: A protester outside a former Lehman Brothers office after the bank collapsed in 2008**

that banks and other credit-providers specialise in has another strange feature. Credit is a gamble, a claim made on future profits that may or may not eventuate.

## Bad debts

When a business cycle starts capitalists are able to expand and make high profits. Banks too are happy to lend, on the bet that when products are sold and profits wash in they will get a cut of the spoils.

But when all this new production comes on-line the anarchy of the market starts to bite. Suddenly capitalists realise that too many firms have begun producing the same products and the market is saturated. They are therefore unable to sell all the products they expected to. Some firms go bankrupt and are unable to repay their debts.

Banks that accumulate too many bad debts can collapse, unable to repay the people who have deposited or loaned money to the bank. Other banks may refuse to lend any more money, worrying that they will not be repaid.

This is what happened when Lehman Brothers collapsed. A credit crunch saw banks refusing to lend money, and the whole economy ground to a halt. There was a round of bank collapses and government bailouts to save banks with bad debts.

While the credit crunch appeared

to be the cause of the economic crash in 2008, it was actually a manifestation of the crisis of profitability that dominates the global economy. But the financial crisis also compounded the underlying crisis and even profitable companies were threatened by the failure of the banks.

Both in China, the EU and the US, part of governments' response to the crisis has been to underwrite more cheap credit—desperately trying to kick-start a new boom. This is central to why governments refuse to seriously regulate the financial system—they understand that access to credit is essential to production under capitalism.

Credit doesn't create booms and busts, but it is pro-cyclical, meaning it intensifies the highs and the lows of capitalist production. As Marx put it in *Capital*:

“The credit system ... accelerates the material development of the productive forces and the creation of the world market... At the same time, credit accelerates the violent outbreaks of this contradiction, crises...”

As the Occupy movement rightly fights to hold banks and predatory lenders to account for throwing people out of their homes and into bankruptcy, we need to understand that the financial system is not an optional part of capitalism. The devastation it wrecks is fundamental to capitalist production itself.

.....  
**Credit is a gamble, a claim made on future profits that may or may not eventuate**

## MALAYSIA AGREEMENT STALLED, NOW END MANDATORY DETENTION, FREE THE REFUGEES

By Ian Rintoul

NOT WITH a bang but a whimper. Rather than have the legislation defeated on the floor of parliament, Julia Gillard withdrew the Migration Act amendments that would have allowed Labor to implement the Malaysia Agreement.

But the amendments have not gone for good. They remain “before the parliament” so they can be re-introduced at any time Gillard thinks she might get the numbers. We also know that significant sections of the Labor Cabinet, including Immigration Minister Chris Bowen (and more shamefully the Labor Left’s Anthony Albanese) were in favour of offering to re-open Nauru as a way of securing Liberal support for Labor’s amendments. These people are no friends of refugees.

It is a strange situation—on the one hand third country processing, in Malaysia or Nauru or anywhere else, remains unlawful. The government has no choice but to process asylum seekers in Australia.

On the other hand, both Labor and Liberal parties are committed to third country processing. Gillard says she will seek a mandate for the Malaysia Solution at the next election, which could be up to two years away. So, whichever party wins that election, third country processing will likely be back on the agenda. In the meantime, far from asylum boats being welcomed, both parties remain locked in a race to the bottom over which party has the best policy to stop the boats.

The movement cannot afford to be complacent. It has two years to campaign against Malaysia and Nauru. Most importantly it has to campaign hard to put the focus on the Australian government’s abuse of human rights in its own detention centres—and free the refugees.

### No shift on detention

There is a danger that the refugee movement will be disarmed by the government’s declared shift to on-shore processing.

But it is precisely onshore processing that has created the hideous toll of self-harm and attempted suicide as



thousands of asylum seekers languish in detention.

Despite throw-away comments from Immigration Minister Chris Bowen that there might be an increased use of bridging visas and community detention to relieve crowding in immigration detention, the proposal was heavily qualified. There is no general move by the government to adopt any form of community processing, using bridging visas to release people to live and work in the community while their claims are processed.

The government also remains committed to offshore processing on Christmas Island, which means that asylum seekers who arrive by boat will continue to be processed under off-shore arrangements which are discriminatory and open to political interference. Fully 75 per cent of initial asylum rejections are overturned on review. But this can take months, a year, or longer after the initial hearing.

Over 1500 people who have been found to be refugees are waiting in detention for ASIO security clearances, although ASIO told recent Senate Estimates hearings that they do not require refugees to remain in detention while they carry out security checks.

There can be no compromise with the pillars of Howard’s and now Labor’s anti-refugee policy. The cam-

**Above: Protest outside Villawood earlier this year**

Photo: Mohsen Soltany

paign needs to redouble its efforts to end mandatory detention and offshore processing.

A *Four Corners* program, “Asylum”, has helped lift the lid on the culture of abuse that exists inside the detention centres run by Serco and the Immigration Department.

The suicide of a young Tamil man, “Shooty”, in Villawood detention centre at the end of October has shown again the terrible cost of detention. He had been in detention for over two years.

Chris Bowen has admitted he has the power to use bridging visas to release asylum seekers, but he is doing nothing to make it happen. Left to Julia Gillard and Chris Bowen, it will be business as usual.

Hundreds of Iranian and stateless asylum seekers remain trapped in soul-destroying detention although the government knows it cannot return them.

Worse, as the processing grinds away more Afghan and Tamil asylum seekers inch closer to the time when the government is able to deport them.

As *Solidarity* goes to press, two Rohingya refugees are staging a rooftop protest at the Darwin detention centre. Found to refugees, they have been in detention two years waiting for security clearances. These are two more reasons, among many, to demand that Labor frees the refugees.

**A major protest is planned outside Labor’s national conference in Sydney: 12PM Town Hall, Sunday December 4 and march to the conference.**