

Solidarity

Issue No. 77 / April 2015

\$3/\$5

Close Manus Close Nauru



FREE THE REFUGEES

REFUGEE POLICY

Fraser no model for today

ANTI-RACISM

Driving back 'Reclaim Australia' racists

GALLIPOLI

How Anzacs fought for empire and profit



SOLIDARITY. NET.AU

Full content from the magazine / Online-only updates / Up to date details of demonstrations and meetings



FACEBOOK

Search for "Solidarity Magazine" or go to facebook.com/solidaritymagazineaustralia



TWITTER

@soli_au
twitter.com/soli_au



EMAIL

solidarity@solidarity.net.au

Solidarity No.77
April 2015
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: 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 for more information on what we stand for.

SOLIDARITY MEETINGS AND BRANCHES

Sydney

Fortress Australia and the case for open borders
6.30pm Thursday 23 April

Sydney Solidarity meets 6.30pm every Thursday at Brown St Hall, Brown St, Newtown
For more information contact: Erima on 0432 221 516
sydney@solidarity.net.au

Melbourne

Melbourne Solidarity meets fortnightly at 6pm Second Floor Union House, Melbourne Uni
For more information contact: Feiyi on 0416 121 616
melbourne@solidarity.net.au

Perth

For more information contact: Phil on 0423 696 312

Brisbane

For more information contact: Mark on 0439 561 196 or brisbane@solidarity.net.au

Canberra

For more information contact: Geraldine on 0458 039 596 or canberra@solidarity.net.au

Magazine office

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

SUBSCRIBE

Solidarity is published monthly. Make sure you don't miss an issue—send in this form along with cheque or money order or pay by credit card online at www.solidarity.net.au/subscribe 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 375 Strawberry Hills NSW 2012 or phone 02 9211 2600 for credit card orders.

Things they say

Do you mind if I have a prayer?
NSW Premier Mike Baird, two days his election in NSW, after talking to Rev Fred Nile in his office about privatisation of poles and wires. Baird prayed that God would guide them and help them to do his will

We have to reduce costs. It is difficult times in the mining industry
Orico Charmain Russell Caplan on the decision to axe the CEO and replace him with a new executive on the modest salary of \$185,000 a month

I think the Greens are a cancer on democracy
Labor Party member and McKell Institute's Sam Crosby shows he's a bad loser after the NSW election

[An] obscenity
Scott Morrison on the Victorian Labor government's win against a \$1.2 billion compensation claim by Lend Lease for not building the East West tunnel link

We have a secret comms page. And we've been discussing theories that the socialist groups set this up. That the Nazis were planted to discredit the movement. Now, I have no proof of this at the moment. I need to make that clear. But there is an investigative journalist looking into it
Scott Moerland, Reclaim Australia Brisbane rally organiser, adds to his collection of interesting theories

Focussing on individuals ignores the threat that extremist organisations present
Defence Minister Kevin Andrews defends his failure to be able to name ISIS leader Abu Bakr al-Baghdadi

I suggest to people, particularly females, they shouldn't be alone in parks
Mick Hughes, chief of the Homicide Squad of Victorian Police, showing sensitivity after the murder of a 17-year-old, 500 metres from her home on an early evening walk

Honestly, it's this simple: I get out of bed and I am me
Communications Minister Malcolm Turnbull modestly reveals to GQ magazine he's just naturally so great

CONTENTS

ISSUE 77 APRIL 2015



- 16 Nothing to celebrate: the bloody history of the British empire**
- 18 Rosa Luxemburg and the fight against WWI**
- 20 Ruling class warrior: the real legacy of Malcolm Fraser**
- 22 Police corruption: the whole system is rotten**

4 Inside the system

- Fighting Abbott**
- 5** Editorial
- 8** Selfish corporate giants dodging all the tax they can
- 13** The war on penalty rates ramps up

Reports

- 10** Jenny Leong on the NSW Greens election wins
- 11** After Libs' NSW victory, time to fight privatisation and WestConnex
- 12** NSW Power privatisation fight must spark into strikes

International

- 22** Imperialism intensifies Yemen's crisis

Reviews

- 15** Hell-Bent on slaughter for empire

INSIDE THE \$YSTEM

Obama sells more arms than Bush did

AS SAUDI Arabia bombs Yemen, new research shows Obama is overseeing a record volume of major arms sales. According to Bill Hartung of the Centre for International Policy, Obama concluded \$169 billion in arms sales in his first five years in office.

This is \$30 billion more than President George W Bush sold in his entire eight year term and means Obama has outsold any President since the Second World War. Sixty per cent of the sales have gone to the Middle East. Saudi Arabia has been the biggest buyer, loading up on attack helicopters, planes, bombs and guns.

“Anti-Terror” harassment at airports takes off

THE GOVERNMENT has been undertaking “anti-terror” harassment at airports on a massive scale. New legislation was passed in October allowing the government to cancel passports of “suspected” terrorists. According to a spokesperson for Immigration Minister Peter Dutton, 75,906 “real-time assessments” were made at airports between August 2014 and February 2015. Many of those targeted were pulled off planes, had their luggage searched and were forced to re-book flights.

The harassment is not random but is aimed at supposedly “suspicious” travellers. In September a highly regarded senior imam, Sheikh Shady Alsuleiman, was detained for over two hours in Sydney and missed his flight. He was travelling with a group of pilgrims to perform Hajj.

Industrial action at Windsor Castle

IN APRIL low-paid staff at Windsor Castle balloted to take industrial action for the first time ever. In some cases the wardens involved are paid only \$27,000 a year. Despite their low wages they had previously volunteered to be tour guides and translators for free. They accepted an “unsatisfactory” pay offer last year on the condition that an allowance for these duties be considered. It never materialised.

Nauru riot squad photographed with Hanson at racist rally



EIGHT GUARDS from the Nauru detention centre have been stood down after posing in a group photograph with racist politician Pauline Hanson. The picture was taken at the Brisbane “Reclaim Australia” rally—part of a national anti-Islam mobilisation on 4 April. The loony-right rallies pedalled racist stereotypes about Muslims being violent extremists and called for an end to Halal food certification.

One of the men, who are all part of Transfield’s private “emergency response team”, or riot squad, uploaded the photo to Facebook.

Last month Simon Scott, a guard who appears in the photo, spewed anti-Islam bile on his Facebook account while calling for a boycott of halal products, saying “Don’t be UnAustralian and buy these products. Let the filthy sub human genetic Islamic filth have it.”

Another guard, Graham Motley, told the Toowoomba Chronicle in 2012 that his experience serving with the Australian Defence Force in Afghanistan had given him a “better understanding of Afghan culture”. Seven of the eight men are former military personnel.

Transfield had only committed to investigating whether the posts violate its social media policy as we went to print. In other words, Transfield doesn’t have a problem with employing hardened racists to police refugees fleeing the Middle Eastern and Muslim countries. It just has a problem with their indiscrete use of Facebook. It is Abbott’s refugee policies breeding this extreme racism.

Federal Government to spend \$4 million on TV drama to deter refugees

THE ABBOTT Government plans to spend \$4.1 million on a propaganda film to deter refugees fleeing Afghanistan, Iraq and Syria.

Despite being funded by the Australian government the film will be presented as a locally produced TV drama in source countries. According to a spokesperson from the Immigration Department “television soap operas and tele-movies are proven media to reach the target audience when seeking to deliver complex messages”.

The contract for the film went to Sydney based Put It Out There pictures. Producer Trudi-Ann Tierney worked for four years in Kabul making an “anti-terrorist” police show called Eagle Four which was largely funded by the US government. In her memoir she describes herself as “nothing more than a propaganda merchant”.

Research and writing by Adam Adelpour

Send suggestions for INSIDE THE SYSTEM to solidarity@solidarity.net.au

Serco butcher non-clinical services at Fiona Stanley Hospital

THE BARNETT government’s flagship Fiona Stanley hospital in WA has been plagued by incidents involving contaminated medical equipment since opening in October 2014. Non-clinical services have been outsourced to Serco, a multinational company that also runs the Federal Government’s on-shore refugee detention camps. In early April Fairfax reported that Serco had received its second “notice of breach” due to failure to sterilize medical equipment.

Nurses have reported cases of equipment turning up in operating theatres still covered in blood and tissue from previous operations. In one case bone fragments were found on a drill that was about to be used for a hand operation.

Hospital outsourcing has also caused a whole range of problems outside the operating theatre. An 82-year-old woman was starved for four days after her procedure was repeatedly delayed. Told she couldn’t eat before the procedure, she was repeatedly denied food and came out of the hospital weighing only 34 kilograms. Another man only survived by using his own EpiPen after he was served mushrooms in his meal, despite notifying the hospital that he had a potentially fatal allergy to the fungus.

Ultra-rich buy flying palaces

AIRBUS AND Boeing have begun selling luxury versions of their big airliners to meet the demands of the ultra-wealthy. One secret client just purchased a personalised Boeing 747-8 which was fitted out by Greenpoint Technologies in Washington. Normally capable of holding 467 passengers, the flying mansion features a state-room, massive dining room, relaxation lounges and an office and has a total of 444.6 square meters of space

EDITORIAL

Abbott still dangerous every day he hangs on

THE LIBERAL victory in the NSW election was a reprieve for Abbott after Liberal defeats in Victoria and Queensland. But it was hardly a ringing endorsement for him. His major contribution to the campaign was keeping his mouth shut for a few weeks.

Abbott knows that if his next budget in May does not revive his electoral fortunes, the knives will soon be out again. He is desperately searching for a populist hook to turn around the polls, talking of an “ice epidemic” and cracking down on welfare benefits for parents against vaccinations. None of it is working; a whopping 60 per cent of voters disapproved of Abbott as PM in an April poll.

Abbott and Treasurer Joe Hockey have abandoned their chicken little rhetoric about a debt and deficits disaster, now saying that Australia’s budget position is already “a pretty good result”.

Abbott has used the creative accounting detailed in the Intergenerational Report to claim, “Labor’s debt and deficits have been halved already”. This is only true based on the inflated deficit the Liberals created by giving billions extra to the Reserve Bank before their first budget. Science guru Karl Kruszelnicki, hired to spruik the report, has now declared it “flawed” and says it has been “fiddled with” by the government.

Abbott and Treasurer Joe Hockey are falling over themselves to reassure everyone that their May budget will be “fair”, now talking about a budget surplus “as soon as possible” rather than immediately.

They are promising extra money for a childcare package for families and a cut to tax for small business. But it’s no surprise no one believes in their change of heart—at the same time, they are blowing an extra \$1 billion on two new military transport planes. Health minister Sussan Ley is reportedly planning an audit aimed at cutting subsidies for treatments under Medicare, which could see higher co-payments.

Labor has gone on the attack over corporate tax dodging, exposing the tax avoidance by companies including Apple, Google and BHP. The astounding profit figures of the big tax avoiders showcase how ruthless it is for the Liberals to go after pensioners, the unemployed, students and the sick.

All Labor can promise is a new



Above: Abbott’s cuts to Aboriginal communities are the latest to ignite large protests across the country

tax that would raise just \$500 million a year from corporate tax avoiders. Bill Shorten has walked away from any effort to reimpose a tax on mining super profits.

Liberals still want cuts

The Liberals have put their plans for cuts, attacks on penalty rates and workers’ rights on hold—for now. Abbott knows that he will not survive another budget backlash. They are biding their time and hoping their popularity improves, while keeping up a discussion about raising the GST and attacking penalty rates.

But big business wants the cuts and savagery now. In April nine of Australia’s largest business lobby groups issued an open letter declaring that, “successive governments have been spending beyond their means”. They pointed the finger at the Liberals, demanding further “economic reform” even if it is not “politically expedient”.

Abbott doesn’t seem able to put a foot right. The danger is, however, that the union campaign against Abbott’s cuts has been wound down just as it could be advancing. The strategy is to wait for the next election in a year and half’s time. But this could take the momentum out of the opposition and give the Coalition space to rebuild support.

University fee deregulation and the Medicare co-payment may be off the table, but there is no shortage of cuts to fight. The funding cuts to remote Aboriginal communities that will see community closures in WA

have produced big rallies around the country. Abbott is attempting to cut wages and conditions in the federal public service by offering pay rises of between 0 and 1 per cent a year. Instead of small-scale industrial bans implemented by CPSU members the union could prepare for agency-wide strikes that would really rock the government.

Abbott is hoping that, along with a “fair” budget, he can use Islamophobia and attacks on refugees to consolidate his support.

Abbott said nothing to condemn the anti-Muslim “Reclaim Australia” rallies, and has allowed Liberal backbencher George Christensen to endorse it as expressing “legitimate concerns”, parroting their conspiracy theories about halal food. It’s no surprise that Liberal Senator Cory Bernardi is pressing for an inquiry into halal certification.

The government wants to use refugees and Muslims to distract from their budget attacks and boost their popularity. The fight against racism has to be linked to the fight against the cuts.

Labor, for their part, helped Abbott pass his metadata laws and refuse to stand up to him on “national security” issues and Islamophobia. After “Reclaim Australia”, it’s even more important to build a broad opposition to the racism and fear-mongering.

And we need to seize every chance to push union leaders for action against Abbott’s cuts and to fight for an alternative to the Liberals’ agenda.

.....
Abbott is hoping that, along with a “fair” budget, he can use Islamophobia and attacks on refugees to consolidate his support

Detention protest stops Nauru transfers

By Ian Rintoul

WHILE THREE single men were returned to Nauru from the Darwin's Wickham Point detention centre on 16 April, protests inside the centre stopped the planned transfers of any asylum seeker families to Nauru.

On Wednesday 15 April, around 70 people blockaded the entrance to Sun compound to prevent Serco guards removing the families. Protests continued on Thursday—at one stage five pregnant asylum seekers were on the roof of Sand compound—when it seemed Immigration was about to seize more people for transfer.

The protests also seem to have extracted a guarantee from Immigration Minister Peter Dutton that no pregnant asylum seekers will be returned to Nauru. But families with new babies remain at risk.

Sand compound, which houses families that have been brought from Nauru to Darwin mostly for medical reasons, has become the scene of weekly protests and harrowing self-harm incidents and attempted suicides as desperate asylum seekers try to prevent their removal to Nauru.

Up to 25 self harm incidents in one day have occurred among asylum seekers threatened with return. One teenager broke her pelvis, last August, when she attempted suicide by jumping from the second floor of an accommodation building. Two asylum seekers attempted suicide by the day before the 15 April protest.

American musician Michael Franti took part in a vigil outside the Wickham Point centre after a performance inside the facility was called off because of the unrest.

Abuse cover up

The protests in Darwin are driven by the fact that the asylum seekers know the stark realities of detention on Nauru.

They have been driven home by the "Open Letter to the Australian People" signed by 24 current and former Save the Children and medical staff on Nauru.

The letter follows the Moss Review commissioned by the Coalition government itself, which confirmed instances of abuse of women and children on Nauru. It also exonerated Save the Children workers who were sacked and removed from Nauru last year for



daring to raise the abuse allegations.

Morrison tried to shrug it off. Abbott too dismissed Moss saying, "Occasionally, I dare say, things happen."

But the Open Letter makes it clear that Morrison covered up the physical and sexual assaults against women and children on Nauru for 17 months before the Moss Review.

Meanwhile the Nauru government has attempted to ban all protests by refugees, who are maintaining their non-cooperation campaign with the island's detention regime.

A new law decreed on 23 March requires seven days notice of any gathering of more than three people and gives complete power to the Nauru police commissioner to approve any protest.

Nauruan refugees responded with protests on Good Friday and Easter Monday.

Unravelling

Now the government is scrambling to try and get Nauruan refugees to agree to go to Cambodia. A fact sheet being circulated to both refugees and asylum seekers says, "The first flight from Nauru to Cambodia for refugees will be as soon as 20 April 2015."

The fact sheet promotes Cambodia as a place that, "does not have problems with violent crime or stray dogs", a tacit admission that Nauru does have such problems.

But there is little sign of any numbers being interested. As Solidarity goes to press, there are no confirmed

Above: Refugee children on Nauru during recent protests

refugees for the flight.

Asylum seekers are being leaned on to agree to go to Cambodia even before they have been found to be refugees—with offers of permanent visas and cash.

The desperate efforts to get refugees on the plane is confirmation of the increasing pressure building on both the Nauru and Australian governments to find a resettlement solution for the refugees on Nauru and Manus Island.

The PNG government was forced to admit on 27 March in a letter to an Iranian refugee on Manus that, "PNG does not yet have a National Refugee Settlement Policy in place that defines how settlement will take place", after almost two years.

It is more evidence of the constant rolling crisis that dogs the government's off-shore processing regime.

The refugee campaign needs to take advantage of their crisis to build the reach of the grassroots campaign.

In some of the biggest protests for years, 15,000 people marched in Melbourne and another 3000 in Canberra as part of the national Palm Sunday 'Welcome Refugees' protests before Easter.

Thousands are expected at Sydney's rally on 19 April. We can use that momentum to build for a rally outside Labor's federal conference in Melbourne on 25 July to demand real change and a real alternative to the policies of mandatory detention and offshore processing.

The Nauru government has attempted to ban all protests by refugees

Open the borders or regional resettlement?

By Ian Rintoul

THE DEATH of Malcolm Fraser in March has brought renewed attention to the policies of his government regarding asylum seekers.

Understandably, many people see a sharp distinction between Fraser resettling nearly 70,000 Vietnamese refugees between 1976 and 1982, and the policies of both major political parties today that are focused on keeping asylum seekers out of Australia at all costs.

Nothing demonstrates the rosy view of Fraser more than the fact that the foreword to Labor for Refugees' 2013 publication "Alternatives To Offshore Processing" was written by Malcolm Fraser.

But the refugees that Fraser resettled were not boat people who arrived on Australia's shores. They had been selected from squalid, over-crowded and often violent refugee camps in Malaysia, Indonesia and other places, not so different to Nauru and Manus Island.

Fraser settled less than 2500 asylum seekers who arrived by boat. While none of them were subjected to mandatory detention it was the concern to prevent larger numbers of boat arrivals that drove Fraser's resettlement program.

Rather than a challenge to the policies of Labor and Liberal today, Fraser's policy actually helped to establish government opposition to boat arrivals. It laid the basis for distinguishing between "good" asylum seekers who stayed (or were compelled to stay) in camps to await possible selection and "bad" asylum seekers who arrived on Australia's shores by boat.

The Fraser government was so concerned to prevent boat arrivals in Australia that, in the run up to the federal election in December 1977, immigration officers actively sabotaged asylum boats in Malaysia. They drilled holes in the hulls to prevent boats travelling on to Australia.

Fraser's Minister for Transport, Peter Nixon, even raised the possibility that boat arrivals could be refused entry to Australia.

Fraser also implemented the first people smuggling laws to discriminate against asylum seekers who may have paid to organise travel to Australia. In early 1981, Fraser actually used his Immigration (Unauthorised Arrivals) Act to detain and deport all of those who ar-



Above: Malcolm Fraser's regional resettlement plan was based on excluding asylum boat arrivals

rived in Darwin on the VT838, in large part because they ignored UNHCR's "suggestion" to stay in Malaysia.

Regional resettlement

These facts are not well known or understood and sections of the refugee movement now use the Fraser era to advocate for one version, or another, of regional resettlement of asylum seekers. It has become commonplace to pose "regional resettlement" as an alternative to welcoming asylum seekers who arrive by boat. But such ideas concede to present day offshore processing policies and Abbott's policy of boat turn-backs.

Perhaps the clearest example is a 2014 discussion paper by the think tank Australia21, which suggests that an alternative policy should be designed to, "achieve an orderly system of protection within the region and defeat the people smuggling system".

This is little different to what underpins the present policy. "Defeating people smuggling" is the language of Rudd, Gillard and Abbott, used to deflect attention from asylum seekers' human rights and to criminalise and discriminate against those who arrive by boat.

It completely accepts offshore processing, proposing that, "PNG and Nauru should become open centres. Local integration support should be given to assist refugees to remain in PNG and Nauru."

The "Beyond the Boats" report by the Centre for Policy Development also accepts the government's arguments about "border control"

and people smuggling, arguing that one of Australia's goals should be, "to retain appropriate order and control over the immigration program by tackling the problem of people smuggling", as if asylum seekers have any other way to get to Australia except by using boats organised by people smugglers.

This simply accepts the idea, originally put in place by Fraser and repeated ever since, that there is a problem with boat arrivals and that boats should be stopped.

A "welcome refugees" policy has to be a policy that welcomes asylum boats. Fraser's regional processing policies transplanted to today would end up discriminating against boat arrivals and accepting that asylum seekers should be processed in detention offshore.

The refugee campaign should not accept anything less than the end of offshore processing and the immediate closure of Nauru and Manus Island. Asylum seekers processed in Indonesia and found to be refugees must be guaranteed timely resettlement in Australia. This is going to become more important as the prospect of getting rid of the Abbott government comes closer in the coming months.

In the run-up to the federal Labor Conference in July, more attention will be focused on what alternative the movement is fighting for.

Successive governments have closed Australia's borders to asylum seekers. Without a demand to unequivocally "open the borders", regional processing simply perpetuates the rotten political pillars that underpin the present policies of both major parties.

.....
In early 1981, Fraser actually detained and deported all of those who arrived in Darwin on the VT838

By John Passant

BIG BUSINESS gave the Australian Senate the middle finger salute during Economics References Committee hearings into tax avoidance.

Not surprisingly, it was hard to get any information out of them about their tax avoidance activities. This put further heat on Joe Hockey, who effectively let them co-write last year's budget.

Tony Cudmore, the corporate affairs president of multinational mining giant BHP, and the head of group tax, Jane Michie, refused to answer questions about whether the ATO was auditing them to recover unpaid tax. Cudmore also refused to give details of the income and tax going through its Singapore hub, although these figures are apparently publicly available. According to the Financial Review, Google Asia Pacific paid just US \$5 million in Singapore tax on US \$2.6 billion revenue (including an estimated US \$1.5 billion from Australia untaxed here) which was booked through the Singapore hub.

Chris Jordan, the current Commissioner of Taxation and former partner with big business tax advisers KPMG, the man who has sacked 3000 tax officers with another 1700 to come, refused to tell the Senate who the tax avoiding companies were. Joe Hockey backed him up.

The Treasurer and Commissioner don't want the Australian people to know how little tax big business pays. This would undermine the Government's austerity program and the neo-liberalisation of tax law, policy and administration.

Despite all the attempts at verbal avoidance, the hearings showed us once again that the real leaners in Australian society are the big business tax avoiders.

Apple shifted \$6 billion in profits last year from Australia to Ireland and paid only \$80 million in tax. We already knew that between 2002 and 2013 it had sales revenue of \$26.7 billion here yet paid only \$193 million in tax to the Australian Tax Office, or 0.7 per cent of turnover.

It is not just one bad Apple. In 2011 Google had \$2 billion in revenue from Australian advertisers. That year it paid \$781,461 tax in Australia.

In 2011 ATO Deputy Commissioner Jim Killaly told us that between 2005 and 2008 40 per cent of big business paid no income tax. The United Voice/Tax Justice Network report, "Who pays for our Common Wealth?"

Selfish corporate giants dodging all the tax they can



showed that "within the ASX 200 companies nearly one-third have an average effective tax rate of 10 per cent or less."

Capitalistic

What explains this drive to avoid tax? At the hearings Google's representative Maile Carnegie said:

"We are not opposed to paying tax. What we're opposed to is being uncompetitive... So we structure ourself to be competitive."

Google Chairman Eric Schmidt spelt this out in more detail in an interview with Bloomberg Business a few years ago. This is what he said about his company's tax avoidance activities around the globe, which have seen it funnel almost \$10 billion into tax haven Bermuda, saving \$2 billion in taxes:

"I am very proud of the structure that we set up. We did it based on the incentives that the governments offered us to operate."

"The company isn't about to turn down big savings in taxes. It's called capitalism. We are proudly capitalistic. I'm not confused about this."

Business tax avoidance is systemic. It requires a systemic response, not deliberately half-baked attempts from both the Abbott government and proposals from Labor that give the impression of doing something without actually doing much at all.

At the end of March the government released its Tax Discussion Paper, called *Re:think*. True to its origins in the bowels of neo-liberalism, the

Above: Abbott and Hockey have made it clear where their sympathies lie

paper is about finding new tax bases or "improving" the current ones to slug the working class and the poor more and cut taxes on big business. Yes, that same big business that already avoids tax like the plague.

If the current tax laws are getting too hot for big business, what better way for them to reduce (that is "legitimately" avoid) their tax than by getting their friends in parliament to change the law?

Re:think will also be used as a threat—if we can't raise more tax from the poor and working class we'll have to cut spending on public health, education, transport, pensions, and on and on.

The revelations about how little tax big business pays undermine any proposals for new or increased taxes on workers and the poor, or cuts to government spending. Every time Abbott or Hockey talk about the need to reform our tax system or cut social spending on workers and the poor, we now have a simple rejoinder—stop the cuts and tax the rich.

John Passant is a former Assistant Commissioner of Taxation. He ran the ATO input into international tax reform before he retired in 2008. He joined Solidarity in March this year and will be speaking at the University of Wollongong at 12.30 pm on Thursday 23 April in Room 19:2040 about stopping the cuts - tax the rich. For details of further talks in Canberra and elsewhere contact solidarity@solidarity.net.au

Abbott's 'Team Australia' breeds racist 'Reclaim Australia' rallies

By James Supple

THE RACIST, anti-Islam "Reclaim Australia" rallies only managed to attract a few hundred people each on Easter Saturday—but they are a sign that months of Abbott's official racism and dog-whistling is giving encouragement to racism and the far right.

While Abbott's national security rhetoric has done little to boost the government's popularity, it has encouraged racism against Muslims and Arabs in the community. Racist attacks have increased over the past six months, documented by groups like the Islamophobia Register.

As head of the Islamic Council of Victoria Ghaith Krayem pointed out, Abbott said nothing to condemn the racist protests, "The Commonwealth has been quick to call on our community and leaders to speak out against extremism and hate preaching, yet when these are directed at us they have remained silent."

Labor leader Bill Shorten said fears of sharia law were "exaggerated", but couldn't bring himself to condemn the racism of Reclaim Australia.

The rallies have reinforced the climate of fear within the Muslim community. As the head of the Arab Council Randa Kattan told the media, even single incidents like these rallies create shock, "In terms of numbers they might be insignificant, but in terms of damage, it is significant."

Reclaim Australia was clearly organised by the far right. They went to considerable lengths to show a softer face—saying they were not racist and they were not against all Muslims—only the extremists. But it was their extremism that was on display at the rallies. The protests openly targeted Islam, with official demands including banning the burqa, halal food and sharia law.

Sherman Burgess, who calls himself "the Great Aussie Patriot" was a speaker in Sydney, and his racist videos have been posted by the "Reclaim Australia" Facebook pages nationwide. Burgess is a member of the Australia Defence League and has links to a range of neo-Nazi groups.

Despite desperate appeals from the organisers to leave neo-Nazi regalia at home there were banners from the street-fighting English Defence League in Sydney, skinheads sporting Nazi tattoos in Melbourne, and a



Above: The Reclaim Australia rallies, like this one in Sydney were clearly racist, opposing mosques and halal food

man with a Greek Golden Dawn t-shirt in Brisbane. Well-known Nazi Jim Saleam, self-styled leader of the Australian First Party, attended the Sydney protest. In Brisbane, Pauline Hanson addressed the rally.

The "Reclaim Australia" rallies were met by counter-demonstrations across the country—although it was only in Melbourne that they were clearly outnumbered, 800 to 500. In Canberra, there were 25 of them and 30 anti-racists, while in Sydney around 120 anti-racists to their 250, with similar figures in Brisbane. In Perth, 120 anti-racists confronted a protest of 400.

The anti-racist counter-rallies were important in exposing the far right that is behind Reclaim Australia and sending a signal that their attempts to mobilise on the streets will be resisted. We will need to be ready to organise larger numbers if they mobilise again.

The nationally co-ordinated rallies are the first time in recent years that the far right has drawn any substantial numbers to their demonstrations. Most of those present were not hard core Nazis. The far right in Australia remains marginal. It is attempting to draw a crowd of bigoted Islamophobes with the aim of breaking out of its isolation.

Mainstream Islamophobia, fuelled by Tony Abbott's Islamophobic "Team Australia" push, scare-mongering about national security and efforts to blame and scapegoat the Muslim

community, has laid the basis for racist ideas to become more acceptable. Abbott's racism has already led to increased violent attacks on Muslims and mosques, as well as campaigns against mosques and Muslim community buildings in Bendigo, Penrith and now the Gold Coast.

Resisting racism

In Germany counter-demonstrations that have outnumbered the Pegida anti-Muslim protests have thrown the racists into crisis. In Melbourne, where anti-racists outnumbered them and heckled everyone trying to get to their rally, the Reclaim Australia organisers have taken to Facebook to complain about their treatment.

But there also needs to be a wider campaign against the Islamophobia from Abbott that is encouraging racism.

Pauline Hanson and One Nation, a much larger right-wing threat, were beaten last time both by mobilising against their public meetings, as well as against the climate of racism and scapegoating created by John Howard.

If Reclaim Australia tries to call rallies again, we need bigger anti-racist protests supported by unions, Greens and Labor Party members. Now, that means keeping up the fight against Abbott's Islamophobia and the terror scare-mongering, fighting his budget cuts, and campaigning to free the refugees and to stop his attacks on Aboriginal rights.

.....
There needs to be a wider campaign against the Islamophobia from Abbott that is encouraging racism

Jenny Leong: 'People were re-engaged and inspired about having a say on decisions that impact our community'

Solidarity spoke to Jenny Leong, who won election for The Greens in the seat of Newtown, about her campaign and what it means for The Greens.

What would you say were main reasons for the success of your campaign in Newtown?

The really clear outcome was that people were re-engaged and felt inspired about being able to have a say on decisions that impact our community. For a year every day we had volunteers and supporters on the streets talking to people about how we didn't have to accept the corrupt ways of the NSW government in the past and could be part of reshaping politics.

It was one-on-one conversations that made the shifts. Those conversations were about serious issues, about the threat that WestConnex poses to our community and stopping us transitioning to world class public transport, about addressing housing affordability, how we're transitioning to renewable energy; not just about winning a seat.

Each weekend when we were out door-knocking we had members of two or three different unions there, not in a formal capacity but as members, delegates or organisers in their unions. I had close support and am good friends with Jim Casey, Secretary of the Fire Brigades Union.

The result in Newtown was building on a very strong result in the seat of Marrickville in 2011, and strong votes in council and federal elections over decades. It's important to acknowledge the history that this has been built on, rather than see it as something which happened because of the creation of the new seat of Newtown.

Given Mike Baird and the Liberals will still be in government, and are committed to pressing ahead with WestConnex, what are the challenges facing that campaign?

I think it means we need to be campaigning against WestConnex along the whole 33 kilometre proposed route. Newtown and the area around St Peters and Sydney Park were a hotspot for the campaign. What we need to do now is build that movement with people who over a year ago have had their homes acquired along the route. There's been a strong and



Above: New Greens MP for Newtown Jenny Leong on the campaign trail

active campaign against WestConnex along the whole route and it's something we now need to build on.

Do you think it's possible to turn the involvement in your election campaign into stronger grassroots involvement around WestConnex?

As someone that's been a campaigner for many years I'm keen to use the resources we have as a result of my election to build the capacity of the community to run campaigns. We always said that in Newtown there are two versions of local issues: those that are geographically located within the electorate, and the issues that the people that live in Newtown care about. There will be no shying away from speaking out about the issues that people in Newtown care about and that means investment in public transport, transition to renewable energy across the state, and standing up against discrimination and injustice.

It seemed like your campaign learned from Adam Bandt's campaigns in Melbourne, what would you say were main things you took from there?

The tactics that were used in Newtown, that Adam used in Melbourne or Scott Ludlam used [in WA] are age-old tactics that people engaging in social change have been using for decades. Conversations, commu-

nity engagement, the mobilisation of people around common values and interests are age old tactics.

In the current era the ability to link techniques that we know have always worked to change people's opinion, supported by new technology, allows you to do it in a smarter way than previously.

This election The Greens' overall vote didn't rise, so gains in Newtown and other target seats were offset by a decline elsewhere. Do you think the focus on issues in target seats, like WestConnex and coal seam gas, meant The Greens message was not as appealing to voters outside them?

I think that the 2011 election was very much a glitch in terms of the complete rejection of the Labor government in that election, which meant that votes went everywhere and then settled back down. If you look back to the 2007 result as far as I'm aware not one of the seats went backwards [in terms of The Greens vote].

When we look at the results we had in Balmain, Newtown, Ballina and Lismore the potential to actually bring over large amounts of people to The Greens is there, what we need is resources to engage and build that capacity. I would hope that over the next four years the skills that we have built up in our supporter base in Newtown could be spread more widely.

Liberal win in NSW election means fight against privatisation and WestConnex needed

By James Supple

AFTER SWINGS against the Liberals in the recent Victorian and Queensland elections, Liberal Premier Mike Baird managed to hold on in NSW. The victory gives Abbott some breathing space—but there was one bright spot with The Greens’ victory in three lower house seats.

Despite a large swing of around 9 per cent to Labor, they were unable to turn the tide following a loss of historic proportions in 2011.

Baird has been telling anyone who will listen that he now has a “mandate” to privatise the state’s electricity poles and wires.

But Baird was elected in spite of his support for privatisation, not because of it. A Galaxy poll just weeks before the election found only 33 per cent supported it, even taking into account the government’s argument that the proceeds would be used to fund transport infrastructure.

Baird is not associated with the kind of savage cuts and bully-boy tactics of Campbell Newman or Tony Abbott. This made it easier for him to get over the line.

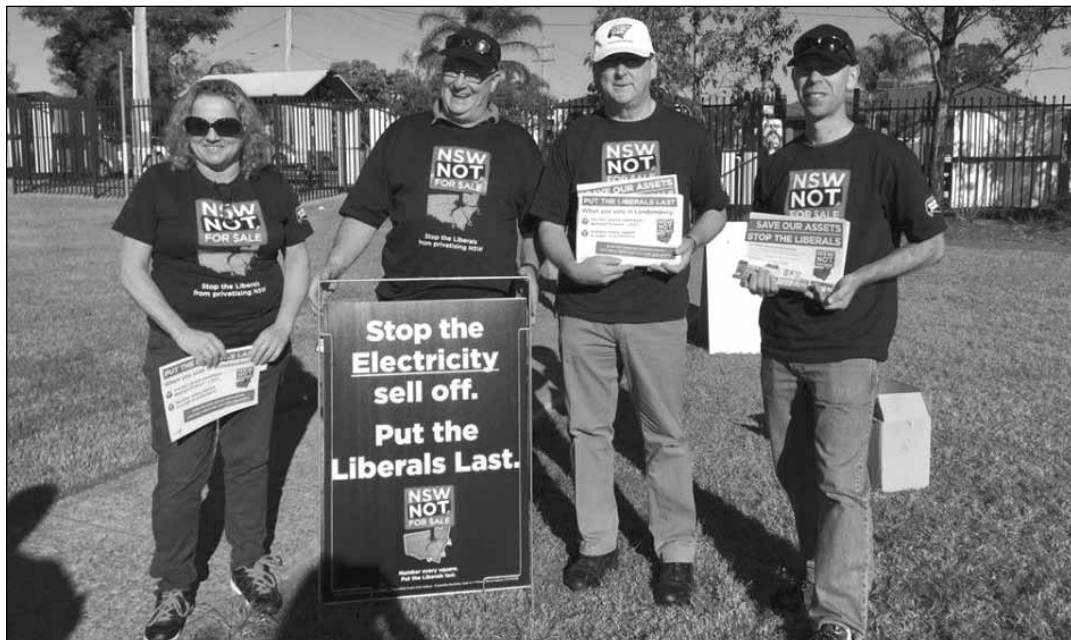
Labor and the unions

The disgust with the last Labor government in NSW also runs deeper than in Victoria or Queensland. They pushed through the privatisation of the power generators and prisons, and presided over the running down of public transport. The scale of the corruption by former Labor ministers outranks anything exposed interstate.

The Liberals in NSW have, however, done serious damage to TAFE, workers’ compensation and the public sector. Yet there has not been resistance to this on anything like the scale needed.

The union campaign against the NSW Liberals was called off after two large rallies in 2011, when public sector unions stepped back from strike action to break the government’s pay cap. Individual unions agreed to below inflation pay deals.

As the election approached, Unions NSW organised electoral campaigning against power privatisation and around issues like TAFE cuts, in imitation of the campaigns run in other states.



Above: Campaigning against privatisation at the polls on election day

But this never had the momentum or force of the ongoing public sector pay disputes of ambulance drivers and firefighters in Victoria.

Bright spot

The election’s standout result was the victory of The Greens in three lower house seats: Newtown, Balmain and Ballina. Jenny Leong in Newtown secured the highest vote for The Greens in a lower house seat in any election, with 45.7 per cent before preferences.

Community opposition to coal seam gas mining pushed The Greens to a surprise win in Ballina, and almost saw them win a second seat in Lismore, both previously safe Nationals seats. On election night, Greens leader Christine Milne seized on the result to talk up the prospect of an alliance nationally between The Greens and farmers. Worryingly, this fits with her vision of The Greens not as a left-wing party, but one focused on the middle class.

In inner Sydney the planned WestConnex motorway was the major issue, with concern both about increased congestion where traffic exits the new road and about the money going into roads instead of public transport. On election night Jenny Leong pledged that, “what this win means is Newtown matters and there is no way WestConnex is coming anywhere near here”.

But with the Liberals in power, a

community campaign of protests and blockades of construction sites will be needed to stop the motorway. The challenge for The Greens is whether they can turn some of the 4000 volunteers that helped the party in the election into local activists fighting WestConnex and fighting privatisation.

Simply building an electoral machine capable of winning seats will not be enough to deliver change.

The Liberals look like they will need the support of the Fred Nile’s Christian Democrats in the upper house to approve privatisation.

The hope that a union campaign could see the Liberals voted out failed.

The unions need to launch the industrial campaign against the power sell-off that they have avoided so far. Electrical Trade Union and the United Services Union members at Ausgrid and Endeavor Energy, who are facing privatisation, have begun limited industrial action demanding protection for their jobs under a new private owner.

A concerted campaign of strike action opposing privatisation could win widespread support and put serious pressure on both the Liberals and any upper house MPs supporting privatisation.

The key battles for unions and The Greens over the next three years will be in the workplaces and on the streets.

.....
“[Activists] are estimating that 20,000 people will be made homeless”

Power sale fight must spark into strike campaign

By Mark Butcher

WORKERS AT the NSW state-owned energy network operators went on strike in a series of stoppages over a stalled workplace agreement in March. They are also demanding job protections in the face of the state government's privatisation plans.

Employees at Ausgrid and Endeavour Energy walked off the job in the final four hours of their scheduled shifts in three staggered groups across the state on 31 March. Over 11,000 workers took part, across the entire Endeavour Energy service area as well as Ausgrid depots on the Northern Beaches, Eastern Suburbs and Newcastle.

The following day, Ausgrid workers in Southern Sydney, the CBD, Central Coast and Singleton downed tools for the second half of their shifts. And on April 8, Ausgrid workers in the Inner West, Northern Sydney, Upper Hunter, Maitland and Cessnock walked off.

The inklings of an industrial campaign are a positive step in the context of the high profile electoral campaign against the sale of poles and wires. But the Electrical Trades Union, United Services Union and Professionals Australia appear resigned to the prospect of privatisation.

Protections and privatisation

The unions had previously applied for full day strikes without geographic staggering but the Industrial Relations Commission bought the companies' scare campaign that this would be too disruptive and would cause safety breaches.

In response, the unions amended their stoppage plans and said the action was not expected to impact on supply of power to the public, with minimum staffing coverage provided during the stoppages, and key positions such as control room staff and emergency officers not taking part.

It has been more than three months since workplace agreements at both companies expired. ETU Secretary Steve Butler said workers were simply fighting for basic job protections that would prevent a future private owner from forcing out staff against their will.

"The key issues here are job protections and the prevention of forced redundancies, which are a major concern for workers given Mike Baird's



Above: A Blue Mountains rally against the sell off of poles and wires last December

plan to sell a majority stake in both these companies to the private sector," said Butler.

"Workers also face the looming decision of the Australian Energy Regulator, whose draft pricing determination—if imposed—would see 2400 jobs cut at Ausgrid and 700 at Endeavour Energy. All they are asking for is a written commitment that these companies won't force thousands of workers out of a job once they are sold off to private operators."

The unions have already made a range of concessions to try and resolve the dispute but the NSW Government—the current owner of the companies—is refusing to budge. It has rejected an offer to accept reduced pay rises in return for maintaining existing job security provisions.

Even if they agreed to keep the protections, they would only cover workers for five years following the sale of the operators, and the new management would be free to slash as many jobs as it wanted after that.

ETU members told *Solidarity* that the protections were not enough and that they would be meaningless for anyone not nearing retirement age. They argued that Unions NSW had not campaigned enough on the issue and called on the ETU and the USU to escalate the industrial campaign and oppose the privatisation outright.

The NSW state election, despite returning the Baird government to power, revealed enormous opposition to privatisation.

An Essential Media poll found that 72 per cent of respondents agreed with the view that "utilities like water and power suppliers are too important to be sold off". Seventy per cent agreed with the view that, "prices always increase more when services are privatised". Fifty three per cent disagreed with the view that "selling off public utilities to private companies will help the economy".

Clearly there is both rank-and-file member backing and public support for a broader anti-privatisation campaign of strikes and demonstrations. The Baird government may face some issues getting privatisation through the Legislative Council.

This provides a window of time in which to build the campaign and prepare for industrial confrontation. The union could be encouraging rank-and-file members to build the argument for wide-scale industrial action.

Ditching the attitude of resignation to privatisation and short-term redundancy positions, and combining the fight for workplace agreements with a fight against privatisation, would push the fight forward. If privatisation goes ahead, workers' conditions and union density is under real threat.

The NSW government has rejected an offer for reduced pay in return for maintaining job security provisions

SDA kicks own goal as bosses target penalty rates

By Lachlan Marshall

IN MARCH the Shop, Distributive and Allied Employees Association (SDA) signed a “template” agreement with Business South Australia to reduce penalty rates for weekends, evenings and public holidays.

It is not binding on any employers or employees yet, but can be used as a framework for bosses to sign agreements with their employees, and would allow the SDA to expand its coverage.

This comes as the media and politicians portray penalty rates as an existential threat to business.

Over Easter the Australian Chamber of Commerce and Industry went on the offensive, distributing posters for businesses to display on shopfronts that blamed penalty rates for being closed or having fewer staff. But it backfired as customers boycotted shops displaying the signs. Kate Carnell, the head of the ACCI, complained that businesses had been “intimidated”. Erin from Newcastle told the ABC she had cancelled her wedding reception at a restaurant that displayed the sign, saying, “The only reason that my wedding reception was there in the first place was because I could afford it because of penalty rates.”

But penalty rates haven’t hobbled the hospitality industry. Spending growth in restaurants and cafes has grown twice as fast as in the retail sector, while employment growth was double that of general employment.

Most of us recognise penalty rates as compensation for working anti-social hours. Without them the pay packets of the poorest in society would be decimated.

The Abbott government lacks the mandate and political capital to launch an open assault on penalty rates, but clearly has them in its sights.

Two reviews this year will be used to bolster the case for “reform,” and may lay the groundwork for attacks on penalty rates if the Abbott government wins a second term.

Under the Fair Work Act the Fair Work Commission reviews awards every four years, with the next one due this year. In their submissions to the inquiry employer groups have targeted penalty rates for review, especially in the hospitality industry.

The government’s submission, unsurprisingly, encourages the Commission to “consider the impact of employment costs on employers’



decision to hire workers over the next four years” in light of the headwinds facing the Australian economy.

The second review of industrial relations has been launched by the Abbott government through the Productivity Commission. The Productivity Commission says its investigations will include whether penalty rates should be deregulated so they are set at an enterprise level, rather than by the Fair Work Commission as is currently the case. This would mean that without the protection of award rates weaker groups of workers would eventually see their penalty rates eroded away by employer demands.

Labor’s response

But it’s clear a change of government won’t safeguard penalty rates, or other workers’ rights. Showing himself to be completely out of touch with ordinary workers, Labor leader Bill Shorten hailed the SDA’s deal with Business SA as proof the industrial relations system works.

Shorten’s role in undermining penalty rates goes beyond simply supporting the SDA’s concessions. As Workplace Relations Minister in 2013 he amended the Fair Work Act to compel the Commission to review penalty rates. Now the Abbott government is hoping this review will help undermine them.

But while the Abbott government

Above: Meat workers in Victoria are fighting Coles’ efforts to cut penalty rates, with the connivance of the SDA

is currently not in a position to abolish penalty rates, business is pressing ahead to attack them at an industry level. In February the SDA made another abject capitulation, signing a deal with Coles that would erode entitlements like penalty rates, sick leave and casual loading for new employees, while sidelining the unions of current employees.

The SDA’s national agreement covers all new Coles employees previously covered by state-based agreements reached with the Meatworkers’ Union (AMIEU) and Transport Workers’ Union (TWU).

The AMIEU’s Victorian state secretary says this would leave new butchers and meatpackers \$300 a week worse off than employees covered by the existing state agreement.

The national agreement replicates a previous deal the SDA struck with Safeway/Woolworths that traded away conditions and pay for meatworkers.

The AMIEU has responded to this threat with 24 hour strikes in Victoria and is urging Coles workers to vote NO to the agreement. According to the AMIEU, Wesfarmers, the owner of Coles, made a profit of \$1.38 billion in the six months to 31 December 2014.

Industrial action like that by the meatworkers can force Coles to pay its workers decent wages and form part of the wider defence of penalty rates as they come under attack.

While Abbott is not in a position to abolish penalty rates, business is pressing to attack them at an industry level

Imperialism intensifies Yemen's crisis

By Adam Adelpour

AT MIDNIGHT on March 27 Saudi Arabia began a campaign of airstrikes against Houthi rebels in Yemen.

The Saudis are leading the military assault as part of an alliance that includes nine Arab nations and Pakistan. In early April the UN reported that over 600 people had been killed, with civilians making up over half the death toll. Saudi Arabia has bombed schools, hospitals and a refugee camp, according to UN officials.

Military intervention will only worsen the situation in the country, which has been plagued by a long history of imperialist interference.

The Saudi coalition includes the Egyptian military dictatorship and a host of Gulf States.

Major Western powers have backed the bombing.

The US is providing intelligence for the airstrikes and its Navy has stepped up patrols, supposedly to prevent the rebels receiving weapons by sea.

The most immediate aim of the Saudi led intervention is to restore President Abdrabbuh Mansour Hadi. He was ousted when Houthi forces seized control of the capital Sana'a in September 2014. Hadi escaped to the major southern city of Aden, but when the Houthi advanced there too he fled to Saudi Arabia. Australia has lined up with its imperialist allies without openly calling for military intervention.

Foreign Minister Julie Bishop said Australia "recognises the legitimacy of the government of President Hadi".

Saudi Arabia and Iran are seeking to advance their respective interests by playing on sectarian divisions.

Saudi Arabia and supporters of President Hadi are claiming that the Shia Houthi are simply proxies of Iran's Shia regime. Since the Yemeni population is two-thirds Sunni such statements have a clear sectarian dimension. Conversely, Iran has defended the Houthi and condemned the airstrikes carried out by its Sunni rival Saudi Arabia.

This climate has given Al-Qaida in the Arabian Peninsula and the local Islamic State affiliate space to launch their own deadly sectarian attacks. In March IS bombings targeted Shia mosques in Sana'a killing at least 142 people.

The underlying causes of the



Above: Rebels rally against airstrikes in Sana'a, Yemen

Yemen conflict are social rather than religious. The fighting has its most immediate origins in the national uprising that forced out Yemen's dictatorial President Ali Abdul Saleh in 2012.

The protests began in 2011 and were inspired by the major uprisings sweeping the Arab world. The movement was initially protesting against unemployment, economic deprivation, corruption and proposed changes to the constitution.

Yemen is one of the Arab world's poorest countries. In 2012 the poverty rate hit 54.5 per cent.

At the time the Houthi joined the national uprising alongside Sunni political parties, students and the wider population. They had already fought six wars with the regime since 2004.

Protests and armed uprising continued through most of 2011. Eventually the Saudi Kingdom successfully used the Gulf Co-Operation Council to impose a settlement on the movement that helped pave the way for the current strife.

US diplomats such as CIA Director John Brennan helped negotiate the transition. This saw the departure of President Saleh, who was ultimately replaced by Hadi.

The regime however remained intact and Hadi then moved to crush the movement, while the unpopular and regressive policies of the new government helped stoke further discontent.

Under pressure from the IMF Hadi cut fuel subsidies in August 2014. This saw the price of a litre of fuel explode from 77c to \$1.23.

The Houthi were only able to seize the capital Sana'a in December as a result of mass anger and protests that followed the subsidy cut. Saleh, who still controls sections of the military, is now allied with the Houthi in an effort to regain power.

US humiliation

In September 2014 Obama was celebrating Yemen as a success story in the "war on terror". He claimed the combination of local government offensives and US drone strikes had driven back Al-Qaida in the Arabian Peninsula.

But the militarised chaos created by US meddling in Yemen and the regressive policies of the Western-backed government have created the ideal conditions for terror groups to thrive.

The US's position in the Middle East is increasingly complex and fraught. In Yemen they are encouraging a Saudi intervention against the Houthi, who are aligned with Iran.

In this case the US are now effectively fighting the same enemy as Al-Qaida. Meanwhile, in Iraq they are working alongside Iranian-backed Shia militias to confront Islamic State. In Yemen, as elsewhere, the biggest losers will be the civilian population.

Hell-Bent on slaughter for empire: Australia in WWI

Hell-Bent: Australia's leap into the Great War

**Douglas Newton
Scribe
RRP \$32.99**

ON THE eve of the outbreak of World War I, the British Cabinet was deeply divided. While Prime Minister Herbert Asquith was for war against Germany, a large proportion of the Cabinet members were fiercely opposed.

The crisis ran so deep that on August 3, 1914—the day before Britain declared war—four Cabinet members and a junior minister resigned.

It was a close run thing. Britain at least considered, as the USA was, remaining neutral.

What was Australia's role in this finely balanced situation, as the Cabinet wavered and anti-war protests took place in London?

The response from Melbourne—the then home of the federal parliament—was unambiguous. Australia was for war.

More than that, Australia vied with New Zealand and Canada to be the most loyal and most belligerent province of the Empire.

The offer of its navy and an initial detachment of 20,000 troops was made well before the final steps to war in Europe had been taken, and while the British Liberal Party government was still split.

While it would be an exaggeration to say that Australia tipped the balance, the British pro-war press and the Liberal Imperialist faction of Cabinet used its offer of support to undermine the neutralists' position. As one Conservative MP put it: "Our great victory [in the war of public opinion] was won when Canada and Australia and New Zealand came



An Australian recruitment poster for the First World War

in with us."

Australia's offer was all the stronger as it was made by Joseph Cook's Commonwealth Liberal Party and endorsed by Labor in the midst of a federal election. Whoever was to win, Australia was committed to the war effort.

This is the story told by Douglas Newton in *Hell-Bent: Australia's Leap into the Great War*.

Labor's response was not an aberration. In 1911, French and German interests collided in Morocco, leading to fears of war. Labor Prime Minister Andrew Fisher promptly agreed to transfer RAN ships to the British navy and mobilise troops if a conflict began. He did the same again the next year as the First Balkan War raised fresh tensions.

In late 1913, now back in opposition, Fisher was reported by a visiting British minister as making "loyal and patriotic speeches of an Imperialist kind" as "the fear of Japan

has brought a lot home to them".

So Labor's determination to ensure that no one could put a cigarette paper between its position on WW1 and the Liberals' was no surprise. This was the context for Fisher's infamous declaration, in Colac on July 31, that "Australians will stand behind our own to help and defend her to our last man and our last shilling".

Why was the British Cabinet divided, given that all its members were committed to defending and extending the British Empire? It's an obvious question, but one which Newton answers only in passing.

The neutralists were concerned that Britain's agenda was being dictated by France and Russia and that a ground war in Europe would be a distraction.

Lord Lamington argued: "Our interests are primarily world-wide and not merely European [and] the safety of India and of

our dominions are of far greater importance to us than a possible defeat of France."

The imperialist faction worried that a German naval attack on the northern French coast would ultimately threaten Britain's ability to protect its global trade. Foreign Secretary Sir Edward Grey told parliament that if Britain did not help defend the French coast, the French would withdraw its fleet from the Mediterranean. This in turn might embolden Italy to threaten British trade routes to India and beyond.

The division, in other words, was about means rather than ends. Most neutralists fell in behind the imperialists once war was inevitable.

On one thing they were easily agreed—war with Germany was an opportunity to seize colonies. This would be both a task for the dominions and a reward.

The Committee of Imperial Defence in Lon-

don had already agreed in 1913 that Australia should occupy "hostile bases in the Western Pacific". Australia's military chiefs drew up plans to take New Caledonia, the New Hebrides, German New Guinea, Dutch New Guinea, Timor, Java and Papua, along with cooperation with India in Sumatra, Borneo and the Philippines.

While the British ruling class may have been divided over the best way to defend its empire, its Australian counterpart was united in understanding that eager cooperation with Britain was its best strategy for maintaining a white colonial outpost in Asia.

Australia's enthusiasm to join the impending war in 1914 was to find its echo in its demand to be invited into later wars in Vietnam and Iraq. It also provides a historical context for Bill Shorten's me-too approach to the conflict with ISIS.

David Glanz

NOTHING TO CELEBRATE IN ANZAC THE BLOODY HISTORY OF THE BRITISH EMPIRE

The Gallipoli campaign was not about democracy, but defending the profits and colonies of the British empire, one of the most brutal the world has seen, writes **James Supple**

THE 100 year anniversary commemorations of Gallipoli will glorify it as sacrifice for a noble cause. Tony Abbott has called it part of a war that “shaped our nation”. In 2012 then Prime Minister Julia Gillard declared on Anzac Day that, “all of us inhabit the freedom the Anzacs won for us”. But Gallipoli and the First World War was no fight for freedom or democracy.

The landing at Gallipoli was an invasion of a Middle Eastern country, modern Turkey, in the service of what was, at the time, the world’s largest and most powerful empire. Australian troops at Gallipoli were among almost half a million British, Indian, New Zealand and French colonial troops who landed there.

At the time, Australian troops were celebrated as dying in the service of empire. As historian Mark McKenna has pointed out, “For decades following 1915, the Imperial context of Anzac Day had been fundamental to the rituals and meaning of 25 April; newspapers, for example, commonly placed the king’s or queen’s message on the front page.”

Tony Abbott has lined up with conservative historians to declare the war necessary because, “Europe was at risk from Prussian militarism”. But the First World War was fundamentally a clash between rival European powers for control of colonies and profits. It was a product of fully modern capitalist economies engaged in brutal industrial slaughter.

Bloody empire

Today some still defend the British empire as a civilising force that helped bring economic development to colonies like India. In reality it was a brutal arrangement through which Britain plundered the world, based on sheer military terror and bloodshed.

Britain began constructing its empire in Ireland, effectively its first colony. In 1609 it drove local peasants



Above: British soldiers on the march in Egypt in 1940, fighting to defend the colonies

off their lands and settled English and Scottish colonists in the “plantation of Ulster” as an effort to maintain control. Huge rents were imposed on Irish peasant farmers that kept them in poverty.

The failure of the potato crop between 1845 and 1852 caused a famine in which one million died. Although Ireland was still producing enough to feed the population, the British government allowed merchants and landlords to continue exporting grain abroad for profits while its people starved.

After 1690 Britain shipped three million African slaves to its profitable sugar plantations in the Caribbean. This regime of unimaginable brutality relied on literally working slaves to death: the lifespan of those that survived the trip across the Atlantic was just seven to ten years. Savage punishments were required to maintain it. The Baptist missionary William Knibb recorded that, “flogging on the estates is as common as eating almost”.

There were constant slave revolts and resistance. In 1791 a revolt swept the French slave colony of St Domingue, spreading across much of the rest of the Caribbean. By 1798 Britain

had lost 55,000 soldiers putting down the rebellions. A further massive revolt followed in Jamaica in 1831.

It was these rebellions that convinced the British ruling class of the need to abolish slavery. The importance of the plantations in generating their wealth was also in decline as Britain developed as an industrial power. Yet even when they ended slavery in 1833, it was the slave owners who received compensation, not the slaves.

“New world” horrors

The colonisation of the “new world” across North America, New Zealand and Australia involved slaughter and genocide against the indigenous inhabitants. The first British colony in north America was established in 1607 in Virginia.

When the settlers struggled to feed themselves at first, the local indigenous people gave them food that helped them survive. But once they were established the British set out on a policy of extermination. They burned crops and villages, and massacred women and children in punitive raids.

When the local Powhatan Indians finally struck back after years of

harassment and provocation, killing a number of the settlers, the English refused to discuss peace and spent the next decade hunting down and killing the local population. In 1623 they invited over 100 Powhatan to a banquet, supposedly to discuss peace, and poisoned them.

Britain's loss of its American colonies spurred it to grab larger parts of Asia and Africa. The British East India Company began the plunder of the subcontinent with its own private army. It ruled large parts of India from 1757 until 1858 when the British government took full control.

The East India Company established a monopoly on all trade out of India. The country's textile industry was destroyed by seizing Indian cotton for export to British factories, where it was turned into cheap cloth that flooded the Indian market.

British rule also resulted in frequent famines that killed between 12 and 29 million Indians, according to Mike Davis's in his book *Late Victorian Holocausts*.

In 1876 when famine hit there was an overall surplus of rice and wheat in India but, as in Ireland, the British Viceroy refused to stop its export to Britain. While peasants starved a law was passed which banned "at the pain of imprisonment private relief donations that potentially interfered with the market fixing of grain prices". Again government policy imposed starvation in defence of British profits.

Empires at war

It was these spoils that Britain and its armies were defending in the First World War.

Egypt had been invaded in 1882 in order to ensure the repayment of debts run up to British and French investors on extortionate terms. A new nationalist government had attempted to throw off "supervision" by the British and French governments. The decisive battle at Tel-el-Kabir was more like a massacre, with 57 British soldiers killed and between 2000 and 10,000 Egyptians.

During the First World War, British troops based in Egypt, including Australian light horse regiments, invaded the Ottoman provinces in Palestine and Mesopotamia.

At the war's conclusion Britain took control of modern day Iraq and Jordan as well as Palestine, while France gained Lebanon and Syria. Promises about establishing an independent Arab state, which Britain made during the war to secure

It was colonial spoils that Britain and its armies were defending in the First World War

military support against the Ottomans, were simply dropped.

When Egypt staged a nationalist rebellion in 1919, Australian troops were used to help crush it. Australian light horse units had been waiting in Egypt to sail for home at the end of the war. But with few other British troops in the country they were ordered to help re-establish British rule. Australians were sent out to machine gun crowds of protesters. By the time the revolt was crushed in April 1919, over 1000 Egyptians had been killed, 1500 jailed and 57 hanged.

Winston Churchill, the man who ordered the assault on Gallipoli, sent in British planes dropping poison gas

to put down the uprising in Iraq which followed in 1920.

After the Second World War the US succeeded Britain as the world's foremost imperial power. While it stepped back from use of direct imperial control, it has proved just as willing to overthrow governments that defy its wishes and which harm the interests of US multinationals.

Just as Australia sat under the British umbrella in the First World War, it now works in partnership with US imperialism, joining its imperial adventures from Vietnam to Iraq and Afghanistan.

Nothing in this tradition of empire and plunder is worth celebrating.

Anzacs who became opponents of war

THE SHEER scale and futility of the slaughter at Gallipoli and the Western Front have been a source of horror for 100 years.

Mythology about the Anzacs and the First World War is still used to justify militarism today. But for a number of the Australian soldiers that fought, the experience turned them into socialists and opponents of war.

Veterans against war

Alec Campbell, the last surviving veteran of Gallipoli until his death in 2002, was one. Campbell became a socialist, trade union militant and president of the Tasmanian branch of the Australian Railways Union.

According to historian Rowan Cahill he considered going to Spain during the civil war to fight Franco's fascists. He opposed the Vietnam War and, when asked about the Anzacs' achievements replied, "For god's sake, don't glorify Gallipoli—it was a terrible fiasco, a total failure and best forgotten".

The last First World War veteran, Claude Choules, also became an opponent of war, refusing to march in Anzac Day parades after moving to Australia from Britain.

"He used to say that while he was serving in the war he was trained to hate the enemy, but later he really grew to understand that they were just young blokes who

were the same as him," his son told the media shortly before his death.

More strident still was Gallipoli veteran Hugo Throssell, who declared in 1919, "The war has made me a Socialist. It has made me think and inquire what are the causes of wars. And my thinking and reading have led me to the conclusion that we shall never be free of wars under a system of production for profit". Throssell was a distinguished soldier, one of only nine Australians awarded a Victoria Cross for bravery at Gallipoli.

After his initial enthusiasm for war, Throssell lived through some of the worst slaughter at Gallipoli and saw his brother killed in action in Palestine. Injured, he ended up suffering from post traumatic stress and meningitis.

Already disillusioned about the war, he met and married Communist Party activist and author Katharine Susannah Prichard. After finding it hard to get work during the Depression, Throssell committed suicide in 1933, in the hope his death would see the government grant his wife and child a war pension.

He wrote on the back of his will, "I have never recovered from my 1914-18 experiences".

He was just one of millions whose lives our rulers destroyed in the name of imperialism and profit.

ROSA LUXEMBURG AND OPPOSITION TO WWI: 100 YEARS SINCE THE JUNIUS PAMPHLET

Paddy Gibson continues our series on resistance to the First World War by looking at Rosa Luxemburg's famous anti-war pamphlet

APRIL 2015 marks 100 years since the invasion of Turkey by British allied forces at Gallipoli.

But 1915 also saw the beginnings of serious resistance to the First World War by workers and soldiers. At the centre of this were revolutionary socialists like Rosa Luxemburg.

For most of 1915 Luxemburg was incarcerated. She had been arrested organising anti-war demonstrations aimed up disrupting recruitment. From February to April 1915 she worked from her prison cell on one of the most important anti-war pamphlets in history, *The crisis of Social Democracy*, known as the Junius pamphlet as it was published under the pseudonym Junius. It was smuggled out of prison and mass distributed in 1916, in the midst of the first serious anti-war strikes in Germany. These built into a revolutionary wave that swept Europe and eventually ended the war.

Luxemburg captured the nightmare atmosphere of early 1915, a period when the initial patriotic euphoria had evaporated, and hopes of a quick victory were abandoned in the face of trench warfare:

“Mass slaughter has become the tiresome and monotonous business of the day and the end is no closer... Business thrives in the ruins. Cities become piles of ruins; villages become cemeteries; countries become deserts...there are food riots in Venice, in Lisbon, Moscow, Singapore. There is plague in Russia, and misery and despair everywhere.”

Rosa Luxemburg was a key theorist within the German Social Democratic Party (SPD). It was one of the largest political parties in history, with control of Germany's trade unions and one quarter of the votes in parliament. It was the leading organisation in the Second International, which claimed to stand in the tradition of Marx and Engels. But the First World War would expose that only the left-wing of the International, including activists like Luxemburg,

remained true to Marxism.

The International was committed to a world socialist system replacing the existing capitalist nation states. It was a confederation of socialist parties, mainly from Europe and North America, representing millions of workers. At Stuttgart, Luxemburg represented both the Polish party of her home country and the German Social Democratic Party (SPD) where she was active.

Luxemburg had long predicted the war and had spent her adult life attempting to prepare the working classes of Europe.

In 1907, Luxemburg successfully moved a motion at the conference of the Socialist International held in Stuttgart: “In the event of war, it is the duty [of affiliated socialist parties] to take measures to bring it to an end as quickly as possible, and to utilise the economic and political crisis brought about by the war to arouse the masses of the people and accelerate the overthrow of capitalist class rule”.

Tragically, when war was declared in 1914, all the socialist parties of Europe, with the exception of Russia and Serbia, capitulated and embraced the war.

In Germany, SPD parliamentary deputies voted in favour of war credits and called for full co-operation with the war effort. Luxemburg describes how they betrayed the anti-imperialism of the International by arguing the war was, “a war of defence against foreign invasion, for the existence of the fatherland, for ‘Kultur’, a war for liberty against Russian despotism”.

Everything Luxemburg had believed in was in question, “the last forty-five year period in the development of the modern labour movement now stands in doubt”.

System of warfare

The main focus of the Junius pamphlet was an analysis of the real

Luxemburg had long predicted the war and had spent her adult life attempting to prepare the working class

dynamics driving German actions in the war, cutting through the patriotic myths peddled by the SPD.

Far from the war being “defensive”, Luxemburg demonstrates how the German government sanctioned the Austrian invasion of Serbia, understanding fully it would mean world war, and deployed troops in Belgium even before the announcement of hostilities.

While the SPD called for national unity, Luxemburg exposed how major capitalist enterprises in rubber, oil, metals and leather were making record profits while ordinary people suffered from exploding prices, poverty wages and the slaughter at the front.

But Luxemburg also deepened the Marxist analysis of imperialism that had developed within the left wing of the International. The theory argued that major capitalist enterprises had grown so large that they required guaranteed access to raw materials and markets on a global scale, something that could only be secured by the military power of their respective nation states. The competition between firms that was characteristic of capitalism had been reproduced as a life and death struggle between imperialist states on the world stage.

The idea that the war, for any of the states involved, had anything to do with “self-defence” was an illusion. All the major capitalist powers wanted mastery of the world and would sacrifice millions of lives for it. Whereas some SPD leaders argued to push for a negotiated peace settlement, Luxemburg saw the need to overthrow the sick system addicted to war, “Capitalism cannot, under its current imperialist course, dispense with present-day militarism...make just one simple ‘demand’: abolition of the capitalist class state.”

In 1915, the SPD was using its authority within the unions to enforce repressive laws banning strike action. Luxemburg predicted that strikes

would break out regardless. The needs of mechanised warfare brought masses of hungry workers together on a scale never seen in history. France alone was producing 200,000 shells a day in 1915.

The massive standing armies needed to fight the war were also volatile. Luxemburg quotes from the anxieties of leading German military theorist General Bernhardt who wrote, “when the spirit of revolt spreads out among the masses of the army, then the army becomes not only ineffectual against the enemy, it becomes a menace to itself and to its leaders”.

Outbreaks of struggle were inevitable, “the class struggle rises like an elemental force”. Whether or not they could unite and deepen both within each country and across the world would depend on clarity of analysis about the roots of the war in capitalism and the existence of revolutionary working class organisation.

The SPD and colonialism

While the Junius pamphlet was fierce in its denunciation of the SPD’s support for the war, it did little to explain their historic capitulation. Despite the internationalist rhetoric that SPD leaders continued to use in the lead up to 1914, support for imperialism had been growing within the party over the previous two decades.

This had its roots in the comfortable position that SPD union leaders and politicians had managed to carve out for themselves. A long period of economic growth had allowed improvements in living conditions for many German workers.

Most party leaders had long abandoned any idea of socialist revolution through workers seizing the means of production and dismantling the state. Socialism would come instead through winning a majority in parliament and introducing enlightened policy through the existing structures of government. Rather than workers fighting for collective control of production, trade union officials would take the reins from capitalist managers.

Racism against the so-called “backward” peoples in the colonised world was the key ideological justification for European imperialism. Sadly it was embraced by the reformist leadership of the SPD, who believed themselves to be guardians of “European civilisation”.

At the 1907 Stuttgart conference, where Luxemburg had moved the motion against the impending imperialist war, a majority of SPD delegates had

.....

When Luxemburg called for mobilisations against German gunboats being sent to Morocco, parliamentary leaders argued this would be a distraction from elections

Right: Rosa Luxemburg pictured in 1910



supported a separate motion in favour of colonialism:

“Socialism strives to develop the productive forces of the entire globe and to lead all peoples to the highest form of civilisation. The congress therefore does not reject in principle every colonial policy.”

This motion was narrowly defeated, 128 votes to 108. Russian revolutionary V.I. Lenin noted that it was only the blocking together of smaller countries, including some delegates from the colonised world, that ensured its defeat.

Luxemburg carried out a consistent struggle within the SPD in the pre-war years, in an attempt to get them to take colonialism seriously, but she was consistently stifled by the focus of the leadership on parliament and maintaining respectability.

In 1911, when Luxemburg called for mobilisations against German gunboats being sent to Morocco, parliamentary leaders such as Karl Kautsky argued this would be a distraction from upcoming national elections.

In the Junius pamphlet, Luxemburg vividly outlines how a racist blindness to suffering in the colonial world had allowed for the growth of the powers of destruction now culmi-

nating in the European war:

“For the first time, the ravaging beasts set loose upon all quarters of the globe by capitalist Europe have broken into Europe itself...”

“This same ‘civilised world’ looked on passively as the same imperialism ordained the cruel destruction of ten thousand Herero tribesmen and filled the sands of the Kalahari with the mad shrieks and death rattles of men dying of thirst; as forty thousand men on the Putumayo River [Columbia] were tortured to death within ten years by a band of European captains of industry; as in China where an age-old culture was put to the torch by European mercenaries; as in Tripoli where fire and sword bowed the Arabs beneath the yoke of capitalism, destroyed their culture and habitations....

“Only now has [the ‘civilized world’] recognised this, after the beast’s ripping talons have clawed... the bourgeois civilisation of Europe itself”.

The war continued to destroy millions of lives for another three years after Luxemburg wrote these words. But her analysis was crucial for re-orienting the workers movement in one of its darkest hours, and breathing life into the revolutionary struggles that would eventually end the war.

WHY WORKERS AND THE LEFT FOUGHT FRASER

Mark Gillespie recalls Malcolm Fraser's years as Prime Minister and his role in toppling Whitlam to explain why he earned the hatred of the working class

THOSE WHO are young enough will remember Malcolm Fraser mainly as the supporter of refugees, Aboriginal rights and multiculturalism of the last 15 years.

But anyone who lived through his government has a quite different memory of Fraser—as a ruthless warrior for the ruling class, determined to drive down wages and smash the unions.

Fraser grabbed power in a constitutional coup in 1975, backed by Australia's media and corporate elites. He symbolised the Liberals' born to rule mentality, coming from a wealthy family with a history in establishment politics.

Fraser blocked supply in the Senate amidst an atmosphere of hysterical opposition on the right to Gough Whitlam's government. This triggered a political crisis that saw Governor General John Kerr sack Whitlam as Prime Minister, the only dismissal of its kind in Australian history.

Business had lost faith in Whitlam's ability to rein in the unions and social movements. The country was in the grip of the first major recession for 30 years and business was in a panic.

They wanted Fraser to urgently restore profits by taking an axe to wages, pensions, services and welfare.

In the end they were disappointed. A recent editorial in the *Australian Financial Review* criticised Fraser's period in office as "wasted years" and urged Tony Abbott to learn the lessons. Our side needs to learn the lessons too.

Some commentators have painted Fraser as a closet Keynesian who lacked the drive for radical neo-liberal "reform". This just wasn't the case. "Fighting inflation first", at the cost of driving up unemployment, was his priority. He established a budget razor gang to slash spending in welfare and services.

Fraser enacted anti-union laws and did his best to hold down wages. Where he failed was not because of

any lack of drive, but because of the stiff resistance he faced from the workers' movement.

Fraser came to power at a high point in Australian class struggle, with both the level of strikes and unionisation at record highs. Hundreds of thousands had been radicalised by the struggle against the Vietnam War.

While Fraser scored victories against the movements he was never able to deliver a knock out blow.

Fraser's coup

His removal of Whitlam stirred a level of bitterness amongst the working class that frightened many in the establishment.

There was an enormous protest in Canberra within hours of the sacking. As labour historian Phil Griffiths put it, "The sacking was at about 11 in the morning, and there was a mass rally by 1 o'clock. The same thing happened in Melbourne".

"The level of emotion ...was beyond measure", said Bob Hawke, then the leader of the ACTU, "pressure was being exerted on me by many to call a national strike in protest".

"There was spontaneous hostility and amazement", recalled Mike Jackson, the secretary of the Combine Unions Committee at the Garden Island dockyard, "the call when up straight away for a nation-wide stoppage. It was not whether...but how quickly".

But Hawke and the ACTU didn't call a national strike. Together with Labor they urged workers not to strike but to "maintain your rage...until polling day".

This handed the initiative to Fraser. Backed by the media, he hammered the need for responsible economic management and won a landslide election victory.

But these events left a legacy. In the eyes of an angry politicised minority Fraser was illegitimate. He would be hounded with large, militant demonstrations whenever he appeared in public. Mass movements opposed

Fraser grabbed power in a constitutional coup in 1975, backed by Australia's media and corporate elites

Fraser and his conservative allies on land rights, uranium mining and civil liberties.

While the majority accepted Fraser's argument about the need for sound economic management, it was a grudging acceptance.

The number of strikes did drop significantly in the first couple of years of Fraser's rule. This was because of a combination of the recession and the removal of Whitlam. But the unions remained intact, and there was an enormous preparedness to fight defensive struggles.

This was demonstrated in 1976 when Fraser broke an election promise and began gutting Medibank (the precursor of Medicare). Forty thousand workers on NSW's industrialised south coast struck and marched to the local showgrounds to vote for more action. In Victoria delegates overturned an official motion calling for a four hour stoppage to vote for a 24 hour strike.

Under enormous pressure from below the ACTU eventually called a national general strike and 1.6 million stopped work.

But Bob Hawke refused to call demonstrations on the day and showed he wasn't serious about leading a struggle when he appeared on the evening news that night enjoying a round of golf.

Without serious leadership the movement soon petered out.

The defeat of the well-organised Latrobe Valley power maintenance workers in Victoria was another significant win for Fraser.

This was a challenge to wage cuts under his centralised wage fixing system, and again there was no lack of fight by the rank-and-file. They struck for 11 weeks, demanding a \$40 wage rise and a 35 hour week like their NSW counterparts.

In spite of disrupting power supplies they had enormous public support, with donations pouring in. But the union leadership never turned that support into solidarity action.

The power workers were eventually worn down and convinced to go to arbitration, where they got next to nothing.

On other fronts Fraser was much less successful. His attempts to shackle the unions with new anti-union laws never got off the ground.

He created a new union watchdog, the Industrial Relations Bureau (IRB), which was designed to break the closed union shop and drag unions before the industrial court where they could be fined, de-registered or have their funds seized. This gave confidence to a handful of right-wing workers to claim they were conscientious objectors and refuse to join unions.

But the IRB became a toothless tiger, because in every case workers on the job refused to work with the scabs and the closed shop remained.

Fraser's attempt to stamp out secondary boycotts (solidarity strikes) also failed. He inserted new provisions into the Trade Practices Act threatening unions with heavy fines and damages against them for engaging in such action.

But the employers avoided using the new provisions for fear of provoking a massive fightback.

Fighting back Fraser

Between 1975 and 1979 Fraser managed to shift the share of GDP going to wages from close to 63 per cent to just over 57 per cent.

This was done using a centralised wage fixing system (known as indexation) that kept wage increases at below the rate of inflation. This meant larger and larger real wage cuts over time. But Fraser failed to break the unions, so as soon as the economy began to turn upwards in 1979 there was no holding back the push for wages.

Under the indexation system it had always been possible to get wage increases higher than the centralised determinations via "work-value" cases, but very few groups of workers managed to exploit this loophole in the early years.

By 1979, however, as the economy picked up, workers began to drive a truck through the loophole, starting with wharfies, power worker, transport workers and then storemen and packers. A "wages push" was on.

In April 1981 the Arbitration Commission accepted a submission from the government to close the "work-value" loophole. But this



Above: Fraser even addressed large right-wing demonstrations, such was the frenzy on the right against Gough Whitlam

couldn't hold back the movement. Telecom and transport workers soon won big pay rises outside the system and indexation was officially abandoned not long after.

Unions began a push for the 35 hour week. The metal workers' unions initiated a campaign but became half-hearted when they hit stiff resistance from the employers.

But in a number of workshops rank-and-file workers took up the call and staged long strikes that broke through.

Following the abandonment of indexation, Fraser attempted to allow the market to determine wage rates and isolate the strong sections of the working class able to win higher wages from any flow-on to the less well organised.

But in December 1981 the metal workers, seen as setting the pace for everyone, won big increases and shorter hours. This quickly flowed on to the building industry and became a general standard.

The number of strikes jumped dramatically in 1979 to over four million working days "lost" and stayed high for the next couple of years. By 1983 workers' share of GDP had been pushed up over 61 per cent again, and the 38 hour week was becoming the standard.

Another recession hit Australia in 1982 and unemployment climbed rap-

idly to over 10 per cent while inflation remained high.

Fraser had used the need for sound economic management as the chief justification for his constitutional coup. The collapsing economy in 1982 was his death knell.

Fraser's last budget (implemented by Treasurer John Howard) was a massive expansionary budget that attempted to create jobs through government spending.

To fund this, however, he tried to impose a wage freeze aimed particularly at public sector employees. It became clear he wasn't going to be able to hold the line when powerful oil industry workers, who had a strong case for an increase, defied the freeze.

An election was called and it was Bob Hawke, now the leader of the Labor Party, who convinced the oil industry workers to lift their bans. Hawke won the election and the employers, who had been gung-ho for Fraser's confrontational approach, now embraced Hawke's plan for "national reconciliation" with the unions.

Workers' resistance made Fraser a lame duck prime minister. Doing the same thing to Abbott requires the kind of strikes and mass movements that faced down Fraser. We can't let Labor and the union officials hold back that struggle.

POLICE CORRUPTION: THE WHOLE SYSTEM IS ROTTEN

Corrupt police are a natural product of policing under capitalism, argues **Miro Sandev**

NEW SOUTH Wales has recently been made privy to accusations of corrupt surveillance by the highest echelons of the state's police force. The media has transformed the story into a Hollywood style death-match between two deputy commissioners vying for the top cop role. But a series of previous Royal Commissions have detailed systematic, entrenched corruption and links to organised crime within the police. Despite attempts at reform, the problem looms larger than ever.

The latest episode concerns the unauthorised bugging of hundreds of police officers and civilians as part of Operation Mascot. Mascot was an operation targeting allegedly corrupt officers, running from 1999 to 2001, led by now Deputy Commissioner Catherine Burn. Police Commissioner Andrew Scipione also oversaw the operation for a period, and the other current deputy Nick Kaldas was targeted as potentially corrupt.

But it has been revealed that there was insufficient or no evidence to issue the warrants for the surveillance that took place, and that information relied upon came from a corrupt police officer turned informant codenamed M5.

The inquiry also revealed that informants in police operations are allowed to give false evidence to magistrates, and to commit other criminal acts. Former commissioner Peter Ryan, who was hired to "clean up" the force after previous corruption inquiries, was himself illegitimately placed under surveillance by the Crime Commission. All this suggests that the phone tapping operation was being used to smear "clean" officers and protect corrupt cops involved in organised crime.

A parliamentary inquiry in February recommended that Kaldas and a number of others be issued with a formal apology. After what many viewed as a poor performance giving testimony to the inquiry, Burn is likely to be sidelined and scapegoated for her role in the operation.

This outcome would be in line with the traditional response of senior politicians and police to corruption: it is a case of a "few rotten apples spoiling the barrel".

The Wood Royal Commission in the 1990s into police in NSW rejected this idea and said it had found a "state of systemic and entrenched corruption."

The 'rule of law' is the law of the rulers

Corruption inevitably follows the creation of the police as a layer of individuals with a monopoly on the use of force, serving the interests of the rich.

The existence of the police is a product of modern capitalism. In Australia, the NSW Mounted Police was established in 1825 to put down Aboriginal resistance to the expanding pastoral capitalism and to deal with convicts escaping indentured labour and bushrangers. One of the first modern police forces was the London metropolitan police, created by the Metropolitan Police Act of 1829.

In response to the first mass working class movement, Chartism, the 1839 County Police Act also established regional police forces. From the 1850s other police forces were formed right across the UK.

The primary purpose of the police from its inception has been to defend the rights of property and the rich by keeping the working class under control. As Simon Behrman argued in *International Socialism*, "This accruing of power by the state at first alarmed sections of the ruling class, which is why many of them initially opposed the setting up of a police force. But it quickly became clear that the use of physical force by the capitalist state would not be deployed against property rights, but against labour and the poor."

Police make the majority of their decisions unsupervised by their superiors.

There is a long history of direct

corruption through taking bribes to pervert the course of an investigation, cuts from profits to cover up crimes or direct extortion.

There are real material incentives for cops to be corrupted: keeping their jobs and rising through the ranks, enriching themselves through bribes and kick-backs, and also holding power over people through their links with organised crime syndicates and informants.

The policing of organised crime produces particular drivers of corruption, because of the large quantities of money in seizures, the ease of extorting criminal groups and also the widespread use of undercover police and informants. Gambling-related corruption in NSW goes back to the beginning of the twentieth century, particularly in the 1930's.¹

The Knapp Commission concluded in the 1970s that corrupt sections existed in every plainclothes gambling-enforcement squad in New York, and was often extensive in drugs enforcement and criminal investigation. In the 1990s NYPD officers were implicated not only in extorting money from drug rings, but were themselves involved in trafficking cocaine and other illicit drugs.

The Wood Commission described "the active involvement of police in planning and implementing criminal activity, sometimes in partnership with known criminals and on other occasions in competition with them."

This was backed up at the highest level in 2011, when NSW Crime Commission assistant director Mark Standen (who was tasked with uncovering organised crime and drug trafficking) was convicted of conspiring to import drugs, supply drugs and pervert the course of justice. Standen had plotted with his one time informant and drug trafficker.

Corruption can also involve framing individuals, using illegally acquired evidence to convict suspects and tampering with crime statistics,

.....
There are real material incentives for cops to be corrupted

sometimes known as process corruption.

As producers of the majority of the evidence of crime, the police inhabit a privileged and powerful role in the criminal justice system. Police witnesses are pivotal in many criminal trials. Very often the only evidence courts rely upon in accepting a guilty plea is a police report. Janet Chan's research has unearthed regular manipulation of written records by officers seeking to protect themselves from investigation, as well as the use of evidence inappropriately obtained.

Securing convictions is a top priority for both police and prosecutors, and the issue of the accused's rights is easily overlooked. Police often believe they are better evaluators of guilt and that the justice system simply lets criminals off the hook. But judges and lawyers, who not only tolerate corruption but also encourage it, share responsibility.

The criminal justice system itself encourages corruption, by structuring trials around confessions and guilty pleas; establishing expectations of convictions; and failing to penalise unlawful conduct during investigations by making evidence inadmissible in court. The Queensland Fitzgerald Inquiry made some attempt to draw links between consistent corruption (such as the fabrication of evidence and assaults in police custody) and the existence of a focus on law enforcement.

The Wood Commission also had an opportunity to lay bare some of these structural causes of process corruption. It made specific reference to the attitudes police officers hold about the judiciary, arguing that the nature of the job can be corrupting in itself: "Police officers may become cynical and distrustful of the judiciary and of the broader community when they appear to pay insufficient regard to the dangers and difficulties of the job." It also added that such corruption is encouraged because of "senior police and members of the judiciary apparently condoning it." In particular, it blamed: "the desire to obtain convictions, or information, regardless of the legality of the means used, or their consequences".

As Dixon notes, after rejecting the bad apple analysis of corruption within the police, the commission effectively reinstated it at the institutional level, with the police service as the bad apple tainting the otherwise pure criminal justice barrel.² Process corruption has become a functional part of the criminal justice system. This



Above: The NSW police, notorious for corruption, on the march in 2011

view is supported by recent examples in Ferguson and New York where US Federal Attorneys have chosen not to indict police officers in cases of fatal shootings even where there is overwhelming evidence against the police version of events.

Aborted reform and the Law and Order Agenda

Even the very modest reforms outlined in the Wood Commission's final report were eventually discarded as NSW went through what can only be described as a law and order auction, with the government and opposition outbidding one another on who could be "tougher on criminals".

The emergence of a zero tolerance agenda derailed moves for reform of the police.

Zero Tolerance policing was pioneered in New York in the early 1990s. It was based on the broken window theory of criminality, which suggested that the tolerance of minor crimes in a given area would, in time, encourage more serious criminality. It means giving police vastly greater powers to target minor crimes. Inevitably, this leads to higher rates of police assault and process corruption. Nevertheless, its perceived success in crime reduction in the US and the political purchase of "tough" rhetoric saw it gain growing support. In NSW, media pressure over a series of

violent incidents involving knives and the emergence of a heroin market in Cabramatta prompted Premier Carr's shift to the rhetoric of zero tolerance.

This was despite proof of the clear negative impacts this style of policing was having on communities – including major public health issues concerning unsafe injections, as well as drug dealers organising more professionally into harder-to-police syndicates.³

The reform agenda receded largely into the background. The word "reform" was dropped altogether from the police's list of corporate objectives, and replaced with the language of "continuous business improvement".

But it is clear that corruption will continue to fester as long as the police exist as a layer of armed individuals separated out from the rest of society, given the power to control the population in the interests of the rich. Ultimately, the police need to be abolished as part of sweeping away the state apparatus that maintains capitalist rule.

References

1. Newburn, Tim, *Understanding and Preventing Corruption*, (Research, Development and Statistics Directorate, Home Office London UK, 1999), p.15.
2. Dixon, D. (ed) *A Culture of Corruption*, (Federation Press: Leichhardt, 1999), p. 173.
3. Dixon, D & Maher, 'The cost of crackdowns: policing Cabramatta's heroin market', *Current Issues in Criminal Justice*, 2001, 13(1), p. 20.

ABBOTT'S COMMUNITY CUTS DRAW WAVE OF PROTEST

By Amy Thomas

TONY ABBOTT'S "lifestyle choices" gaffe has drawn attention to the federal policy of defunding Aboriginal communities—and succeeded in sparking lively and large demonstrations around the country.

As the federal government withdraws funding over the next two years, the WA Liberal government plans to close down 100 to 150 small Aboriginal communities, leaving them without power, water and essential services.

Over 5000 took to the streets of Melbourne and blocked traffic both in March and April, while thousands braved a downpour to march in Sydney on 10 April. Brisbane, Perth, Broome, Darwin, Roeburne, Alice Spings, Moree and even the posh Queensland beachside town of Noosa have all seen angry demonstrators on the streets.

"This is a third wave of colonisation," explained Ebony, an activist from Kimberley, WA, to Sydney's rally on 10 April, "[for them] profit and development comes before community, culture and people."

WA Liberal Premier Barnett responded to criticism by lashing out, saying, "the abuse and neglect of young children [in remote communities], is a disgrace to this state" and citing rates of gonorrhoea in young teenagers.

But it's the same racist beat up that John Howard used to justify his Northern Territory Intervention in 2007. As researcher Marlene Kong pointed out, STI rates are high in all remote communities largely because of unprotected sex amongst youth, not linked to child sexual abuse.

The withdrawal of funds follows a near decade of policies like the Intervention, the roll out of income management, and rhetoric that funding Aboriginal communities is "unviable".

Rather than take responsibility for decades of racism that has entrenched Aboriginal disadvantage, politicians like Barnett and Abbott blame Aboriginal people and push assimilation as the solution.

At the same time, the federal gov-



ernment is trying to find budget savings by attacking the most vulnerable and cutting public services, creating possibilities of linking up with trade unions and the fight against the next federal budget.

Union links

The Australian Council of Trade Unions has passed a resolution in solidarity with the campaign, and Secretary Dave Oliver and President Ged Kearney marched in Melbourne.

Already the heat has had an effect. On Monday April 13, the federal government agreed to restore funding to 60 communities on the APY lands in South Australia for the time being.

The rally in Sydney took up the issue of Aboriginal community closures Australia wide and marched to the Block in Redfern to demand Aboriginal housing, demolished more than ten years ago, be rebuilt on the historic site.

The Block is another area of Aboriginal land, given back to Aboriginal people in 1973, where they have been moved off.

The Redfern Aboriginal Tent Embassy has maintained a constant

Above: Protesting community closures in Sydney

protest camp at the Block for almost a year, stopping attempts by the Aboriginal Housing Company and developer Deicorp to begin commercial development.

The campaign has been boosted by a proposal from the CFMEU, who cover construction workers.

Rebel Hanlon, NSW Assistant Secretary of the CFMEU, spoke at the Sydney rally on 10 April saying, "We've got to take the fight up, send a clear message ... nothing to be built on that land [The Block] until we get affordable housing and [until] we get a guarantee from the government that we'll get affordable housing built, before we'll turn one drop of soil."

The possibility of a union ban on construction now creates even more problems for the developers. It shows the possibility of winning working class support to stop community closures and cuts to Aboriginal services and demand funding.

More rallies against community closures have been called around the country on May 1, a nod to the historic Pilbara walk off that began on May 1 in 1946.

The federal government agreed to restore funding to 60 communities on the APY lands in South Australia

Solidarity