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Towards a **Socialist Australia**

How the labor movement
can fight back



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...s of the Socialist Workers Party

Towards a **Socialist Australia**

How the labor movement
can fight back

Documents of the
Socialist Workers Party

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Demonstration against uranium mining in Melbourne, August 25, 1977. The development of this powerful movement shows a deepening of the political crisis of Australian capitalism.

Introduction

Death of the Lucky Country was the title chosen by journalist Donald Horne for his account of the momentous events around November 11, 1975, when the Whitlam Labor government was undemocratically thrown out of office.

The title is significant because it reflects a very widespread feeling among Australians about what has happened in this country over the past few years—indeed, since the mid 1960s when Horne's original book, *The Lucky Country*, was published.

And the basis of that feeling goes beyond the political upheaval of November 11 to the deep crisis which has gripped the entire political, economic, and social life of the country for nearly a decade now.

It goes back to the time of the Vietnam War and the enormous explosion of opposition which resulted from the Liberal-Country Party government's military intervention against the liberation movement in Indo-China in the mid 1960s. It has its roots in the broad radicalisation of youth which began in that period and which has transformed the political and social environment in the 1970s.

The victory of the Labor government in 1972 was itself contributed to by the collapse of Cold War mythology, to the impact of the anti-Vietnam War movement, and to a popular

dissatisfaction with the reactionary record of the Liberal-Country Party regime which had remained in power for 23 long years since 1949.

Labor's coming to office gave further impetus to the radicalisation of workers, youth, women, Blacks, migrants, and other sections of the specially oppressed who looked to the Labor Party to provide solutions to their problems. But they were sorely disillusioned by the lukewarm policies of the Whitlam government.

This crisis of confidence in the ALP was sharpened by the onset of the worldwide recession of late 1974 and 1975. The recession struck the Australian economy with particular severity. It quickly pushed unemployment to post-Great Depression record levels of above 4 and 5 per cent.

This jobless crisis hit hardest of all at those least in a position to fight back—the unskilled, Blacks, migrants, women, and, most noticeably of all, young people. Today, youth under 25 make up *more than 50 per cent* of all the jobless in Australia—the second highest youth unemployment rate, after Italy, of all advanced capitalist countries.

Instead of acting to combat unemployment, the Whitlam government defended the interests of big business down the line.

But, the Labor government's inability, despite the consistently pro-capitalist nature of its policies, to inflict the kind of defeats on the working class which would re-establish production and profitability rates at a satisfactory level for the Australian ruling class, resulted in the decision to get rid of Labor—one way or another.

November 11 precipitated the gravest political crisis for decades. Given a different kind of leadership in the ALP and the trade unions, it might have caused a general strike and mobilisation of the working class which could, at the very least, have forced the rulers to back off and maintain Labor in office.

As it was, mass demonstrations of tens of thousands of Labor supporters rallied to the defence of the Labor government. It was the most intense class polarisation in Australia since the 1930s.

In the elections of December 1975 the ALP was overwhelmingly defeated. Since that time, Malcolm Fraser's Liberal-National Country Party regime has set about the most serious onslaught on wages, working and living conditions, social welfare, and democratic rights in the postwar period.

Myths debunked

What these events have dramatised is the demolition of a number of well-established myths about Australia—summed up in the Lucky Country theme.

Firstly, November 11, itself showed the extent to which the Australian ruling class is prepared to discard even the major forms of parliamentary democracy to protect its own interests in a crisis. This has dealt a severe blow to those who believed, even with the lessons of the coup in Chile, etc, that "It couldn't happen here."

Secondly, the depth of the economic recession has shown, once again, that there is no "Australian exceptionalism" so far as international economic events are concerned. The ending of 25 years of relative economic boom on a world scale since World War II, ushering in a new period of low growth and everdeepening crises, has hit Australia just as hard—if not more so—than the rest of the imperialist countries.

As a country heavily dependent on trade—particularly in highly vulnerable primary products—and with a heavily protected and inefficient secondary industry, Australia has found its economy devastated by the combination of a conjunctural *and* a long-term structural crisis in the late 1970s.

Stagflation—the coexistence of a high inflation rate with soaring unemployment—has dominated the economic scene in this country for nearly five years. This, and a loss of international competitiveness by Australian business, is the basis of the Fraser offensive against working-class living and working conditions—an offensive which is continuing to step up all the time.

As a result of this new economic situation, conservative politicians, the big business media, and now even ALP and trade union leaders have begun to redefine "full employment" in Australian terms. No longer is it the traditional rate of no more than 2 per cent—now it's 4 per cent or even more. In what amounted to a historic backward step, the ALP national conference in Perth in July 1977 virtually endorsed this view.

High unemployment rates, rocketing prices, increasing poverty for millions, savage cutbacks in medical facilities, public housing, general welfare services, restrictions and cutbacks in education at all levels, a noticeably falling rate of home ownership (from being the highest in the world), greater

reliance by the ruling class on attempts to divide the working people through racist and sexist attacks, union bashing, tirades against communists, against anti-uranium demonstrators, "dole bludgers," "privileged Blacks," and so on and so on—these are the realities of the crisis of Australian capitalist society today.

A third (and related) myth which has been destroyed is that Australia, because of certain natural and historical advantages is a relatively "classless" society, one untroubled by the deep class divisions which have wracked European and even British society during this century. Associated with this is the idea that the Australian working class is generally politically quiescent, completely imbued with "middle class" aspirations and values, and immune to genuine class consciousness.

Of course, this has never been the case in reality. But the events of the last few years have underlined and sharpened the contrasts between the super-rich and the poor and oppressed, and the fact of the interests of monopoly capital in ever-higher profits being in direct conflict with the interests of workers and their oppressed allies in improved wages, work conditions, social welfare, health, safety, and an unspoiled, unpolluted environment.

The erosion of these myths has accompanied a significant increase in political instability and the rise of a new radical challenge to the prevailing social order. The radicalisation which began among youth in the late 1960s has deepened and affected wider sections of the population. The traumatic impact of the recession has shaken the beliefs of abroad layers of the working people in the future of the system.

The capitalist media are now full of reports and editorials lamenting the rise of militancy in the unions, commenting on the decline of old certainties, warning of the potentially disastrous effects of large-scale youth unemployment on the confidence of rising generations in the private enterprise economy.

What all this means is that we have entered a whole new period in the history of Australia—a period in which this country is being pulled inevitably into the world-wide crisis of the imperialist order. Revolutionary upheavals in Africa, Asia, Latin America, Europe, and elsewhere are having increasing impact.

On the other hand, the "normal" safety valves of the system are no longer available or no longer work. There is less and less room for concessions on wages, conditions, and social services.

The ruling class has no alternative but to clamp down in every way—to attack living standards, to restrict democratic rights, and to suppress dissent.

Similarly, the "normal" solutions advanced within the working-class movement are incapable of defending the basic interests of the workers and their allies. The whole experience from 1972 to 1975 with the Whitlam Labor government, and the subsequent erasing by the Fraser regime of a great number of the limited social gains made under Labor have shown the utopianism of the Social Democratic solution based on collaboration with the ruling class.

Radical alternative needed

The theme of this book is that a radically different approach is essential if the capitalist offensive is to be defeated. That approach is one based *not* on *conciliation* of the interests of the labor movement *with* the demands of the bosses but on a vigorous fight *for* the immediate and long-term needs of the working people and the oppressed *against* the class interests of the ruling super-rich.

There is no other way to win. The documents in this book are intended to provide an outline of this alternative perspective. They originated as the major political resolutions adopted at the fourth and fifth national conferences of the Socialist Workers Party (formerly the Socialist Workers League), held in January 1976 and January 1977, respectively.

We have published the most recent resolution first. As its title, "The Fraser Offensive: How the Labor Movement Can Fight Back," suggests, it deals with the immediate crisis faced by the workers movement under the impact of an unprecedented ruling class attack. The document analyses and sums up the main features of that offensive, and goes on to project a method by which a mass opposition to that onslaught can be built.

Although the resolution, written towards the end of 1976, takes in only the first year of the Fraser regime, it is clear that the main lines of Fraser's attack have been maintained, indeed sharpened in 1977. The economic crisis of Australian capitalism has worsened as unemployment has risen to new record levels. Predictions for 1978 are of the order of 6-8 per cent, with no signs of abatement.

Wages have come under even stronger pressure in 1977 with the continuation of partial wage indexation and threats by the

government to impose even harsher wage controls, outside the Arbitration Commission if necessary. The August 1977 Budget continued the cutbacks begun in 1976—with funds for education, housing, hospitals, and other fields slashed in real terms and, just to give an example, a real cut of *over 40 per cent* in funding for urban and regional development.

The attack on democratic rights, in the unions and in society generally, has stepped up. Fraser has brought down some of the most repressive pieces of anti-union legislation ever contemplated in this country: the Industrial Relations Bureau—an “industrial police force” to wage war on the unions; amendments to the Trade Practices Act outlawing secondary boycotts (ie, solidarity actions by unions); and the Commonwealth Employees (Employment Provisions) Act, 1977, which allows the government to sack or stand down public servants engaged in, or even affected by, a strike.

Use of police films and dossiers against uranium demonstrators, Queensland Premier Joh Bjelke-Petersen’s ban on protest marches in the streets, continuing revelations of Australian Security Intelligence Organisation infiltration of left and labor organisations and of its spying activities against the labor movement—all these show that even the traditional, hard-won rights of dissent are in jeopardy once the ruling class feels their interests threatened.

And this is no short-term crisis which will pass once “better times” appear. Capitalism is a dying social order. From the time of Karl Marx the alternative has truly been posed: socialism or barbarism.

That’s why it is a matter of urgency to begin to construct a broad movement of the working class and its oppressed allies to fight for the only progressive alternative; a socialist society based on common ownership of the means of production in place of exploitation for the benefit of the few.

Role of the Labor Party

How is this to be done? Well, for a start, it won’t be through the method adopted by the leadership of the Australian Labor Party. During the Whitlam government, around November 11, and under Fraser the ALP leadership has consistently attempted to back away from defence of working-class interests.

This flows from the very nature of the ALP as the mass political party of the trade union movement today. Just as the

Australian Council of Trade Unions under President Bob Hawke has retreated at virtually every stage of Fraser’s offensive, Gough Whitlam, Bill Hayden, and the other ALP leaders seem to want nothing better, than to show how “responsible” they are, and that Labor has learnt the lessons of 1972-75 (“too far, too fast”) and is ready to assume the reins of capitalist government again.

The ALP is a contradictory formation—a party based on the organised working class through the unions, but led by a conservative, pro-capitalist clique who balance their interests between the bureaucratic leadership of the unions today and the demands of the ruling class.

The role of the ALP leadership in and out of office is one of the major issues taken up in the documents contained in this book. A clear analysis of the Labor Party is perhaps *the* single most important question facing socialists in this country. And that is the core of the second resolution, “The Labor Party and the Crisis of Australian Capitalism.”

This section contains a comprehensive Marxist analysis of the ALP—essential for anyone wishing to understand the problems facing the Australian labor movement today.

The second resolution also discusses the background of the worldwide economic crisis and the new economic period we are now in, together with its catastrophic impact on Australia. It goes on to describe the development of the radicalisation which has increasingly challenged every aspect of the fundamental structure of oppression in our society—the radicalisation of women, homosexuals, Blacks, migrants, and young people generally. This radicalisation, (which has deeply affected the consciousness of the working class over the last decade) together with the onset of recession and the bosses’ offensive against living standards, has created the preconditions for a fight back by wide layers of the working class movement.

An important part of the first document is taken up with an account of the refusal of the Labor and trade union leadership to take a stand against Fraser. Unless this leadership is effectively challenged, unless there is a transformation of the labor movement into a fighting force with a new dynamism, the bosses’ offensive will win more and more successes.

What this means is the development of a new broadly based *class-struggle left wing* in the labor movement. It means the *politicisation* of the working class on a new basis—rejecting the idea that working people should pay for the crisis, asserting that

the bosses must pay. It must base itself on the elements of a class-struggle tradition within the history of the Australian labor movement (for instance, the anti-conscription struggles of World War I, the Socialisation Units of the ALP in NSW during the early 1930s, the Clarrie O'Shea battle against the penal clauses in 1969, and the militant policies of the NSW Builders Laborers Federation up to 1975), and build on them.

The kind of ideas which make the struggles of *all* the oppressed part of the responsibility of the labor movement, which push internationalism to the forefront, which break with the stranglehold of the arbitration system over the affairs of the unions in this country, are the *only* way forward in a time of worsening crisis.

The first document analyses the early beginnings of a revival of class-struggle traditions, of the demands by rank-and-file working people for *action* to combat Fraser. It cites the historic July 12, 1976, national general strike—the first ever general strike in this country—over the Liberals' destruction of Labor's Medibank national health scheme, as evidence of a powerful rank-and-file response to the attacks on basic social gains.

That response is being held back by the role of the ACTU and ALP leaderships. It is also in danger of being misdirected by the rising tide of nationalist ideology, the counterposing of demands for "Australian independence" to a fight against the main enemy of Australian workers—the *Australian* ruling class. This ideology achieves its most insidious form in a period of increasing unemployment in support for economic protectionism as a "solution" to mass sackings and the closure of large sections of industry.

The idea of defending *Australian*-owned industry against the impact of foreign competition or take-over is directly *against* a class-struggle perspective. Whether advanced by Labor or by Stalinist forces within the labor movement, it has the same dangerous thrust—to tie working people to the system which exploits them, and undercut their own independent fight against the employing class. The battle against Australian imperialism, at home and abroad, must be the first priority of a class-struggle perspective today.

More and more, as the impossibility of conciliation of the interests of workers and bosses in this period becomes apparent, the *socialist alternative* emerges as the only realistic one. Socialism is not pie-in-the-sky but a real and urgent necessity.

Socialist Workers Party

The third document in this book, "Towards a Socialist Australia," is the program adopted by the Socialist Workers Party (at that time the Socialist Workers League) at its January 1976 conference.

The document sums up the kind of class-struggle program which is the essential basis for not only a defence of the immediate interests of the working people, but for building the kind of mass-based movement which alone can ensure a revolutionary-socialist transformation of society.

That socialist revolution will create a new society that is quite different from the bureaucratically controlled regimes of the present Soviet Union and China. While the socialisation of all major industry, as in the USSR and China, is a precondition to socialism—to the creation of a world of abundance—socialist democracy will be the flowering of democratic forms in a way unprecedented in human history. The only inkling we can have of what it will be like is the early years of the post-1917 Russian Revolution when the oppressions of the old tsarist order were swept away with the rise of the new workers state.

The Socialist Workers Party stands for a socialist Australia in a socialist world. It calls for a political revolution in the bureaucratized workers states, such as the Soviet Union and China, to establish socialist democracy in those countries, and for a socialist revolution in the capitalist world to eliminate for all time the system of exploitation for private profit. Only then can the scourge of wars, famines, mass poverty, sexism, racism, economic waste, land destruction of the environment be eliminated from the face of the earth.

The SWP was formed in 1972, largely from forces which came together during the anti-Vietnam-war movement. It is a nationally based organisation which publishes the weekly newspaper *Direct Action* and the Marxist theoretical journal *Socialist Worker*. It is heavily involved in the movements for radical change—women's liberation, gay liberation, the Black movement, the anti-uranium mining campaign, and in support of international solidarity campaigns in many countries.

In the labor movement it has worked to build support for strike struggles, in the Right to Work Campaign, and for a militant policy in various trade unions. The SWP ran candidates in the 1975 Senate elections, and won between 2.5 and 3.5 per cent of the vote in the seats in which it ran in the State elections

in NSW and Victoria in 1976. The party is closely allied to the Socialist Youth Alliance which publishes the paper *Young Socialist*.

The documents in this volume are part of the program of the SWP, adopted after a fully democratic discussion and vote by the membership of the party. At the same time, the construction of a revolutionary party is a living, developing process. At the time of writing, serious discussions toward fusion are taking place between the SWP and the Communist League—the two sympathising organisations of the Fourth International in Australia.

Building a strong and united Australian section of the Fourth International—since 1938 the world party of socialist revolution—is a necessity if a class-struggle left wing in the labor movement is to be successfully forged, and if a broad-based revolutionary party is to be constructed in this country.

The crisis we have described, and which is analysed in depth in this book, is not a temporary one. It stems from fundamental contradictions which cannot be solved within the private property system. The growing challenge from the workers and the oppressed is not a passing phase either. It has the most basic objective roots.

But only concerted action by large numbers of people can transform the situation. Only a revolutionary party founded on a program which can galvanise the working people and their allies can change society. Those who want to be involved in this struggle, who want to fight against exploitation and oppression, and for socialist democracy, should seriously consider the alternative put forward by the Socialist Workers Party.

The analysis in this volume is a start. If, after reading this book, you agree with the perspective in it and want to see it developed and put into practice, then you belong with us.

Jim McIlroy
September 9, 1977

Jim McIlroy is a leader of the Socialist Workers Party. He has written widely on labor and general political affairs for the socialist weekly Direct Action and is currently its labor editor.



Labor supporters protest the sacking of the ALP government at a mass rally in Sydney's Domain on November 24, 1975. ALP leaders have failed to give lead to all those forces who want to resist Fraser's offensive.

Fraser's Offensive: How the Labor Movement Can Fight Back

This is the major political resolution adopted by the fifth national conference of the Socialist Workers Party, held in Sydney, January 27-31, 1977.

The first year of the Fraser government saw the harshest across-the-board series of assaults on the living conditions and democratic rights of Australian working people in any 12-month period since World War II. 1977 is shaping up as a year of even more intense attacks.

Fraser and his Liberal-National Country Party government were brought in by the Australian ruling class to do a job on our living standards, and that's exactly what they're trying to carry out. The main course of politics in this country in 1976 can be summarised in terms of a series of moves aimed directly against working people and the oppressed by Fraser and his allies, and the varying degrees of response from the labor movement in defence of their interests.

The following resolution seeks to analyse the central thread of events under Fraser in 1976, to consider the strategy of the ruling class and its political representatives, and to evaluate the defence effort of the labor movement—both the role of the labor bureaucracy in holding back that response and the initial struggles of different sections of the workers and the oppressed in fighting for their rights.

The present resolution builds on and is supplementary to the analysis of the world-wide economic crisis and its effects in Australia, together with a dissection of the pro-capitalist record of the Whitlam Labor government over the previous three

years, which is laid down in the political resolution adopted by the fourth national conference of the Socialist Workers Party in January 1976. One lesson which emerges from the earlier document and which has been absolutely confirmed by the developments of 1976 is the basic need for the labor movement to rely essentially on its own strength, its own organisation, and its own forms of mass struggle in order to defeat the ruling-class offensive.

Another lesson which comes through strongly from the experience of the past several years is the necessity for a new class-struggle leadership to emerge in the labor movement to challenge the conservative and class-collaborationist policies of the official leadership of labor and the trade-unions today. And finally, it is clear that in order to guarantee that Fraser and his corporate backers are decisively thrown back, and that the social gains of the working people are protected and new gains won, a mass-based revolutionary socialist party must be built to give clear and effective direction to the vital battles which lie ahead of us.

The Socialist Workers Party puts forward the following resolution in the expectation that many of those who are actively seeking a strategy to achieve victory over Fraser and the big business system he stands for will accept our analysis and join us in working toward building that genuine socialist alternative.

I. The meaning of November 11

Throughout 1974 and into 1975 the Australian economy plunged deeper and deeper into recession with little apparent sign of an upturn. The capitalist class was faced with a difficult decision. Could it afford to continue with the Whitlam Labor government, which despite all its most conscious efforts, was unable to impose the kind of policies on the working class which would decisively cut real wages, reduce inflation and drive up the rate of profit substantially?

The Hayden Budget of August 1975 was a last-ditch attempt by the Labor government to regain favor with the big business circles which dominate the major economic institutions of Australian capitalist society, and to which Whitlam and his colleagues looked to keep them in power. Large-scale reduction in public spending, especially on expanded education programs

(a freeze on the implementation of the Schools Commission program, for instance), indirect tax increases and so on, together with further concessions to private enterprise, were designed by the Labor government to win a reprieve from the ruling class. But to no avail.

It was clear that by the middle of 1975 almost the entire capitalist class had swung over to the view that Whitlam must go at any cost. From the beginning of the year, a virulent anti-Labor vendetta had been waged in the media, and especially in the Murdoch press, to discredit the government by any means necessary. A string of bogus scandals—the Cairns-Morosi business, the “loans affair”—were whipped up to blacken the image of Labor and to obscure the real political issues of the day. This slander campaign was quite successful in helping to provide an immediate pretext for Labor's dismissal.

But in the long run, it was not these trumped-up “scandals” which allowed the rulers of the country to think they could get away with undemocratically throwing out of office a popularly-elected Labor government which retained a majority in the House of Representatives. These anti-Labor lies and slanders were important, but were not enough in themselves. No, it was the treacherous record of the Whitlam government in its three years of power—its continual, indeed worsening, betrayal of the interests of the working people and the oppressed—which created a deep-seated, popular crisis of confidence in Labor.

It was the treachery which allowed unemployment to soar to 350,000 or more than 5 per cent of the workforce—a height not reached in this country since the 1930s Depression. It was the treachery that imposed a policy of wage freeze on the labor movement—after the failure of Whitlam's prices and incomes referendum of late 1973—through the imposition of a fraudulent wage indexation scheme controlled by the Arbitration Commission. Under the impact of this scheme in 1975, wage increases fell below the rate of inflation for the first time since Labor came to office in December 1972. The rise in real wages which was experienced in 1973 and, more so, in 1974, was a consequence of the high expectations and confidence of the labor movement under their first Labor government after 23 years of unbroken big-business party rule in the Federal sphere. But by 1975, rising unemployment and the impact of Labor's indexation scheme, backed by almost the entire trade-union officialdom, had brought that wage offensive largely to a halt. Total strike-days in 1975 fell considerably from a record high in

1974.

In all, the ruling class began to go on to the attack—an attack which received its political culmination in the Fraser-Kerr parliamentary “coup” of November 11, 1975. November 11 must surely go down as a turning point in the political history of Australia. Never before had a ruling government been dismissed in such a way in the Federal sphere. The only existing parallel is with the dismissal of the NSW State Labor government of Premier Jack Lang by Governor Game in 1932—at the height of the Depression.

There are a number of parallels between the fall of the Whitlam and Lang governments—in the kind of economic period, in the growing social and political crisis and in the threatened radicalisation of the working class under the impact of economic blows and disillusionment in Labor’s reformism. And there is another parallel—in the abject failure of the Labor leadership of the time to fight against its dismissal in the only way that could win, that is, through mobilising the broad layers of Labor supporters in strikes, demonstrations and other mass actions to challenge ruling class power by proletarian struggle.

There can be no doubt that Labor’s supporters among the workers and the oppressed were ready and willing to take the most militant actions in defence of what, in the greatest numbers, they considered *their* government. Spontaneous strikes broke out immediately the news of the sacking of Whitlam was broadcast. Literally millions of workers and others were stunned by the news and angered—that an unelected representative of the Queen could toss out a Labor administration at the whim of an undemocratically-chosen, conservative dominated Senate was a deep shock.

The immediate reaction was for *action*, and it was only the calls for “restraint” from ACTU and ALP president Bob Hawke, in particular, which held back the biggest explosion of mass struggle in the history of this country.

Many workers downed tools in opposition to the overthrow of Labor and many more waited for a call to do so from their accepted leaders. But Hawke called on working people to “cool it,” and stressed that “We don’t want this to snowball into violence, to substitute violence in the streets and anarchy for the processes of democracy.”

The spontaneous outburst of mass anger was so widespread that there can be no doubt that a general strike of the Australian labor movement was a real possibility at that time. There was

considerable discussion of prospects for such a strike in the days following November 11. But Hawke and the great majority of the Labor bureaucracy consciously moved to head off this unprecedented upsurge. The Labor bureaucrats, fearful of the logic of such a tumultuous mass outbreak, concerned to maintain their own political positions in the status quo and to defend capitalist, parliamentary democracy to the last, immediately set about channelling the widespread anger into the parliamentary arena.

Even in achieving that, they were unsuccessful in saving themselves. And no wonder. The record of continual betrayals had sapped the confidence of the labor movement generally, and opened the way for reactionary propaganda by the Liberal and National-Country parties to disorient and beguile hundreds of thousands of workers, middle-class elements and small farmers into accepting the lie that a Fraser government would solve their economic problems for them. How could they continue to have any confidence in a Labor government which had so completely failed to protect their interests?

So, Fraser was able to win a landslide electoral victory on December 13, 1975. But one essential consideration must be borne in mind about this victory: contrary to the claims of the big business media and the Fraser government itself, *the conservatives’ election win was by no means an endorsement of a right-wing offensive or an endorsement of the Liberal’s anti-working class vendetta. Rather it was a rejection of the failure and treachery of the Whitlam government.*

This basic political truth is key to understanding the seemingly contradictory events of 1976.

The political report adopted by the June 1976 plenum of the SWP national committee summed up the background to Labor’s fall in this way: “The change by which an unemployment rate of 4 to 5 per cent, from being politically ‘impossible,’ was being presented as ‘normal,’ and the acceptance by the Labor leadership of double-digit inflation and a wage freeze were the central elements in a loss of confidence in Labor by a significant section of the working class, leading to the electoral disaster of December last year.

“At the same time November 11 and the lead up to December 13 were a consequence of a conscious decision by powerful sections of the capitalist class that Whitlam’s usefulness was finished. They could no longer rely on Whitlam’s policy of ‘wage restraint’ etc to carry out the sort of draconic economic

policies required to drag Australian capitalism out of its deep trough.

"A firm bosses' instrument was needed—the Liberal-National-Country Party coalition, directly responsible to the ruling class, and not diffused by a medium like the trade-union bureaucracy as the ALP was."

It is this reservoir of hostility to the new Fraser government by the bulk of the labor movement which has set the scene for the major struggles of 1976. November 11 has remained as a bitter memory and a spur to further opposition to the Liberals and all their works. Fraser's task has been to suppress, delay, and—with the aid of Bob Hawke and his co-thinkers in the Labor hierarchy—to diffuse this opposition in order to carry out his economic plans.

II. The economic context: Australia and the continuing international crisis

The Fraser government came to power at an especially difficult time for the Australian capitalist class, in the context of a period of growing instability of the world-wide capitalist economy. The problems faced by the Australian ruling class were not confined to them but generalised throughout the imperialist world, but it is true to say that they fell with particular force on an Australian economy in a poor state in relation to many of its international competitors.

It is worthwhile recapitulating some of the facts about the economic period which are brought out more fully in the resolution of the fourth national conference of the SWP. Following a quarter century generally characterised as a post-war boom in the international capitalist economy, the late 1960s and early 1970s saw the beginnings of a quite new period for the imperialist system—a period of downturn: specifically, a period of recession, increasingly synchronised among the world capitalist countries together, and followed by weak and short-term recoveries, leading only to deeper and more long-term slumps. If any absolute growth is to occur in the long run in this period, despite these ever more frequent interruptions (and this is not assumed in any case), it will be at a much slower rate than in the previous period. Instability and insecurity are the

watchwords for this time.

The current period is also characterised by an intensified rivalry between the different capitalist powers as they seek to maximise their position in an increasingly tight world market. 1976 has seen a stepping up of competition—virtually a trade war—between Australia and its larger and more powerful imperialist partners, especially Japan and the US. This has been a result of the attempt by the big imperialist states to export some of their economic problems and to maximise their own bargaining position as well as of measures undertaken by Australian capitalism to bolster its own position as much as possible.

The structural position of big business in this country is beset with contradictions. Nevertheless, it must be emphasised that Australia is by no means an economic or political colony of the US or Japan. Australia is a small-to-medium sized imperialist power in its own right. It has its own sphere of economic interest, especially in South-East Asia and the South-Pacific, including Fiji, Papua New Guinea and increasingly, in Indonesia, Singapore, the Philippines and Malaysia. In the recent period, for instance, a large number of Australian firms have set up factories in countries of the Asian region.

At the same time, there are specific peculiarities of the Australian capitalist economy which affect its position internationally. Roughly 80 per cent of Australia's exports are in the primary sector—agriculture and mining—areas which are especially subject to price fluctuations and are often artificially low as a consequence of the imperialist relations between the predominantly primary-exporting neo-colonial world and the imperialist countries which export the bulk of the world's manufactured goods.

In addition, because of a history of development behind high tariff walls and of the small size of the domestic market (hence a lack of economies of scale), Australian manufacturing industry is relatively inefficient—not at all equipped to compete in many respects with its major overseas opponents. Hence, in addition to severe problems created by a continuing instability in the conjunctural economic situation internationally, Australian capitalism faces a deep-seated structural crisis in the medium and long term.

It is the combination of the immediate problem of recession and the long-term problem of re-structuring which presented the Australian ruling class with the need for a decisive political

weapon in the form of the Fraser Liberal-NCP regime as a means of imposing a drastic economic solution upon Australian working people. However, international economic developments as well as domestic ones in 1976 have intensified rather than alleviated this crisis for the Australian ruling class.

The question of economic recovery

It is now widely accepted that, after two years or more of slump, the generalised recession of the international capitalist economy was on the way out in 1975—earlier in the United States, and later in West Germany, Japan and most other imperialist countries. A period of economic upturn has followed, but this upturn has been half-hearted and uneven between different countries of the imperialist world.

At the same time, in the US, which led off the recovery among the major capitalist powers, this upturn has been only muted and, in fact, by the latter half of 1976, another period of stagnation had set in. So, in line with the projections for this period summarised earlier, it can already be seen that the US economy is looking like drifting into recession again almost before the impact of the upturn had become widely apparent.

The essential fact about this upturn is that it is reflected in production and profit figures alone—not in reduced unemployment or heavy cuts in inflation. Ernest Mandel, in his article, "A Hesitant, Uneven, and Inflationary Upturn", writes that "*More than eighty per cent of workers rendered unemployed by the crisis have not found jobs during the upturn.*" (Emphasis in original.)

Moreover, the large amounts of government deficit spending which were required to bring about the upturn have now provided an immense further impetus to inflation. The net result is that there has been no alleviation of the critical economic situation in the past two years, looking at the situation overall. In fact, according to estimates by the Organisation for Economic Co-operation and Development—an authoritative international economic body representing all the major imperialist powers—1977 will see a further slump on a world scale, especially in the second half of the year. No sooner is imperialism looking optimistic than it plunges into a further crisis. This is undoubtedly to be the pattern for some time to come.

Implications for Australia

Figures released during 1976 indicate that the Australian economy was affected by the international upward trend in profits and, to a lesser extent, production which took place in late 1975. For the 1975-76 financial year, profits for Australian business reached an all-time high. According to the Melbourne Age of November 18, "Total profits earned by 661 companies which balanced on June 30 jumped 24 per cent from \$735 million to \$909 million," a rate almost twice that of inflation.

Yet, as the paper pointed out, there was only a 12.8 per cent increase in sales in the period—"The profit gains came instead from severe cost control," ie, staff cuts, speed-ups and so on. Unemployment *rose* during the period that profits were rising also. Essentially, the profit boom came from an increase in the rate of exploitation.

But, alarmingly for Fraser, profit and production rates actually began to *decline* again in the latter half of the financial year ie, the first six months of Liberal-NCP rule. In other words, profits were actually higher in the last months of Labor rule than they were under the new Fraser government. And even though production figures were *slightly* up, there was no dramatic increase in this period.

And on top of this, as we have seen, it is likely that economic latter half of 1977—dragging the Australian economy even deeper into the mire. This outlook undoubtedly was a major factor in the Fraser government's drastic devaluation of the dollar in early December—an attempt to strongly increase the competitiveness of Australian products on the world market to win a share of what may be merely a short-term upturn in exports around the world.

Restructuring the economy

On top of the immediate crisis, the Australian capitalist class faces a more long-term problem: How to restructure the economy, to strengthen it and make it more competitive in the looming battle for markets in coming years as inter-capitalist rivalry intensifies even further. What is required is greater centralisation, monopolisation and the emphasis on developing the most advanced sectors of the economy.

This may well mean ruthlessly ditching whole sectors of

industry if necessary, and destroying many more thousands of jobs. The role of the Industries Assistance Commission has been key in this context. The IAC, established by the Whitlam government, has become highly controversial recently for its call for the elimination of the entire heavy shipbuilding industry, and for severe tariff cuts affecting textiles, footwear etc—not to mention the ditching of all grants to the arts!

For the labor movement, the essential question raised by the activities of the IAC is not how Australian industry should be organised for its own efficiency and profitability—but rather *how jobs can be protected*. What this means is not any form of alliance between labor and sections of business which call for protection for Australian industry for their own ends, but an *independent, class-based* fight to ensure that every worker or person wanting work has a right to a job of their choice, in their own field of skill etc.

The IAC is an organ of the capitalist state, representing a particular view of the long-term interests of Australian big capital. The labor movement should have nothing to do with it. Working people have no particular interest in preserving this or that sector of Australian industry—but if the IAC wants to abolish any industry through the removal of government assistance then the labor movement must demand that workers are provided with the same kind of jobs, in the same region of current employment with no loss of pay.

Future prospects

Fraser inherited both a troubled, sluggish economy and the beginnings of a restructuring process from the Whitlam Labor government. As we analyse in the following section, the poor economic position of Australian big business necessitated a general onslaught against the living standards and working conditions of working people in 1976. This was necessary despite the fact that the first signs of recovery occurred under the Labor government—the ruling class had already decided that it needed a decisive offensive to restore full economic stability.

This onslaught has won certain gains for big business profits as against working class incomes, as we shall see. But by the end of 1976 economic troubles were not diminishing for Fraser—quite the reverse. Devaluation of the dollar and other measures taken at the end of the year merely underline the government's

failure to radically improve the economy's position relative to other imperialist powers. Already, divisions were appearing in ruling class circles about future policies and perspectives.

It is clear from devaluation decision and other indications that the Fraser government, despite the harshness of its attacks in 1976, is determined to make an even stronger assault on wages and living conditions in 1977. To sum up, despite severe blows directed against working people in 1976, the continued poor state of the Australian economy means that Fraser and his coalition partners, in both Federal and State spheres, are going to have to step up their anti-working class drive in 1977. In the next section, we will consider the different elements in the Fraser strategy which emerged in the Liberals' first year in office. It is clear that we can expect more of the same in the future.

III. Fraser's strategy: attack on all fronts

The Fraser government's anti-working class onslaught in 1976 can be divided into a number of aspects, bearing in mind the close links between the various policy moves and the Liberals' overall strategy of inflicting a severe defeat on the working class.

Because of this overall strategy, a heavy blow in one direction may be a cover for undermining the working people in another area. Or a tactical retreat on one controversial policy may be designed to be compensated for by a victory in yet another respect. Yet, in all, Fraser has been relatively successful in dealing blows to the working people, the poor and the oppressed in 1976.

The reasons for Fraser's success are complex and derive most of all from the backtracking of the Labor and trade union leadership. But Fraser and the ruling class have not had it all their own way. While there continues to be widespread fear of unemployment and a certain confusion on the part of many working people about how and over what issues to make a stand, Labor did succeed in winning back control of the largest State government—NSW—in May and the Liberals' popularity has continued to decline in the latter part of the year. The negative impact of the harsh Budget in August and popular

opposition to the hatching of Medibank is still in the process of building up.

In the following section we will consider the main features of the Fraser strategy so far in terms of its consequences for the working people and their allies.

Unemployment: creating a pool of jobless

In direct contrast to their election promise of 1975, unemployment under the Liberal government has not dropped at all. Instead, it has risen to the highest level since the 1930s Depression—well over 5 per cent in seasonally-adjusted terms in late 1976.

There can be no doubt that this is the result of a conscious government policy—to maintain a growing pool of jobless in order to undermine labor militancy, produce deep insecurity in the minds of all workers and use this to achieve their main industrial objective—to ruthlessly cut real wages and drive up profits. Treasurer Phil Lynch spelt out the link between the wages and unemployment questions in his August 17 Budget speech.

Lynch put it this way: There is a need, he said, “to rectify the wage-profit distortion which the wages explosion of 1974 produced....The sooner wages and profits return to a more normal relativity, the sooner job prospects will improve.” Then he laid it on the line: “On the more pessimistic assumption, the downward adjustment in the wage share that is now required would occur slowly via an unacceptably high level of unemployment persisting for a long period.”

Labor leaders such as ACTU president Bob Hawke have predicted figures of 400,000 to 500,000 for the numbers of jobless in 1977. Special areas such as manufacturing and the building industry are in a virtual state of depression—tens of thousands of building workers have been laid off in the previous two years and there is little sign of an upturn in the construction field.

The other side of the story is the vendetta being carried out by the government, backed by the big business media, against the jobless. Tirades against the semi-mythical “dole-bludger” have provided a cover for a ruthless campaign to hack away at the rights of the unemployed and to prune the books of the Commonwealth Employment Service.

A severe tightening up of the restrictions on eligibility to

receive unemployment benefits, the use of police-state type methods against the jobless (such as surprise “visits” to their homes), even meddling with the figures themselves by eliminating seasonally-adjusted statistics—all these are part of the Fraser government's attack on the unemployed. Among others, the following are a few of the measures the government has taken against the jobless:

- ° After six weeks' unemployment a person can be directed to take up any job even if the person is not suited for it or even if he or she has different skills. A refusal to take up such a job would result in the loss of benefits.

- ° School leavers are not to be paid benefits during the summer holiday period.

- ° A new, more severe work test is being introduced. Benefits are being paid only to those people the government thinks are “genuine” job-seekers and who prove it by their attitude, dress and willingness to move to take up a job.

Estimates based on the amount allocated for unemployment relief in the Budget for the 1976-77 financial year show that at least 20,000 fewer people are to receive unemployment benefits for this period compared with 1975-76. Yet there is no sign of unemployment falling—quite the reverse. Hence, it is clear that the government intends to intensify its witchhunt against the jobless—threatening severe poverty conditions for thousands.

In line with its overall policy objectives of “restructuring” the economy, the Liberals are also threatening to scrap whole sections of industry throwing possibly tens of thousands in particular areas out of work. The most infamous has been the move to eliminate almost the entire shipbuilding industry without replacing the jobs lost by any alternative work program. The lives of up to 50-60,000 people in the cities of Newcastle and Whyalla could be completely disrupted by this plan.

Despite various face-lift schemes to provide a few jobs for youth (the worst-hit section of the workforce, together with women and Blacks), and for “job relocation,” the Liberal policy of maintaining a reserve labor force of jobless remains unchanged going into 1977. All these cosmetic schemes amount to no more than a further subsidy to employers in any case.

Overall, unemployment continues to be the government's biggest weapon against the labor movement. At present, Fraser's strategy for economic recovery rests not on using more

labor but on increasing labor productivity, ie, driving up the rate of exploitation.

The drive against wages

The central tenet of the Coalition's economic policy remains the effort to force down real wages. So far this effort has centred on a continuing and increasing squeeze on the quarterly wage indexation system established under the Whitlam government in 1975.

In 1976, the available evidence shows that Fraser's wage-cutting policy has been relatively successful. Even under the original Moore scheme of *full* indexation, according to the calculations of the Flinders University Institute of Labor, indexation increases only compensated wages for 80 per cent of the full increase in the cost of living. This is because these indexation decisions were based on *award* wages rather than the *total wage* (including over-award payments, etc).

This might not be so drastic in its effect on real wages if workers were winning increases *outside* the restrictive indexation guidelines. But they have not done so, in the overwhelming number of cases. This is clear from figures released by the Bureau of Statistics which show that, for the year ending August 1976, 92 per cent of the increases in the adult male wage was due to wage indexation alone. For women, the situation was even worse—94 per cent of the increase in the adult female wage was due to indexation.

When it is considered that, in addition, some increases were awarded under the so-called "catch-up" principle of the Arbitration Commission's indexation system, it is clear that this bogus indexation scheme has established an absolute stranglehold on the wages of Australian working people.

What this means is that even under Labor's indexation scheme, as it was, *wages were falling in relation to inflation*. But after only one full indexation decision in February, the Arbitration Commission adopted the Liberal government's policy and gave only partial indexation decisions in May and August, based on the "plateau indexation" concept. This concept meant that wages were indexed in full only up to a certain "plateau," and for higher levels only a flat increase was given.

In the case of the indexation decision brought down at the end of May, 1976, for instance, this meant a cut in real wages for 60

per cent of all workers. For the August decision, the wage cut was even more severe. Fraser has therefore been able to rapidly accelerate the process of fall in real wages—hence shifting wealth at a greater rate into the hands of the employing class than Labor was able to do with its wages policy.

This is one of the essential tasks set for the Fraser government by the ruling class when it decided to bring this government into office. But from the continued drift in the economy it is clear that the ruling class will be demanding a more decisive drop in wages still. This will most likely be at the root of the major industrial battles of 1977.

An indication of the thinking of the government for the future was given by Treasurer Phil Lynch at a Liberal business lunch on July 23 when he foreshadowed a call for "zero indexation and a ban on outside-award increases" for 12 months. Lynch claimed that this would result in a cut in the inflation rate to about 3 per cent (from its present 12 per cent).

Any such decision by the Arbitration Commission would be a direct provocation to the trade union movement. Whether the government can succeed in imposing such a drastic measure is debatable. If they were to do so, it would sound the immediate death-knell of the indexation system. Whether or not such a decision could be carried through in the present circumstances, the future of wage indexation is a big question mark anyway, with increasing numbers of unionists beginning to look outside the Arbitration Commission towards collective bargaining and industrial action to win their just demands for protection of living standards against inflation.

Welfare cuts

A key part of the economic plan of the Fraser government has been to transfer resources from the public to the private sector. In practice, this means a drastic cut in almost all forms of social welfare. Without doubt this has been the most brutal and effective aspect of the Liberal strategy in 1976.

In the process probably the major proportion of the social welfare programs introduced by the Whitlam Labor government from 1972 to 1975 have been jettisoned. These cuts have hit every section of the poor and the working people, but they have been especially severe on the weakest and least-organised groups. The unemployed, pensioners, Blacks, migrants—all have felt the edge of Fraser's axe. Women, too, have suffered

badly from the Liberal's austerity measures.

Undoubtedly the most explosive issue in the fight over these cutbacks has been the Liberal's decision to decimate Labor's Medibank scheme. The introduction of a 2.5 per cent levy on Medibank, together with the provision for opting out, has eliminated the free, universal health scheme which was Labor's most popular and important reform. The aim of the government's hatchet-job on Medibank was to drive at least 50 per cent of the population completely out of Medibank and into the arms of the private health insurance funds—so far this has been more than successful.

The only ones to gain from this ultra-reactionary move have been the private funds and the bulk of doctors who have set their own pockets against the welfare of millions of ordinary people. Possibly more than any other action, the decimation of Medibank has underlined just how much this government represents the absolute antithesis of social progress—the fact that a government of big business today has no alternative but to turn back the clock on even the most limited aspects of social welfare. The record of this Fraser government on Medibank is enough proof in itself of the necessity to do away with this despicable capitalist system for all time and establish socialism—the only social order which can guarantee not only social progress, but maintenance of the most basic human rights and dignities.

In addition to Medibank, the area which indications show will probably finish up under the most severe attack by this government is education. Apart from heavy cuts in projections for the next period in the August Budget—cuts which mean the effective scrapping of Labor's Schools Commission program, for instance—the promise for the future is even more ominous. Funding for tertiary education looks like being severely hit, on top of the harsh cutbacks being forced on the universities and colleges of advanced education already.

Already, the Tertiary Education Assistance Scheme is under heavy fire. It has already been tightened up for the 1977 academic year. Without the pressure of the September 30 national student strike, it is likely that there would have been no increase in TEAS rates given at all and that the whole scheme could have been dropped in favor of a student loans scheme—a qualitatively worse alternative for most students. As it is, only a quarter to a third of students receive a student allowance of any kind. The fight over the right of students to receive a living wage

will undoubtedly be a prominent feature of the political scene in 1977.

Restrictions on democratic rights

Just as modern capitalism in crisis cannot continue to fulfill the economic needs and aspirations of working people, it finds itself increasingly forced to restrict democratic liberties in its increasingly tortured battle for survival. Australia is certainly no exception to this rule. The Fraser Liberal-National Country Party regime has set about eroding democratic rights in a number of different spheres, from trade union rights to civil rights in relation to the police.

The most immediate necessity for this attack on democratic rights is the regime's desire to reduce the ability of the labor movement and its allies to defend themselves against the economic offensive of the ruling class. That's why the question of union rights has been up front, both for the bosses and for the unions themselves.

Even before they came to power, the Liberals had adopted an industrial policy which promised harsh new anti-union laws. Mindful of the upsurge around the jailing of Clarrie O'Shea in 1969 and the failure of the old penal clauses, the conservatives preferred to call their new industrial penalties—"consequences." But they amount to precisely the same type of repressive legal restrictions on the right to organise and act industrially in defence of living and working conditions.

Fines, jail sentences, and deregistration of unions have been proposed for breaches of a whole multitude of regulations. An innovation has been the proposal for an "industrial relations bureau"—a kind of industrial police force—to enforce restrictions on such actions as bans, boycotts, picketing, solidarity strikes and so on. Another proposal has been to eliminate the immunity of unionists from prosecution under civil law for "loss of production due to strikes" and other effects of industrial disputes. Finally, and perhaps most significantly of all in the past year, has been the rising crescendo of threats to outlaw so-called "political" strikes.

Deputy Prime Minister and NCP leader Doug Anthony, Treasurer Phil Lynch and Fraser himself have all warned of tough action against "political" strikes. On September 10, Lynch condemned political action by unions and ascribed it to what he called a "fifth column" of militant unionists who, he said, were

intent on destroying Australia's economic recovery. He accused left-wing unionists of "industrial blackmail" to frustrate the government's economic strategy.

This tirade followed statements by ACTU president Bob Hawke that Australian unions would consider bans on trade with New Zealand if the Muldoon government went ahead with its threat to bring down harsh new anti-union laws in that country. Fraser himself threatened to intervene against Victorian unions which had refused to lift a black ban on the construction of the environmentally-dangerous Newport power station in Melbourne.

We will consider these questions and others like them (such as the Medibank national strike, the union ban on uranium and the affair of the US nuclear ship *Truxtun*) in a further section. It is sufficient to say here that the Fraser government, not to mention other coalition-controlled State governments such as the Court and Bjelke-Petersen regimes, have become extremely worried by an increasing tendency for unions to become involved in industrial action around issues outside the traditional questions of wages and working conditions in the most limited sense. This fear is quite justified in at least one way—any "politicisation" of the union movement must act against conservative ideology among the broad strata of union members and must tend to draw more and more workers into a questioning of the limits of what is "political" and what is "industrial." The logic of such a trend is to challenge the basic myths of electoral politics in a capitalist parliamentary "democracy."

In a period in which the ruling class must turn increasingly to shackling the union movement, attempting to tie it ever more closely to the state machine through arbitration, and limiting the forms of action available to the labor movement, the increasing "legitimacy" of political action by unions is dynamite. We can expect an escalation of attempts by both the Fraser government and its State counterparts to prevent such developments with whatever force they feel is necessary. Bjelke-Petersen has already floated the idea of sending troops against strikers, organised attempts at scabbery have become more prevalent in recent times and the government is clearly testing the political wind on whether to move directly against the unions in the "political" area.

Two issues on which the government has already made moves are: 1) enforced postal ballots for union elections, and 2) amendments to the Trade Practices Act to outlaw boycotts

which "hinder free competition." The first measure opens the way for permanent government interference in the internal affairs of unions while the second would be a severe attack on the rights of unions to act in defence of their members' interests.

The Fraser government has also moved against democratic rights in areas other than the trade union movement directly. The rights of the unemployed, as has already been pointed out, have been under savage attack in 1976—they have been made into the scapegoats for the economic crisis through the crusade against "dole-bludging." The rights of migrants have also been threatened—deportation for political reasons has again been instituted by an Australian government. This is a return to the practices of the McCarthyist Menzies regime of the 1950s.

Police raids have become more blatant—for instance, the infamous Cedar Bay incident in North Queensland and the raid on the commune near Nimbin in NSW. While the ostensible reason for these raids has been drugs, they have also represented large-scale para-military-style assaults of a kind not previously seen in this country. These together with raids on the homes of radicals have exposed the increased willingness of the government to crack down on oppositionists of any kind. Fraser even used the Commonwealth Police to harass Gough Whitlam earlier in the year over the bogus Arab loans affair.

The Australian Broadcasting Commission has been a special target for Fraser's anti-democratic witchhunt. Right from the start of 1976 the Liberal government set about restricting the operations of the ABC in every way—financially, by administrative changes and later, by threatening to put the ABC under the direct political control of government and commercial agencies. A series of harsh budgetary cuts led to lay-offs of staff and program cutbacks. This process increased as the year progressed.

Then a new ABC chairman, Sir Henry Bland, known as "the Axeman" of the public service, was appointed to step up the reorganisation of the ABC along lines favorable to the Liberals and conservative social forces generally. He instituted direct political censorship, more blatant than had occurred for some years in the national broadcasting service. This was followed with the appointment of the Green inquiry into broadcasting which came down with recommendations which meant, in effect, a political takeover of the ABC by a government and business-dominated commission.

Fraser's attempt to implement these recommendations (and

others of his own initiative) are a clear threat to the independence—limited though it may be—of the ABC and an attempt to stifle any elements of dissident political opinion in the ABC. The broad opposition to these attacks on free speech shown by ABC staff are a positive sign that Fraser cannot ride roughshod over every section of labor and the community generally when basic democratic rights are in question. This battle for the independence of the ABC and for the right of democratic access to the mass media generally will be an increasingly important issue in the coming years. The fact that Fraser was forced to back down, early in December, on some of his plans to attack ABC independence is an initial victory for this struggle. Undoubtedly, there will be more controversy over the ABC and control of broadcasting generally in 1977.

No part of the labor movement is exempt from infringement of civil rights under this government. As the political situation becomes still more polarised in the next year, we can expect further repressive actions from a government which has less and less room for manoeuvre.

A “new realism” in foreign policy

The Liberal-Country Party coalition have been the parties of war in Australia in the post-World War II era. They took the country into Korea, into the Malayan “emergency,” and into Vietnam. It wasn't long before Malcolm Fraser and his Foreign Minister Andrew Peacock made it plain that a new militarism was on the agenda under the Fraser regime.

Peacock referred to the need to “restore elements of stability” into the country's foreign relations after the alleged softness of Labor's international policy. Fraser later laid down a policy which stressed a “new realism”—emphasising the need for building up the country's defences against the alleged threat of Soviet naval penetration of the Indian Ocean. Hints have even been given about the need for an Australian nuclear armament.

What this policy means in practice has since been spelt out in more detail: support for the strengthening of ANZUS; closer ties with the US nuclear war machine; the decision to build an Omega nuclear-submarine communications base in Australia; backing for the US decision to construct a nuclear and conventional military base at Diego Garcia; closer collaboration with the repressive neo-colonial regimes of South-East Asia,

especially Indonesia, Malaysia and Singapore; even friendly overtures to the Stalinist regime in China, in alliance against so-called “Soviet social-imperialism.”

Defence spending, hardly surprisingly, has been virtually the *only* area of public spending to be massively increased under this reactionary government. Perhaps Fraser's most brutal action of all so far has been the deep complicity of the government in backing the murderous Suharto regime's invasion of East Timor. Even though the Whitlam government was already contaminated by its tacit support for the Indonesian generals' intervention against a small nation fighting for its independence, the Liberals went a stage further with their direct aiding of the invasion and their attacks on Fretilin supporters in this country (seizing their radios, etc).

This action should dispel any doubt we might have that this government is willing to go to war to save imperialism in the region, at any time. The main constraint, as it is for the mightiest imperialist power of them all—the United States—is the deep anti-war feelings of the Australian people. Memory of the previous Liberal regime's Vietnam record is still fresh in the minds of the majority, and it is likely that the Liberals could ever get away with the kind of trickery they carried out in 1965 to involve Australian forces in Vietnam in any future conflict in Asia.

Perhaps the situation in Australia's major ex-colony Papua New Guinea is the most critical for the Australian ruling class in the medium term. Fraser has already committed his government to preserving the “unity” of PNG at all costs. Any explosive development in Papua or Bougainville, for instance, would be likely to lead to moves for intervention by Australian military forces.

International detente is a reality which Fraser cannot afford to ignore, even though he now prefers not to call it by that name. Detente is a consequence of the relative political weakness of world imperialism following the massive defeat suffered by the US and its allies in Indo-China. But within the boundaries of detente—wherein at present, Fraser is attempting to play off the Chinese Stalinists against the Soviet Stalinists—the Liberal-NCP government has made it clear it will be on *the* most hawkish wing of the imperialist camp.

We have considered Fraser's strategy against the working people in five of its main aspects. These by no means exhaust the

list of reactionary policies initiated by this government in its first year. But analysing these areas gives us a very clear idea of the direction of Liberal approach and an insight into likely future moves.

An essential component of Fraser's policy-package, designed to camouflage and complicate the situation, is the so-called "new Federalism." This amounts to little more than an attempt to ensure that the States are left with responsibility for many of the most unpopular cutbacks in social welfare, in creating unemployment and so on. The role of Liberal-NCP State governments in Victoria, Queensland and Western Australia are very important here in leading a number of the most decisive attacks on welfare, union and democratic rights and in other matters. Anti-union moves by the Hamer, Court and Bjelke-Petersen governments are clearly part of a Federally coordinated plan, for example.

The existence of Labor State governments as well as L-NCP ones is a complicating factor in the national scene. Labor governments, despite their extremely conservative and class-collaborationist record, do act as something of a brake on Fraser's national schemes. Any proposal for the States to refer powers over wages and prices to the Federal government would provide a critical test for the Wran, Dunstan and Neilson governments, for instance.

It is clear that, what ever twists and turns Fraser may take in the future, there is no going back from the regime's basic policy of offensive—Fraser's corporate backers demand it. Consequently, 1977 promises to be a year of even sharper clashes than the previous year.

IV. The labor response to Fraser

A. Role of the labor bureaucracy

In the resolution of the fourth national conference of the SWP a key section was entitled: "The Australian Labor Party—An Obstacle to Social Change." This section of the document dealt at some depth with the theoretical basis of the ALP as a Social Democratic formation—its contradictory character as a party based on the trade unions but with a totally treacherous, class-

collaborationist and pro-capitalist leadership.

The resolution noted that: "the Social Democratic program and leadership of the party are an obstacle to the development of revolutionary consciousness in the Australian proletariat. Social Democratic reformism is not a necessary stage in the development of working-class consciousness or even a detour on the road to the revolutionary party: It is a barricade across the road which prevents further progress."

Just as this is true of the Labor Party, it is also true of the role of Laborism in the trade union movement itself. And the reality of the Australian union movement is the overwhelming predominance of the Labor Party within the leadership of individual unions and the Australian Council of Trade Unions, the Australian Council of Salaried and Professional Associations, and the Council of Australian Government Employee Organisations—the major federations of trade unionism in this country. The events of 1976 have underlined the overwhelmingly conservative, class-collaborationist and negative role of the trade union bureaucracy. This role has been the major single factor hindering a fight-back by the labor movement against Fraser's offensive.

For a number of reasons, not least of which is the fact that the ALP was thrown out of office in the Federal sphere, and no longer formed the central capitalist government in Australia, the tendency has been for the focus of political attention in the labor movement generally to shift away from the parliamentary wing of Labor to the industrial wing in 1976. While Labor was in office, there was a sometimes uneasy but generally solid collaboration between the Whitlam ministry and the Labor bureaucracy in the union movement.

While Bob Hawke and the unions generally opposed the "incomes" part of Whitlam's prices and incomes referendum in December 1973, by 1975 they were virtually unanimous in coming in behind Labor's fraudulent wage indexation scheme—a fundamental reason for its successful establishment and continuation. They went along, with one degree or another of grumbling, with Whitlam's "wage restraint" policy—unity which was cemented at the special ACTU conference in September 1974.

The truth is that the leaderships of the trade unions must share with the Whitlam government the blame for Labor's defeat in 1975—and more fundamentally still, for the treacherous political course which led to a decline in the real living standards

and working conditions of labor in the last two years or so. The basic Laborist political perspective of the Whitlam government has been duplicated almost exactly within the trade union movement.

This fact is best illustrated by the example of Bob Hawke: Hawke wears two hats—president of both the ALP and the ACTU. While on the one hand this is an indication of the continued close links between the union movement and the Labor Party, despite allegations by some commentators that the ALP had tended to break away from a direct dependence on the unions, it also has meant that the unions have been almost completely integrated with Labor's basic program. This integration, despite the occasional, mostly minor, differences that do exist between Hawke and figures like Whitlam, underlines the essential political nature of the union bureaucracy: *The struggle to turn the unions into weapons of class struggle instead of organs to tie the workers more closely to the state machinery is inextricably linked with the fight against the political hegemony of Labor Party reformism in the Australian working class.*

These two tasks face revolutionary socialists and cannot be separated: They are part and parcel of the same battle. The development of a broad, class-struggle left wing within the union movement will undoubtedly be closely related to the development of increasing political divisions between the reformist leadership of the ALP and large numbers of rank-and-file members in the branches.

As class tensions increase as they undoubtedly will in the coming year, the kind of political issues which are currently dividing the unions—unemployment, the wage freeze, uranium mining, environmental bans like that on Newport power stations in Victoria, union rights, and, of course, the Medibank issue—will most likely be reflected in a growing opposition within the ranks of the Labor Party to the betrayals of the official party leadership.

No fight on unemployment

The area of unemployment represents the most criminal failure of the Labor Party and the union leadership over the past three years. In 1972 the Labor government came to power on a definite commitment to full employment. One of the major factors in the defeat of the McMahon Liberal government was

the fact that the jobless rate had risen over two per cent—traditionally the maximum “politically acceptable” level in this country in the post-war period.

Yet by 1975, unemployment had risen to five per cent under the Whitlam government—and there was scarcely a peep from Hawke and the majority of the union bureaucracy, reluctant as they were to upset their colleagues in Canberra. Excuses about the impact of the international recession being the cause of this slump in Australia are irrelevant. What really counts is the failure of the Labor government and the union leadership to take the kind of resolute action which could *defend* the jobs of workers.

Instead, Whitlam actually *increased* unemployment with his pro-capitalist policies (for example, the closing down of Leyland in Sydney in 1974; credit squeeze policies; failure to create large numbers of jobs by initiating huge public works projects; refusal to take measures to implement a 35-hour week without loss of pay throughout industry, government and private, etc). And Hawke and the union movement absolutely threw in the towel on the rocketing unemployment rate. This failure to fight for the jobs of unionists, not to mention the jobs of *all* workers, to whom any genuine union movement must be responsible in the long run, in and of itself brands the Labor bureaucracy as a group of careerists and time-servers above all else.

This onset of rapidly-rising unemployment was the biggest single test to face the Australian union movement for more than two decades. The abject failure of the unions to adequately defend their members showed up the flabbiness which had developed particularly in the period of post-war boom. Routinist habits and reliance on the arbitration system might have got by in a period of economic expansion, might have managed to squeeze fairly regular concessions from an employing class anxious to boost its production in general. But in a period of disastrous downturn, these methods were useless because the bosses were unwilling to give anything away.

Instead, the employers closed down factories, laid off workers and launched an all-out assault on living and working conditions. This assault led to the decision to throw Whitlam out and install Fraser in his place. And in 1976, unemployment, as we explained earlier, has been a conscious policy of a rampaging big-business regime, intent on inflicting a major defeat on Australian working people.

In summary, the defeatist policy of the great majority of the union leadership on saving jobs has changed very little under Fraser. There has been a good deal more whinging by union officials and an escalation of the anti-Liberal rhetoric—now that an open bosses' regime is in power. But very little in the way of realistic action, or even the general adoption of a verbal policy for action on jobs.

Perhaps the most blatant case was that of the shipbuilding industry. In response to Fraser's threat to close down the industry completely, the ACTU executive led by Hawke, together with the two Labor State governments affected, the Wran and Dunstan governments, accepted the idea of "redundancies" rather than take a stand in defence of all jobs involved.

Again, in the case of the building industry—one of the worst-hit sections—the ACTU and the unions involved have taken almost no effective action to prevent massive lay-offs continuing. This failure of the Labor and union leadership has severely undermined the tradition of demanding full employment which had previously been an article of faith for the Australian labor movement. This development must be regarded as a significant setback for the labor movement in this country.

Acceptance of "wage restraint"

Just as the overwhelming bulk of the union officialdom embraced Labor's indexation scheme when it was introduced in 1975, they have failed to lead a fight against Fraser's even more blatant wage-cutting policies in 1976.

On each occasion, in May and August, when the Arbitration Commission brought down "plateau" indexation decisions which were obviously unfair to a great proportion of wage and salary earners, Hawke and the ACTU executive have complained but refused to take action. Instead, they have done all in their power to prevent individual unions or groups within unions taking action outside the restrictive "guidelines" of the indexation system to win individual wage gains on their own behalf.

The important oil maintenance workers dispute in late 1976 was only the latest of many examples during the year. In very few cases (as we have seen earlier) have workers been able to force wage-gains outside indexation. The fact that the union

leaderships have permitted such a grotesque wage-fixing system as the current Arbitration-Commission-controlled indexation scheme to almost completely strangle any large-scale independent struggle for wage rises to fairly compensate for inflation is a complete scandal and a travesty of the principles of trade unionism.

Following the major wage rises won mostly by direct industrial action and collective bargaining *outside* the arbitration system in the 1973-74 period, 1975 saw a general turn back into arbitration. But even before this, the negative trend had been set by the union grouping which had previously been a wage pace-setter throughout industry—the giant metal trades unions. For a decade or more before this, the metal trades had shown the way to many other sections of the union movement and wage settlements which they won had traditionally flowed on to other areas.

In 1974 metal unions' award actually fell behind other sections of industry when they were led into arbitration. A year later their wage campaign for a \$20 rise outside indexation was stalled completely, largely due to a backtracking leadership. This failure signalled a general turn back into arbitration—institutionalised by the almost unanimous acceptance of Labor's restrictive indexation scheme by the union movement as a whole. The acceptance by the traditionally militant Waterside Workers Federation, for instance, of an agreement incorporating the restrictive indexation guidelines in April 1976 was a further major reinforcement of the indexation stranglehold.

The straitjacket of a fraudulent indexation system has been maintained in general throughout 1976. It has only been with the growing discontent among increasing sections of workers with the fact that their wages have been continually undermined that the beginnings of a move to break out of the indexation impasse have been apparent.

Following the August "plateau" indexation decision, the ACTU executive warned that if "full" indexation was not restored in November, the unions would consider ditching the system altogether. After originally demanding a full 2.2 per cent increase to cover the cost-of-living rise in the September quarter *plus* a further rise to compensate for previous "plateau" decisions, the ACTU settled for demanding merely the 2.2 per cent increase.

It was left to the major white-collar union federation—the Australian Council of Salaried and Professional Associations—

to take the lead in the fight to break out of the indexation bind. The ACSPA, representing 400,000 white-collar workers, has been under particular pressure from its members because they, more than any other section of the workforce, have suffered losses under the "plateau" system.

At its conference in October, ACSPA decided to call for a three-pronged wage-setting system: 1. Automatic quarterly wage increases based on movements in the Consumer Price Index; 2. A yearly national wage case to examine overall productivity increases; and 3. The right of unionists to pursue claims based on any other grounds they think fit, either by arbitration or through direct collective bargaining.

The last part of the decision is the most important. It represents a clear rejection of wage "restraint," the Arbitration Commission's indexation guidelines and the Fraser government's own wage-fixation plans. As such it provides a basis for a fightback by the unions against the wage freeze.

What remains to be seen is if these policies will be backed up with the necessary *action*. In order to defeat Fraser's wage cuts, such a program would have to be taken up not only by ACSPA but by the ACTU and the public service unions in a concerted, nationally-coordinated campaign.

Failure of the union left

While figures such as Bob Hawke, Waterside Workers Federation secretary Charlie Fitzgibbon, NSW Labour Council secretary John Ducker, and Federated Ironworkers secretary Laurie Short have been among the most prominent capitulators in relation to Fraser's job and unemployment policies, the left wing of the union movement has played a minimal oppositional role throughout this period. On very few important questions has any fighting alternative grouping emerged, prepared to stand up to Hawke and the right wing.

In 1974 and 1975, Communist Party of Australia officials in the Amalgamated Metal Workers Union played an important role in derailing the metal unions' wage campaign—in particular, AMWU Victorian secretary John Halfpenny. Again, in 1976, Halfpenny has been instrumental in pushing for a "compromise" plan on the proposed Newport power station which would completely fail to satisfy the claims of the opponents of this potential environmental disaster.

The 1976 metal trades campaign for a log of claims including

wages has not even got off the deck. No consistent demands for a break out of the indexation trap have come from any significant group of left-wing union officials.

At the important July 5-6 special ACTU national unions conference which endorsed the ACTU executive's call for a national strike on Medibank, no clear alternative to Hawke's red-baiting demagoguery came from the CPA or Socialist Party of Australia union officials present. The questions of wages, jobs and Fraser's cutbacks were also discussed at this conference, but no opposition at all was expressed to Hawke's arguments for "restraint" and for a "trade-off" with the government. Perhaps more than any other single event—allowing for the fact that the conference was blatantly unrepresentative—the lack of a fighting opposition from the left-wing on any kind of consistent basis showed the hegemony which the Laborites and particularly the Hawke forces maintain in the union movement as a whole.

It is also clear that the trade union policies of the Stalinist parties—the CPA, the SPA and the Maoist Communist Party of Australia (Marxist-Leninist)—are incurably reformist and offer no challenge at all to the Labor traitors' control of the ACTU. Most current activities of these three organisations in the unions seem to be concentrated on trying to hang on to whatever official positions that have been retained over the last few decades of decline in Communist Party influence in the union movement.

As far as the CPA(M-L) is concerned, its main strength is in the Building and Construction Workers Union (Builders Laborers Federation) where the national secretary, Norm Gallagher, has established a new record for undemocratic and intimidatory tactics within a union, especially in the NSW branch which he seized control of in 1975 using scab labor. A feud has been continuing between Gallagher and the SPA-controlled Building Workers Industrial Union over membership and other questions. Meanwhile, the building industry is in deep crisis and these disputes have only aided the bosses in carving up the building trades workforce as they wish.

The result of all this has been confusion among many militant workers who look to the communist parties for leadership and a deep crisis of leadership in the most combative sections of the union movement. While the Stalinist parties have offered no alternative, neither has the left-Social Democratic Victorian ALP Socialist Left put up any very noticeable fight in the last period.

Following a number of years of activity as the "26 rebel unions" outside the Victorian Trades Hall Council, the SL (now back in the THC) has been considerably tamed as an oppositional force. This process took form while Whitlam was in office, but things have not changed markedly even under a Liberal regime.

The one exception—an important one—has been the emergence of a group of union officials who were prepared to take a principled stand on the ban on Newport power station—and to fight for it, despite all kinds of threats from the Hamer Liberal government and the bosses and all kinds of wheeling and dealing, not only from the leadership of the THC but from the Victorian branch of the CPA. Whether this stand on Newport heralds the re-emergence of the semblance of a left wing among Victorian unions remains to be seen.

Undoubtedly, the even greater confrontations looming with Federal and State Liberal governments in 1977 will provide severe tests for *all* unions—probably greater tests than they have faced for several decades. This will put strong pressures on both "left" and "right" union officials to put on a militant face. The job before union activists and the labor rank and file will be to ensure that any rhetorical left turn is matched by action in defence of labor's interests.

Labor Party leaders go along with Fraser

For much of 1976, one could be forgiven for forgetting the existence of the Federal Labor Opposition. After the heavy attacks launched against Whitlam early in the year, even attempts by the capitalist media to have him removed as leader, Whitlam kept a very low profile for most of the year—as did most of his parliamentary colleagues.

It wasn't really until October that Whitlam issued a major statement of Labor policy intended to be considered as an alternative to the Fraser onslaught. This statement was welcomed by the big-business media—the first friendly thing they had said about the Labor leader for over a year!

The first reason for this was that leading circles in the ruling class have reached the stage of wondering whether Fraser's confrontationist strategy is really going to work. (No doubt they are well aware of the experience of Edward Heath in Britain!)

The second was that Whitlam's proposals were more conservative than even his record in government. They

included: Acceptance of a flat Medibank levy; a "modest increase in public expenditure" to provide a few jobs; defence of the record of the Industries Assistance Commission (which has been responsible for motivating many of the measures to increase unemployment in recent times); refusal to support full indexation for all workers; and *a new referendum on prices and incomes* (which would allow Fraser to introduce a statutory wage freeze). An eminently respectable, pro-business program!

The process of rehabilitating the Labor leadership in the media has just begun—as a safety valve if Fraser comes to grief in the next year or two. The ruling class (or at least its more far-sighted sections) realise that the Labor leaders represent no threat to their power. And they also recognise that the ALP in government can do a certain job for them under particular conditions. (A number of Fraser's policies are built on changes brought in firstly by the Whitlam government.)

We have seen with the role of the three Labor State governments—in NSW, South Australia and Tasmania—in the latter part of 1976, that they have offered no effective challenge at all to Fraser's policies. In fact, NSW Premier Neville Wran offered full co-operation with Fraser's brutal cutback Budget!

Nevertheless, the victory of Labor in the May 1976 NSW elections—only four and a half months after Fraser's massive Federal landslide—shows the relative volatility of the political situation at present. While premiers Wran, Dunstan and Neilson offer no political challenge to Fraser's overall course, the NSW result did give Labor's supporters some heart. It rekindled some confidence after the defeat of 1975 and the demands of Labor's working-class base do put some limits on the alternatives available to ALP governments in their collaboration with a hated Liberal regime.

B. The labor ranks: beginnings of a fightback

The response of the ranks of the labor movement to Fraser's attacks has been quite uneven up to now. Nevertheless, it is possible to see, with all its ebbs and flows, the beginnings of a fightback emanating from the ranks of the labor movement; on

occasion, forcing the Labor leadership to take account of this mass sentiment.

In the following section, we will trace the other side of the story to the one in the previous section: In opposition to the backtracking of the Labor bureaucracy, we can see the impact of a growing radicalisation among working people and their allies in the face of a ruling class assault on living standards and democratic rights. As yet there has been no mass break-out from the leadership of Whitlam and Hawke, and, in general, the radicalisation has been successfully channelled away from any mass explosions or consistent oppositional organisational forms. But the Labor leadership are sitting on a powder keg: They fear that one day someone will light the fuse.

The Labor Party and aftermath of November 11

The massive outbreak of popular anger at Labor's sacking last November 11 has continued throughout 1976. The tens of thousands of Labor supporters who rallied against this attack on *their* democratic rights have, despite Whitlam's backdown on the questions, "maintained their rage."

Neither Governor-General Sir John Kerr nor Malcolm Fraser can now attend any public function without attracting popular protests. This movement has not declined with the passage of time. Rather it has actually *increased* in strength.

This fact was underlined by the huge demonstrations—estimated at 15,000 or more in Sydney—which came out on the first anniversary of November 11 right around the country. It is noticeable that the protesters were a real cross-section of Labor's supporters and those who have suffered under Fraser's economic policies—unionists, students, women, migrants, pensioners.

Another major factor, which will become increasingly important, is the huge levy of new members who flooded into the ALP in the period since late last year. Estimates range up to 20-30,000 nationally. Many of these new ALP members are young, uncommitted to any hard-line reformist program and looking for political solutions to the problems of the oppressed. They have been made deeply suspicious of the machinations behind the facade of parliamentary "democracy" by the events of last year, are completely hostile to Fraser and his big-business backers, infuriated by the anti-Labor crusade of the capitalist media and ready for action.

These have been the main source of the continuing demonstrations against Kerr, many of which have a mainly spontaneous character. They are chaffing at the bit as Fraser continues his attacks and are anxious for a *serious fightback* by the labor movement. These newly grown ALP branches are going to be increasingly difficult for the reformist leadership to handle, and they are also going to be extremely open to radical and socialist alternatives.

This radicalisation in the Labor ranks is a relatively new phenomenon in this country but one which undoubtedly parallels the experience in the British Labour Party in recent years. The only recent comparable experience in Australia would be the upsurge in the Victorian ALP in the early 1970s, fuelled by the anti-Vietnam war movement, and precipitated by the right-wing inspired Federal intervention to "reorganise" the Victorian branch.

Character of the current labor radicalisation

In the resolution of the fourth national conference of the Socialist Workers Party we noted that: "All of the social issues raised by the radicalisation of the sixties and early seventies—war, sexism, racism, oppression of gays, ecology and so on—will become even more relevant as the radicalisation of the working class begins to be expressed through the unions. These various movements for social change are not going to be submerged or made irrelevant by the mass union struggles of the next period. On the contrary, they will gain inspiration and direction from the mass actions of the organised working class and will at the same time continually force the unions to confront the whole range of social and political issues going beyond particular economic struggles.

This prediction has certainly been borne out by the events of 1976. There is another aspect to this question also. In a situation in which the class attacks of the capitalists are more centralised and overtly *political*—reflecting the key role of the Fraser government—than ever before in Australian history, every issue within the union movement becomes political willy-nilly.

Even traditional "industrial" issues have been thrown more and more into the political arena. For instance, with the centralisation of wage-fixing through the indexation system, *every* single wage struggle, whether advanced by a large union

or by a small or isolated group of workers, becomes a source of political debate. Look at the hue and cry issued by the big-business media whenever a section of workers—even one small in numbers like the air-traffic controllers—have attempted to win wage gains *outside* the indexation guidelines. What the bosses fear is the threat of even *one* significant wage breakthrough to their whole edifice of wage-cutting schemes.

Wages are political all right. So too are jobs. The struggle of Newcastle and Whyalla shipbuilding workers against the threat of massive redundancies immediately became a national political issue. Other sections of the workforce understood that the fight by shipbuilding workers for their jobs was a test case for whole sections of industry.

Generally through history, the ruling classes have customarily been highly conscious of their class interests—they have to be or they can't survive. In Australia today, the decision by the ruling class to back Fraser was a very conscious one. But because they were forced by circumstances to erode some of their own myths and conventions and because they have been forced by critical economic conditions to launch an all-out, politically coordinated attack on the living and working conditions of Australian working people, they have had to risk a corresponding increase in the *proletarian* consciousness of the working class.

Karl Marx distinguished between a class *in itself* (those who are objectively members of that class, irrespective of its consciousness), and a class *for itself* (a class fully conscious of its own historic interests and role). This process of *politicisation* which is occurring, unevenly but inexorably, among Australian workers and their close allies is the process of the creation of a class-conscious *proletariat* in this country—a working class *for itself*.

What is happening under Fraser is that more and more workers are realising that capitalist society is in deep crisis—not just a conjunctural crisis but a deep-going, permanent decline—not just in Australia but internationally. They are coming to terms with the fact, largely through their own experiences, that this society can't do anything well anymore. It can't produce the goods, it can't provide jobs, it can't maintain adequate living standards, it can't care for the sick or maintain a decent housing or public transport system—it can't do any of the things we were taught that capitalism was the very best at right through the period of the post-war boom.

Moreover, and this is where the influence of the youth radicalisation of the 1960s and early 1970s comes in, working people are realising that the oppression of women is *inherent* in this capitalist society, that discrimination against Blacks is a permanent feature of the Australian social system, that the danger of war and even annihilating nuclear war is *ever-present* while the Fords, Carters or Frasers rule the world, and that big-business would *sooner* poison us all to death or denude the earth than lose out on profits.

Increasingly, working people are beginning to see that it is their *own* strength, their *own* struggles and broad-based action through their *own* organisations that alone can get results in defending their interests in the face of a hostile class society. Correspondingly, they are more willing to take up the issues raised by their specially oppressed allies—women, Blacks, migrants and so on—seeing them as relevant to their own problems.

This is the beginning of the process of realising the historic role of the working class—to remake society from top to bottom, to make a socialist evolution. There is still a long way to go. There are still proportionately very few conscious revolutionary socialists, not even many mistaken or half-hearted ones, in Australia at present. But there are an increasing number of people in the labor movement and allied with it who are seriously looking at these issues, questioning the solutions put forward by the Labor fakers and ready to listen to a genuine socialist alternative.

In the next part of the resolution, a number of case-studies are examined which show how the labor radicalisation has developed in 1976, and indicate the direction of political struggles for 1977 and succeeding years. They also, to one degree or another, contain signs of the beginnings of a class-consciousness, a *political* awareness and the beginnings of a fight against the Labor bureaucracy which has hindered the advance of the Australian working people up to now.

The fight for Medibank

The fight for Medibank was undoubtedly the major single political and industrial conflict of 1976. On the Liberal government side, it was both an economic question and a political one. Fraser wanted to cut public expenditure on health certainly, but it is arguable whether the new Liberal health

system will cost less from the public purse anyway!

Probably the major aim was political. A.W.D. Scott's survey of business executives in August 1973 showed that they feared Labor's new medical scheme as an example of nationalisation which could encourage further moves to take over private enterprise in other fields. This was a direct motive for Fraser's butchery of Medibank. The bosses' parties wanted to dismantle *any* Labor reform which moved even a step towards strengthening trends towards socialisation of industry.

In fact, with their cuts in the public service and attacks on nationalised industry in other areas, directly transferring public enterprise into private hands has been one of Fraser's preoccupations. Medibank was a real gain for the poor and the working people—it represented a substantial extension to social welfare (despite its still considerable faults in not going far enough). Under the heavy pressure of the Australian Medical Association and the private health funds, the government went ahead with its attack on Medibank, despite the overwhelming popularity of Medibank with the great majority.

Insecurity about sickness is a major fear for ordinary people in the capitalist jungle. Medibank provided a certain foundation of security for all, no matter what their financial situation. To hack away at Medibank was a tremendous blow against the working people and the poor.

The widespread rage at what the Liberals planned to do (especially since it was breaking a *specific* election promise that Medibank would be retained) was expressed in the biggest series of strikes and mass meetings on any single social issue for decades. Following a series of union delegates' meetings in Victoria, a State-wide 4-hour stoppage was called for June 16, leading up to a 24-hour strike called by the Victorian Trades Hall Council for June 30.

These strikes were called *against* the urgings of the leadership of the THC, particularly council secretary Ken Stone. They were a direct result of the strong mass feeling among ordinary rank-and-file unionists, responding to the general community support for Medibank. That these State-wide stoppages were called at all represented a victory for the union ranks over their conservative leaders.

In NSW, the South Coast showed the way with a strike of 50,000 workers from all parts of industry on June 7. A march of 5-6,000 in the streets of Wollongong ended in a rally calling for a national, 24-hour strike to save Medibank. Workers in Sydney

and Brisbane also held strikes and stopwork meetings on the Medibank issue. All over the country, unionists were supporting the call for a national strike. Yet the ACTU leadership refused to act—in fact Bob Hawke attacked strike action as counter-productive.

He continued to negotiate with Fraser. But the government was prepared to ride the storm on this issue. No concessions were made. Hawke and his executive were put in the position where they had to take action or face a rank-and-file revolt. The result was the special national unions conference called by the ACTU in Sydney on July 5-6. It was at this conference of 200 union officials that the resolution for a 24-hour, nation-wide strike of all unions was endorsed overwhelmingly.

This was a historic decision—the first ever national strike called by the ACTU in its 49-year history. The strike, which took place on July 12, was the biggest single industrial action ever in Australian history, involving up to 2 million workers. It brought almost the whole of the country's heavy industry and transport to a halt and dealt a severe blow to the bosses and their government.

As such it was a reflection of a mass outpouring of opposition to the ruthless destruction of Medibank and the first major sign of a fight against the whole Fraser cutback strategy. Unfortunately, thanks to Hawke and his colleagues, it was never effectively followed up with further action. For the Labor bureaucracy it was intended to release the mass pressure without threatening a developing upsurge which might get out of control.

Nevertheless, although the campaign was not followed up successfully and Fraser was able to carry out his demolition of Medibank on October 1, the July 12 action set a precedent for national strike action which will stand the labor movement in good stead in the future. The mass feeling on Medibank has not subsided. The issue of a free, universal national health-care system will be a powerful force in time to come—Fraser and the bosses may come to regret the way they arrogantly dismissed the desires of the overwhelming majority of the people in this way.

The Medibank strike raised high the controversy about "political strikes." And July 12 certainly was one. But for the Liberals to choose this issue on which to challenge the right of the labor movement to take industrial action may have been a mistake—for it can only have the long-term effect of

“legitimising” the very idea of strikes on “political” issues and demonstrating that for the working people there are no demarcation lines between industrial and political action when class interests are to be defended.

The shipbuilding crisis

The biggest single struggle around unemployment in 1976 occurred following Federal government threats to close down the shipbuilding industry and dismiss an estimated 7000 workers employed in the shipyards. This action could disrupt the lives 60-70,000 people in Newcastle and Whyalla.

Immediately the government's threat to phase out the industry was announced, workers at the Newcastle State Dockyard and the BHP shipyard at Whyalla, supported by workers at smaller dockyards in Sydney and Melbourne, began a series of mass meetings, stoppages and 24-hour strikes. This culminated in a meeting of 2000 workers at the Newcastle yard on August 30 which unanimously threw out a blackmail proposal involving a wage-cut and no-strike agreement from the Fraser government.

The government's “offer” called for an end to strikes for 12 months as well as an agreement to forego all quarterly indexation increases for that period! The implications of such a deal for the entire workforce were alarming. But the workers, standing by trade union principles, rejected the offer as “unacceptable,” and a “harsh and excessive demand to exploit the threat of unemployment.”

Fraser then came forward with a further blackmail offer—calling for heavy financial penalties to be loaded onto the unions and the ACTU for any delays in the shipbuilding program. This “offer” was also unanimously rejected by Newcastle shipbuilding workers as an attack on their basic industrial rights.

Since that time, negotiations between ACTU officials, union representatives and the Federal government have continued without a decisive outcome. Shipbuilding workers have had to face treachery from the NSW and SA Labor State governments, who have opposed all strike action and accepted considerable numbers of lay-offs as inevitable. They have also had their own union leaders talk about increasing productivity etc at the yards, rather than lead a struggle around the clear demands: No lay-offs! Provide alternative work programs to ensure that jobs

are lost. Nationalise the whole industry under workers control if the management will not provide secure employment. Immediate reduction in the workweek without loss of pay to share the available work among all employees.

The case of shipbuilding has lessons for many other sections of industry. The key question is not the survival of any one sector of capitalist industry but the right of all to work. Calls for protection of Australian shipbuilding against Japanese or other foreign competition are futile in terms of saving jobs and, in the final instance, reactionary—since they set the interests of Australian workers against those of workers overseas. This support for “protectionism” from the union movement is a particularly negative aspect of the official union movement's non-defence of the jobs of their members.

The nuclear issue: uranium mining and US nuclear warships

A major controversy, in the latter half of 1976 especially, has been over the issue of uranium, nuclear power and nuclear weapons. ACTU and ALP president Bob Hawke described the uranium issue as potentially the most divisive to face the community for some time.

Confrontation over the issue first broke out on May 24 with a national 24-hour strike by the Australian Railways Union being held to demand the reinstatement of a shunting supervisor in Townsville who suspended after refusing to handle wagons bound for Mary Kathleen uranium mine. The strike was a pathbreaking one—a clearly “political” action in support of the ARU's policy of banning the handling of goods which contribute to the mining or processing of uranium.

The next open conflict on the nuclear issue took place in Melbourne when 10,000 maritime workers walked off the job on September 7 in protest at the visit of the US nuclear-powered (and most likely nuclear-armed) cruiser *Truxtun* to the port of Melbourne. A meeting of 5000 workers later voted unanimously to stay out for 24-hours and to put a total ban on the pier where the vessel was berthed for the six-day duration of its stay. This action also provoked anguished cries from the Fraser government and the big business media about irresponsible, “political” strikes.

The next upheaval broke around the release of the report of the Fox inquiry into uranium mining at the end of October 1976.

The Fox inquiry, originally appointed by the Whitlam Labor government, recommended that despite the hazards associated with the nuclear industry, mining and export of Australian uranium should in principle be allowed to go ahead. The report then went on to detail a series of dangers associated with the nuclear industry and to suggest "safe-guards" to surround any mining operations.

The Fraser government took the report as a green light and proceeded to authorise continued mining and sale of uranium, despite the Fox report's call for a period of public debate on the question. The ALP Federal executive then endorsed a decision to fulfill existing contracts but made no decision on future mining projects. This has created a split within the Labor Party and the unions on the matter, and a deepening conflict is likely to take place in the coming year.

For socialists in Australia the issue of uranium is an important one at this time. The real dynamic underlying the Liberal-NCP drive to rapidly develop the country's uranium resources is an extremely dangerous one. Two issues can be considered here. First, nuclear power is the logical next step of the government's plan and the hazards associated with fission-based power production (the possibility of accidents and the intractable problem of highly radioactive nuclear waste, for instance) make nuclear power production at this time a serious threat to community welfare. Moreover, the enormous potential of other power sources in this country, especially from solar energy, make nuclear power production completely unnecessary.

And secondly, there is a further threat underlying Liberal schemes in addition to the purely economic arguments used. This is the dynamic towards a deeper and deeper involvement with the international nuclear terror network of the imperialist powers, most importantly, the United States. Not only will Australian uranium be used to fuel the US nuclear war-machine but increasing pressure will be mounted from the reactionary war-mongers in this country to build an Australian nuclear arsenal. The prospect of Malcolm Fraser and his allies getting their hands on such weaponry is truly terrifying. In immediate terms opposition to the visits of US nuclear warships and to Australian uranium mining are both related to the demand for an end to the imperialist ANZUS treaty.

Taking regard of both the safety question and the necessity to

prevent Australian reaction obtaining the means to wage war in the most devastating way imaginable, the demand to leave uranium in the ground is the best tactic at this stage. As debate continues both inside the ALP and in the unions, and as right-wing forces backed by the profit-hungry mining companies mobilise to break resistance in the labor movement to the uranium bandwagon, the political significance of a resolute campaign against uranium mining is sure to escalate.

V. Struggles of the allies of the working class

The Fraser government has pursued a conscious policy of aiming its blows first of all at those who have the least power, the least means to fight back at hand. This means the sections of society who are specially oppressed, who are outside the formal organisations of the labor movement have been particularly hard hit by the ruling-class offensive in 1976.

Fraser and his government, as the political arm of the ruling class, are very aware of the radicalisation which has exploded in the last decade, especially among youth. They should know—for it was to a large extent the movement against the Vietnam war which established the preconditions for Labor's victory in 1972. They know that this movement must be retarded, isolated, pushed back if they are to succeed in their plans to deal the working class as a whole a major defeat, because they know that the power of the ideas projected and fought for by the youth radicalisation can inspire broad support from the majority of working people.

In 1976, women, Blacks, migrants, students and unemployed youth have all been the subject of heavy attack from the Fraser government. The beginnings of a fightback by the oppressed, just as with the labor movement itself, has been uneven and contradictory. But the realisation that this reactionary government means to drive back many of the gains made under Labor, partial and limited though they were, has precipitated a new ferment about aims, methods and organisational forms by all the movements of the oppressed. This rethinking is beginning to create the conditions for a significant, and powerful fightback in the coming period.

Women

The rights and economic gains of women, including a number of advances made during the period of the Labor government, have been set back under this anti-woman Fraser regime. This is yet another indication of the totally reactionary character of this government and the fact that no social and democratic gains made by women are safe when capitalism hits the skids economically.

As unemployment has risen, women have been laid off in a completely discriminatory way. Once again, the old theory of women as a "reserve labor force" has been used again. After being encouraged to enter the workforce in the 1950s and 1960s, women are now being told to go back into the homes "where they belong." Although women make up only 34.8 per cent of the workforce, they represent 45.3 per cent of the unemployed. And this is on official figures alone, which grossly underestimate the number of women genuinely out of work—since married women are not eligible for unemployment benefits!

The slashing of the Labor-initiated National Education and Training scheme has hit many women, especially married women, who were being assisted with education and job-training under the NEAT program. The strict means-testing of the scheme under Fraser has forced many women to drop out.

Hundreds of thousands of pre-school aged children are today without adequate day-care. This situation creates particular difficulties for working mothers. Under the Liberals, day-care facilities are getting worse. Labor increased the Budget allocation to child-care from \$0.5 million in 1972-73 to \$45 million in the 1974-75 Budget. However, the funding for child-care in this year's Lynch-Fraser Budget was frozen—a cut in real terms. The Liberals have picked out working women to be among the main targets for their economic austerity program—they made this attitude quite clear early on by axing Labor's Children's Commission which was to be responsible for an expanded child-care and pre-school funding program.

Fraser has cut back on funding for the women's health centres and refuges which have grown up in the last few years. Part of the reason for these cuts or threats of cuts is political—to pressure women to let up on demands for further gains in return for a limit on the range of cuts to be made. The Liverpool Women's Health Centre, for instance, has been singled out for special treatment on account of its abortion policy.

On the question of abortion, Fraser's victory undoubtedly gave confidence to the then-Liberal NSW government under Willis to pursue its prosecution of two women from the Liverpool centre for "illegal abortions." This attack was stopped by a broad mobilisation of women in Sydney and elsewhere in the early months of the year—one win for women in 1976.

The question of women's rights within the trade union movement was prominent—mainly through the case of Janet Oakden, a Sydney woman who was refused permission to become a train driver, and who was not allowed to join the train-drivers' union. Her fight won widespread support from women around the country as a test case in the battle against sexist discrimination within the unions.

Finally, the first ever national trade union women's conference was held in Sydney in August, attracting 550 women from unions all around the country. The adoption of the concept of a women's charter of rights was one decision which provided an avenue for pushing forward the fight for women's rights within the trade union movement as a whole. Until now the unions have taken almost *no* action to defend women against discriminatory lay-offs and other attacks within the workforce.

Undoubtedly, the fight for a recognition of women's rights in the unions will be an increasingly important question in coming years. It is an essential part of the process of creating a united, class-struggle oriented labor movement. For the women's movement as a whole, 1976 has been a year of difficulties. It has taken some time to adjust to the new period of the repressive Fraser regime. There is now the beginning of a debate on how to organise to turn back these attacks. 1977 promises to be a year of even greater challenges from the conservatives—and undoubtedly, of a more developed and coherent response from women themselves, as they begin to find organisational forms for that response.

Black rights under siege

Possibly nothing else typifies the thinking of the Liberal government more than the \$33 million slashed from spending on Aboriginal affairs in the August Budget. To the Liberals, Australian Blacks are a minority group which they can hope to push aside, relying on a racist campaign about "lazy Blacks" from the government's backers in the big-business media to ward off criticism from other sections of the community.

Under Labor, Blacks did make some partial gains—particularly in the establishment of new projects, housing, medical and legal services. These gains did not go nearly far enough, and the Labor government also threatened cutbacks against Blacks who stood up too strongly for their rights. Fraser is determined to undercut the basis for any independent Black mobilisation through their own organisations. This is one reason for forcing the Black services to restrict their activities and for forcing strict financial control on them.

In addition, Blacks have an astronomical unemployment rate. In some parts of the country they have been virtually pushed out of the workforce entirely. This means that they do not even have the protection of union membership as a first line of economic defence. The unions themselves have failed completely to take up defence of Blacks, either in the depressed country areas or in the cities.

Racist L-NCP State governments, especially the Bjelke-Petersen regime in Queensland, have taken heart from the Liberals' taking office in Canberra to step up their attacks on the Black population. Repressive application of the apartheid-like Queensland Acts has been increased. Victimisation of known Black militants has escalated. Police assaults on Blacks, legal harassment and so on have become even more blatant than before.

As a result Queensland Blacks, in Brisbane and elsewhere, have taken action to defend their rights. The Black Embassy was established in Brisbane to publicise the racist victimisation they face, day by day. Other campaigns have been launched to expose the special forms of oppression Blacks face under the Acts. The movement to abolish the Acts is beginning to gather widespread support in the outside community.

Perhaps the most publicised conflict of 1976 has been the struggle by Northern Territory Blacks to win rights over land in the territory. This struggle has focused on the Liberals' mutilation of a bill to legislate on land rights originally introduced by Labor in 1975. Meetings and demonstrations, including one of 1000 Blacks in Alice Springs, have forcibly voiced the NT Aborigines' opposition to the lobby by mining and other interests, led by the Country Party-dominated NT Legislative Assembly, to take all real control over land out of the hands of NT Blacks. This campaign seems likely to continue into 1977—NT Blacks, who have been fighting for land rights for a decade or more, have shown no more intention of

accepting defeat on this vital question.

While Aborigines represent only two per cent of the population, and are almost excluded from the workforce, their fight for genuine self-determination as the original and rightful inhabitants of this country has a powerful political influence in the community generally. The demand for Black self-determination will play an important role in the development of the political consciousness of the workers' movement in the future.

Migrants

Migrants have come to occupy a majority in the industrial working class in Australia over the last three decades. Despite their key role in production, they still suffer gross discrimination in the workforce and in other areas of social life. Under the new Liberal regime, many aspects of the treatment of migrants are returning to the kind of inhumane approach characteristic of past Liberal governments. Firstly, political discrimination against migrants has been stepped up once again after being somewhat relaxed under Labor. The case of Ignazio Salemi is the most infamous example of an attack on the civil rights of left-wing migrants. Salemi, an Italian, has been threatened with deportation as an "illegal" migrant despite the fact that he fulfills the qualifications for amnesty laid down by the government. His "crime" is that he is a member of the Communist Party of Italy, and worked actively in the migrant welfare movement in Australia for some time.

This case, along with other indications, show that Fraser is returning to the political criterion for migration which was part of the Menzies era. ASIO's involvement in security clearances for migrants is being stepped up. In November 1976, the government announced a stepped-up campaign of harassment of so-called "illegal migrants," and admitted political vetting of intending migrants.

In general, migration is once again tied to the immediate economic needs of BHP and the other large corporations for labor-power. This raises the question of labor's responsibility for defending migrant rights. Migrants have played an increasing role in the union movement in recent years despite continued failure by the union bureaucracy to provide adequate representation in terms of foreign-language speaking organisers etc.

56 Demands for recognition of job qualifications, language
 T rights including provision of English-teaching in work hours,
 G anti-discrimination legislation in relation to housing and so on,
 W are gathering support. As the generally worst-off section,
 U migrants have suffered badly from Fraser's cuts, the demolition
 U of Medibank and so on. Migrant women have suffered most of
 U all from Fraser's cutbacks—in lack of child-care, higher
 U unemployment and other problems.

Overall, migrants have begun to play a more active role in
 I domestic political life. Overwhelmingly, migrants
 C supported the Labor government. A number of the largest
 C meetings to protest the big-business campaign against
 U Labor were organised by the migrant communities. Ethnic
 U radio has been another important breakthrough for migrants.
 U Fraser is attempting to cut back on the ethnic radio network,
 U both tying it to the ABC and by limiting its funding. This has
 U linked up with racist and red-baiting attacks on ethnic
 U broadcasting by reactionary groups.

Mobilisation of migrants against these attacks is beginning to
 U develop on a bigger scale than ever before in this country. As the
 U migrant-rights movement gathers momentum, and as migrants
 U begin to play a larger role in the labor movement, recognition of
 U the special needs of the migrant population will become a major
 U political issue. For the ruling class and for Fraser, a quiescent
 U migrant community is necessary in order to impose dis-
 U criminatory anti-migrant policies. For the labor movement,
 U defence of migrant rights must become a central concern as a
 U means of unifying the ranks of the working people against the
 U ruling-class offensive.

Youth and students

According to a government survey released in August 1976,
 U nearly 40 per cent of the total unemployed are under 20 years of
 U age although under 20-year-olds comprise only 12 per cent of
 U the workforce. The survey also noted that at that time 35 young
 U people were registered as unemployed for every job vacancy.
 U In NSW country areas, there were 600 registered unemployed
 U for every job vacancy.

This gives an idea of how youth are suffering under this
 U Fraser government. Young people coming out of school in 1977
 U can expect a very bleak future: First of all, they can't even
 U register for unemployment benefits till schools go back in 1977.

Secondly, they will have very little chance of getting any job. let
 U alone a job of their choice. Thirdly, they can expect to be
 U harassed and humiliated by a Commonwealth Employment
 U Service primed up to force as many people off the dole as they
 U can.

So far, the unemployed have been effectively isolated as a
 U political force by a government which is cynically using them as
 U scapegoats for their own economic policies. The only forms of
 U organisation which have emerged have been self-help groups
 U and a few unemployment organisations backed by individual
 U unions. The union movement as a whole has disgracefully
 U ignored the needs of the unemployed, and especially un-
 U employed youth. One useful initiative against the current has
 U been the establishment of an Unemployed Workers Union in
 U Launceston, backed by the local union movement.

As the economic cutbacks bite even deeper in the coming
 U year, we can expect demands for support for the unemployed to
 U grow among young people with nowhere else to turn. The
 U unions will find it is increasingly a matter of their own survival as
 U well.

Students have been drawn deeply into the current economic
 U crisis. Whatever the background of their parents, most students
 U are not well off. The question of living allowances is a vital one
 U in a time of roaring inflation. This economic pressure comes on
 U top of an already relatively high political consciousness.
 U Students were the main force in the earlier youth radicalisation
 U of the turn of the seventies. They have become overwhelmingly
 U Labor supporters in the last decade or so, and have often
 U reacted quickly to new political issues. Their relative mobility
 U allows them freer access to political action. This makes it
 U possible for them to become a leading force in the campaign
 U against the Fraser offensive.

Tertiary campuses in 1976 have been swept by a number of
 U upheavals—from questions such as course content (Political
 U Economy, women's studies and so on) to the most recent issue
 U of Fraser's education cutbacks—especially threats to the
 U Tertiary Education Assistance Scheme (TEAS) and other
 U student allowances. Following big demonstrations at
 U Queensland University and Monash University against the
 U government, the campaign to defend student allowances
 U focused on the call for a national student strike on September
 U 30.

The success of this strike—20,000 students rallied and

56 marched in cities across the country and countless thousands more boycotted classes on that day—was a landmark in the history of the Australian student movement. It was the first ever national student strike and gave an indication that students would refuse to take Fraser's education cuts lying down.

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As we noted earlier, education is one of the prime targets of Fraser's cutback drive. Apart from cuts in student grants, overall funding for schools and tertiary institutions is being savagely reduced. There are even plans afoot through the agency of Fraser's new inquiry into tertiary education to cut a swathe through the student population by closing down a number of colleges of advanced education and even some universities.

If these cutback plans go through in 1977, we can expect an explosive reaction on the campuses. All in all, students will play an important role in fighting the Fraser government—both for their ability to hit at the government by shutting down the campuses and other means and through the inspiration their struggles can give to the revival of a conscious politicised Labor movement.

VI. How to fight Fraser

A. Alternative paths

As we pointed out previously, the Fraser government was brought in as part of a highly-conscious political offensive by the ruling class. In order to fight against and defeat this offensive the labor movement will need to be just as politically conscious.

In the first year of Fraserism, after three years of Labor, it has taken some time for the labor movement and its allies to be able to come to terms with the extent of this attack on their living conditions and democratic rights. This understanding has been materially hindered by the treacherous role of the Labor leadership, which at every turn has counterposed false solutions to the political and economic crisis. It has also used every possible means of defusing the mass movement and forestalling proposals for mass action.

For Whitlam and Hawke, the Labor government "went too fast" when it was in office. From their viewpoint the working

people are too backward to handle their "advanced" social program. Increasing numbers of Labor supporters are starting to challenge this way of thinking. They are looking for alternatives. Among the programs being put forward by different currents within the labor movement are various false alternatives—alternatives which merely complement the attempt by the Labor leadership to force the opposition to Fraser back into the safe channels of parliamentary reformism. The following are two of the most widely publicised of these false roads.

The false road of Australian nationalism

In the last few years, and more so in 1976, a "movement for Australian independence" has appeared arguing that the cause of the problems of ordinary people in Australia is foreign, especially US domination. Australia is pictured as a colony of the US, politically, economically and culturally under the thumb of the US-controlled "multi-nationals."

More recently, the Communist Party of Australia (Marxist-Leninist) and its front groups—the Maoists—have added the even more grotesque argument that Australia is caught between the superpower rivalry of US imperialism and so-called "Soviet social-imperialism." In reality, Australia is an independent, small-to-medium imperialist power in its own right, not a colony or semi-colony of any other state.

It has its own imperialist sphere of influence in Papua New Guinea, Fiji, and to an increasing extent, in other countries of South-East Asia. As an *oppressor* nation, Australia helps to subordinate other nations and benefits from the maintenance of imperialist domination. Australian nationalism, unlike the nationalism of the Vietnamese or the Timorese people who are breaking out of the chains of imperialist domination, is reactionary through and through. It serves only to bind the working people of this country to their own capitalist class and pit them against the working people and the oppressed of other countries.

The impact of a movement for "Australian independence" is to take the heat off the main enemy of Australian workers—the Australian capitalist class. This movement, like Whitlam's "new nationalism," is a class-collaborationist trap for Australian working people. It must be opposed outright and a genuine internationalist perspective put forward in its place.

The logic of such an ideology is the kind of position put forward by ACTU president Hawke calling for limitations on migration as a solution to rising unemployment. Making migrants scapegoats for the social problems of Australian workers is a reactionary diversion from the real struggle—to lay the blame for unemployment and inflation where it belongs, with the Australian employing class and their governments, whether Liberal or Labor.

Citizens for democracy: a two-stage theory of socialism

The overthrow of the Whitlam government on November 11, 1975, precipitated a massive upsurge in defence of democratic rights. It also led to the creation of a new movement calling itself Citizens for Democracy, which called for a People's Convention to be established to frame a new, more democratic constitution to have as its guidelines (among others):

“ All public power emanates from the Australian people.

“ Australian democracy is founded on freedom of opinion and information and on a universal and equal voting system fairly reflecting the political wishes of all Australians.”

When we look closely at these concepts and the rhetoric which accompanies them, it can be seen that they reflect a dangerous tendency to deny the reality of the class society we live in. They, by what they say and what they omit, ignore the reality that real power in capitalist society lies with the banks, the insurance companies and giant corporations, working through their representatives in the state machinery. No *genuine* “people's power” can be established without the victory of a *genuine workers government*, which must nationalise all basic industry under the control of the working people, if genuine democracy is to be won.

While democratic reforms to the Australian constitution are desirable, any suggestion that reform of the constitution can build genuine democracy under capitalism is a reformist illusion. This movement bears all the signs of the traditional popular-front concept put forward by Stalinist parties around the world. It is no surprise to find then that the major supporters of this Citizens for Democracy movement are the Communist Party of Australia. This latest class-collaborationist scheme by the CPA merely serves to underline the fact that, despite its

pretensions, it has not broken in any way with the basic theoretical positions of Stalinist communist parties the world over.

Towards a way forward in the fight for democratic rights

The widespread popular upheaval which was precipitated by the events of November 11, 1975 and which has continued right through 1976 has a very progressive thrust. A genuine concern with questions of democratic rights, with the right of a majority-elected Labor government to stay in office against the reactionary machinations of a conservative-dominated Senate and a puppet governor-general, and with who *really* holds power in Australian society can only result in opening the way for a socialist analysis and perspective to make headway.

This upsurge among Labor supporters has the logic, in the long run, of challenging the basic right to rule of the giant monopolies and their political representatives. What false solutions like the “movement for Australian independence” and the illusory perspective put forward by the official platform of Citizens for Democracy mean is a sidetracking of this mass struggle away from class-struggle politics.

In the case of the Citizens for Democracy, the popular response shown to the November 11 anniversary demonstrations indicates both the potential for inspiring the ordinary people and the dangers for derailing that struggle which such a movement possesses. However, one proposal advanced by the Citizens for Democracy campaign has considerable merit. This is the call for a bill of rights. Such a concept has the ability to provide a focus for a broad popular struggle around specific democratic and social demands.

Such a bill of rights would be a weapon in the struggle to defend and extend democratic and social gains made by the working class and its allies. This concept of a bill of rights would include not only basic democratic freedoms such as freedom of speech, freedom of assembly, the right to strike, the right of women to have abortions as they wish, but would codify other social rights such as the right of everyone to have a job, the right to free health care, and so on.

A bill of rights along these lines would be a great historic gain for the working people and their allies. It would represent

correspondingly a great defeat for the ruling class. For this reason it would be illusory to think that it could be gained easily. A bill of rights could only be won by relentless mass struggle. Meetings and demonstrations and marches and industrial action would have to be organised up and down the country in a sustained campaign involving masses of ordinary people. There would have to be a struggle to bring the issue to the forefront of the Labor Party's propaganda. The inevitable assault of the capitalist media would have to be faced.

And the battle for democratic rights, for a bill of rights, for the abolition of the Senate and the governor-general and other demands flowing from the events of November 11 cannot be isolated from the fight to throw out the Fraser government. For it was precisely because the ruling class wanted to implement the political offensive launched by Fraser in 1976 that Whitlam was sacked in the first place. It is essential to tie the two struggles closely together and to mobilise the entire labor movement to achieve these combined objectives.

In this way the process of politicisation of labor which we have described in its early stages can be deepened and given better direction. The fight for democratic rights can be seen as inseparable from the defence of social gains against the class offensive of the Liberals and their big-business backers. A slogan like "Throw Fraser Out! Fight the Cuts with Socialist Policies!" can provide a necessary alternative perspective to the sidetracks of national chauvinism, popular frontism and Laborist reformism.

The perspective which asserts that Labor must fight back and defend the working people and their allies against these attacks is the only way forward in this present critical time. The next section of the resolution will consider how such a broad-based fightback can be organised.

B. Building a class-struggle left wing in the labor movement

Preparing the ground

"The world political situation as a whole is chiefly characterised by a crisis of the leadership of the proletariat." So stated the great revolutionary-socialist Leon Trotsky in the "Transitional Program" (See *The Transitional Program For Socialist Revolu-*

tion [New York: Pathfinder Press, second edition, 1974], p 72.), the founding document of the Fourth International in 1938. This statement is just as true today as it was then—in fact, the crisis of leadership has intensified as the further degeneration of the capitalist order increases the contradictions between the potentialities and the realities of society today.

In 1938, the working class of the world had suffered grave defeats—the Depression, Nazism, Stalinism, the collapse in Spain—and was facing the horrors of another imperialist world war. Today, after 25 years of relative economic boom, capitalism is again in the throes of economic crisis. The ruling classes of the world are forced to try to inflict major defeats on their working classes in order to retrieve economic and political stability again. More than ever before in history, Australia is thrust into the maelstrom, linked ever more closely to this international upheaval.

But like the working classes in many other parts of the capitalist world, Australian working people enter this crisis with their fighting organisations—primarily, the unions—relatively intact and strong, without having suffered a major demoralising blow. They are not used to the idea that living standards should go *down*, not *up*—yet this is precisely what the Australian ruling class is trying to say should happen "for the good of the nation."

The Australian capitalist class is desperately attempting to "re-educate" the workers on this question. This explains the absolutely ferocious barrage of propaganda against "selfish" wage claims, against "political" strikes and against "militant unionism." In reality, this is a life-and-death struggle for the big-business rulers of this country—the survival of their system depends on re-establishing the conditions for economic growth and stability.

They can only go so far with this using their own institutions and weapons, unless things become so desperate that they must resort to attempting to impose fascism and trying to wipe out all independent organisations of the working class—and this is an option which every capitalist class, including the Australian one, holds as a last resort. In the meantime, while capitalist democracy persists, they have to rely on allies within the camp of the workers—the Labor and trade union bureaucracy—to help them draw working people into defeats.

We have already seen that Australian union and ALP leaders have played a key role in holding back retaliation from the workers and their allies as unemployment soared to record

56 levels, as wages became entrapped in the wage-cutting grip of a bogus indexation system and as welfare was mercilessly slashed. Yet this treachery cannot continue forever without its effects. Gradually a disillusionment begins to spread in many parts of the labor movement as people see their leaders, the ones they trusted to defend their interests, telling them to go along with attacks on their living standards and democratic rights without a genuine fight.

While it would be premature to assume that large numbers of working people are breaking with Social Democracy, it is nevertheless true to say that there are much larger numbers than ever who refuse to give their leaders a blank cheque, who judge them, comment on their decisions and role and are quite prepared to voice strong criticisms at times. The aura surrounding certain key individuals of the past decade in the Australian labor movement is fading fast. Whitlam is widely distrusted among thinking Labor supporters—although they will overwhelmingly rally to his defence when the capitalist media-barons launch their attacks on him (for instance, the massive support which came from the Labor ranks when Murdoch etc tried to have him sacked over the so-called “Iraki loans affair”).

The public image of Bob Hawke has changed considerably in the seven years since he took over as ACTU president. Then, he was widely regarded as a left-winger and a radical. Today there would be very few in the labor movement who would consider him as such. He is much better known—and praised in the press for it—as a troubleshooter and wheeler-dealer when any industrial dispute gets too hot. What this means is that while there are no current challengers to the domination of such individuals in the labor movement, there *are* openings for the development of a genuine alternative force in the labor ranks.

There is more and more a gaping contradiction between the supposed role of the Hawkes and the Whitlams as defenders of the interests of labor, and their continual assertion of the need for “wage restraint” in a time of raging inflation, their continual intervention against groups of workers who are merely seeking to protect their own interests since the union leadership have reneged on the task.

In these circumstances the abject failure of the current left wing of the union movement—primarily the Stalinists and the left-Social Democrats—to mount a concerted challenge to the misleaders of Hawke and Co is blindingly apparent. On a

number of occasions in 1976, most obviously on the questions of Medibank and “plateau indexation,” there was a real opening for an alternative program of action to be proposed which could have won broad support if it had been fought for in a conscious way.

What this means, in essence, is that there is now the objective basis for the emergence and growth of a genuine *class-struggle left wing* in the labor movement. And this is true not just or even more so for the unions, but for the ALP itself. There are thousands of youthful radicals now in the ALP and Australian Young Labor who have shown their willingness to support radical and socialist policies on particular issues in the past. In fact, in the short term it may be within the Labor Party itself that the new radicalisation will express itself most strongly. After all, most ALP members think of their party as *the* party of the labor movement. They join with the specific intention of working for labor's interests in the political sphere.

They don't necessarily think of it as Whitlam's party at all. They are open to debate about exactly what *is* in the interests of the labor movement at present. The re-emergence of an organised left-wing tendency in the labor ranks—such as the Victorian Socialist Left in its early days, or even more so, the Socialisation Units of the NSW ALP in the Lang era of the early 1930s—is a real possibility, even a likelihood, in the next period as Fraser's attacks sharpen even further and the official leadership hedges on action. The real question is whether such a broad left formation will go off the rails and wither, as both these previous formations have done, or whether they can find the necessary leadership to develop into a genuine, mass-based class-struggle left wing, capable of issuing a forceful challenge to the Labor fakers.

This is where the role of the revolutionary party comes in. In the end, there will be no successful mass-based class-struggle left in the labor movement without the corresponding development of a broadly-based, independent, revolutionary-socialist party to provide the necessary guidance in how to conduct a fight against the Labor misleaders and to lay down a strategic plan for the advance to the socialist revolution.

The basis for a class-struggle formation

The essential principle upon which a genuine class-struggle left wing must be built is the absolute need for *the maintenance*

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of class independence for the organisations of the working people, and, within that framework, the unrelenting pursuit of the political interests of the working class. It is this very principle which has been so shamelessly dragged through the mud by current and past Labor fakers. It is the gap between this fundamental principle and the day-to-day actions of the present Labor leadership, and the growing feeling by thousands of Labor supporters that the policies of their leaders are wrong and self-defeating, which provide an opening for a re-assertion of this vital principle.

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There are a number of aspects of the nature of any class-struggle formation which may develop, based on this principle, which deserve further consideration.

Strengthening the fighting organisations of the workers

The most immediate organs of struggle for working people are the unions. Today, they are increasingly tied to the state machinery through the arbitration system—although the whole history of the involvement of the unions deeply in capitalist arbitration in this country is quite a disgraceful one indeed. The stranglehold which union leaderships have allowed the bogus indexation system, controlled by the Arbitration Commission, to achieve will have to be broken as one of the first steps in breaking away from the coils of the state.

In addition, all ideas of “wage restraint,” of “trade-offs,” productivity agreements and of reliance on arbitration in individual disputes instead of on free, collective bargaining with full right of industrial action in support of claims, must be rejected. This concept of the free role of unionism must be reasserted.

The importance of breaking with the baneful tradition of the Australian labor movement of continual reliance on the arbitration system cannot be over-emphasised. This tradition has been closely tied in with the Laborist ideology of using the capitalist state to guarantee the rights and conditions of workers, and with the class-collaborationist and parliamentarist role of the Labor Party over about 80 years. Any class-struggle left-wing formation will necessarily have to inscribe on its banner: For full independence from the arbitration system! For free, collective bargaining as basis for defending wages and

conditions!

In order to allow the unions to operate freely, a campaign to remove *all* anti-union penal legislation, which in any way abrogates the right of unions to take action in their own interests, is essential. This means not only a total rejection of any new plans from the Fraser government for updated penal laws or from the Hamer government in Victoria to ban union boycotts, but a relentless struggle to wipe from the books *all* existing penal laws, such as those which were used to jail Clarrie O'Shea in 1969.

Another key aspect, which is inseparable from the fight for independence from the capitalist state, is the need for the utmost workers democracy—for the freest expression of viewpoints within not only the unions but the Labor Party too. This need runs immediately up against the hardened bureaucracy which today controls the unions and the ALP. They rely on bureaucratic manipulation and suppression of opposition to maintain their grip on the officialdom of the labor movement, and will strongly oppose any attempt to open up the unions to genuine rank-and-file control.

Such a fight for union democracy will be part and parcel of the process of developing a genuine left wing—only the most intense clash of ideas can provide the basis for a widespread understanding of the principles of class-struggle unionism. Any forms of permanent state interference in union elections as has been brought in by Fraser in his union-ballot legislation are a severe threat to internal union democracy as they allow for the possibility of state intimidation and ballot-rigging. This new law must go—an important campaign for 1977.

The right of tendency—that is, to hold and put forward the views of a particular organisation or current within the workers movement—is a basic right which must be protected, both within the unions and their party, the Labor Party. There has already been ample experience of the suppression of this right within the ALP—a number of socialists have been expelled in opposition to this principle. This attempt to bureaucratically eliminate political dissent can and must be defeated if class-struggle politics is to prevail.

Class-struggle unionism will also benefit from the utmost strengthening of the unions themselves. First of all, this can come about by structural changes within the union movement itself, such as amalgamations. The bane of Australian unionism has been its overwhelmingly craft character—there are now

about 300 separate unions representing large and small sections of the workforce. There have been moves within the unions themselves and in the Labor Party (for instance, from NSW Premier Neville Wran) for large-scale amalgamation of unions in the direction of industrial unionism.

While, in general, industrial unionism provides greater fighting strength for unions and allows them to bring greater forces to bear in any particular struggle, it is important that such amalgamations are made on a fully democratic basis, with full rank-and-file participation and control at every stage. Otherwise, the new unions may merely be a means of enhancing the power of the bureaucrats in relation to the membership.

Unity between blue and white-collar unions is another way of strengthening the overall class-strength of the working people. Proposals to unite the ACTU and the major white-collar federation, ACSPA, are highly desirable, bearing in mind the question of the need for internal democracy.

Another, and perhaps most basic of all, means of strengthening the union movement is to seek to draw in new members and to seek to extend unionisation to the broadest areas of the workforce. This will also require a change in racist and sexist limitations of union membership such as exclusion of women from certain job categories in the rules of some unions.

Australian unions have a relatively wide coverage by international standards—about 55 per cent of the workforce. But this is clearly insufficient, considering that the working class represents most likely at least 80 per cent of the population and also, that certain vital areas of the community are heavily under-represented—Blacks, migrant women in small sweatshops, certain new technological areas of the workforce such as computer operators, and so on.

The overall impact of this new recruitment and the strengthening of the structures and internal democracy of the labor movement will be to provide greater possibilities for the growth of a genuine, class-struggle unionism. At the same time, it is most likely that *only* the development of such a tendency will provide the impetus for these important changes to come about.

Support for the struggles of all oppressed

Lenin wrote in *What Is To Be Done*, in 1902: "Working class consciousness cannot be genuine political consciousness, unless

the workers are trained to respond to *all* cases of tyranny, oppression, violence, and abuse, no matter *what class* is affected. . . ." (See V.I. Lenin, *Collected Works*, Vol. V [Moscow: Progress Publishers, 1961], p 412.) This vital truth is just as applicable today. We might add to Lenin's formulation, not only oppression of another class but special oppression of a section *within* the working class. This need to respond to particular forms of oppression in capitalist society today is an essential part of the formation and development of any class-struggle left wing in the labor movement.

The special oppression of women, not only as workers but as a sex, must be a central concern of any class-struggle formation in the labor movement. Racist oppression of Blacks, not only in Australia but in South Africa and elsewhere, deserves the strongest condemnation and opposition from any such formation which wants to advance the interests of the working class. Migrants deserve the fullest support against the discrimination they face in Australian society. Homosexuals are entitled to support in their struggle for human rights.

Only upon the greatest unity of all the oppressed can the working class struggle be advanced and the preparation for a socialist revolution established. Whether the issue is environment, student rights, abortion, Black land rights, Medibank, public transport or a host of others—the essential need is unity against the bosses and their governments. The organisational forms this can take are of many kinds, but the essential principle is that of the *united front*. That is, all those who can agree on the need to fight against a certain form of oppression or exploitation join forces for that purpose and work out the forms of that struggle democratically. In this way, the greatest united force of the greatest number can be brought to bear against the ruling class. Alliances between labor-movement organisations and the organisations representing specifically oppressed groups are a basic need in these circumstances.

Not only does the development of a class-struggle left wing require the greatest unity and democracy but it needs absolute political clarity on where to go and how. Revolutionary socialists propose a program of immediate, democratic and transitional demands as the basis for a genuine class-struggle formation within the labor movement. In the present confrontation between the Fraser regime and the working people and their allies in Australia, we propose the following as a summary of the kind of demands upon which a class-struggle labor

movement can be built in the coming period.

The program below is merely intended as a summary of some of the main categories for a class-struggle program. A fuller version of such a program is given in the document, *Towards a Socialist Australia*, adopted by the Socialist Workers Party at its fourth national conference in January 1976.

A class-struggle program for labor

1. DEFEND LIVING STANDARDS

As inflation continues to bite into incomes, we need genuine cost-of-living adjustments to all wages and social service benefits, according to an index kept by unions and consumers; defend free wage-bargaining, end the restrictive indexation guidelines which hold down wage levels; for social service benefits comparable with a living wage.

2. DEFEND JOBS

For the right to a job. Campaign throughout industry for a 35-hour week immediately, without loss of pay—to share the available work around; demand that the government end its public sector cutbacks and carry out a large-scale program of public works, including construction of schools, hospitals and other essential facilities.

3. WORKERS CONTROL

Open the books of those firms which claim they are not making enough profits so that all can judge; for the workers' right to control safety on the job, hiring and firing; when companies continue to raise prices, carry out sackings, or pollute the environment, nationalise them under workers control.

4. FOR GENUINE PUBLIC SERVICES

Call for Medibank to be reinstated as a free, universal national health service; for a free, equal education system for all, including the right to tertiary education; for a living wage for all students; for a free, easily accessible public transport system; for quality public housing available to all who need it.

5. SUPPORT TO THE SPECIALLY OPPRESSED

Support for full equality for women: Repeal of all abortion laws; equal pay for equal work; wide-spread extension of child-care facilities; preferential hiring of women, and refusal to allow discriminatory firing of women in a period of recession.

Support for full rights for Blacks: Land rights for Blacks; against racist police and legal discrimination; abolish the racist

Queensland Acts and any other racist legislation; preferential hiring of Blacks and refusal to allow discriminatory firing of Blacks in an economic downturn.

Support migrant rights: Right to learn English in working time; no discrimination in housing, jobs, qualifications; right for immediate citizenship; against deportations of "illegal" migrants or deportation for political purposes.

Support for full rights for homosexual men and women: End harassment of homosexuals; ban discrimination against homosexuals in employment, education, etc.

6. FOR DEMOCRATIC RIGHTS

Against all anti-union laws; against compulsory arbitration; for the absolute right to strike on any matter of concern to union members; against government secrecy; all government, political files to be released to those concerned; abolish ASIO and all political police; a bill of democratic and social rights; abolish the Senate and governor-general.

7. AGAINST IMPERIALIST WAR

Oppose the alliance between the Australian government and the US; abolish ANZUS and all other military treaties; no US or other imperialist bases in Australia; no Australian bases overseas; no imperialist nuclear warships in Australian waters; oppose uranium mining and involvement in the imperialist nuclear network; end Australian complicity in the Indonesian invasion of East Timor; support for self-determination for all oppressed peoples; support the Palestinians' right to return to their homeland; break all ties with South Africa; abolish the defence budget and allocate the money to social services.

The future

At the end of the first year of Fraser, it must be concluded that the working people have been dealt some major blows in 1976—over Medibank, wages, jobs and so on. But on the other side of the ledger, there are some encouraging signs for the future. There were massive mobilisations in support of Medibank, an upsurge which placed tremendous pressure on the labor bureaucracy. Hawke was forced to call the July 12 national strike because of it.

While the unemployment and wages situation deteriorated, there were some signs of an attempt to challenge the indexation straitjacket by certain groups of workers towards the end of the year. This can be expected to develop further in 1977. The issue

of "political" strikes was seized upon by the Fraser government and its allies. This in itself reflects the fear that the ruling class have of a politicisation of the union movement.

The Newport issue has brought a highly polarised climate—perhaps the greatest challenge to union rights since the Clarrie O'Shea case in 1969. This no doubt indicates the thinking of the capitalist parties on the need to face the unions head-on at some stage—the question is *when*? The pressure for this confrontation will increase in 1977. And the idea of "political" strikes is gaining legitimacy in the labor movement—Gough Whitlam himself has spoken out in favor of union political action and against the Fraser government's union-bashing. This can only serve to encourage the politicisation process in the unions.

Whether this ferment in the labor movement, and the ALP in particular, heralds the development of a more crystallised left-wing formation in the coming year cannot be predicted with certainty. But there is no doubt that debate and turmoil within the labor movement is going to increase as Fraser continues his offensive.

Key role of the Socialist Workers Party

One thing is certain: any left-wing development cannot become a fully-formed and directed vehicle for class-struggle unionism without the guidance of revolutionary-socialist forces. And today in Australia, the essential nucleus of the revolutionary-socialist party is the Socialist Workers Party. The battle to establish a broad-based class-struggle left wing in the labor movement is now closely bound up with the growth and influence of the SWP, (as well as the revolutionary-socialist youth organisation in political solidarity with the SWP, the Socialist Youth Alliance).

The Socialist Workers Party is the only party which not only supports the development of a class-struggle left wing in the labor movement, but advances a program which can show the way forward for those who genuinely want to advance the cause of labor in this country. The concept of a class-struggle formation in the labor movement is a stage on the way to a truly mass revolutionary party in this country. It is part of the process by which the working people and their allies, who have been held back in their political development by the hegemony of Laborist thinking in the working-class movement, can break with that limited perspective and move out in defence of their

own interests.

As the SWP has found with its highly-successful election campaigns, which have been founded on the principle of counterposing class-struggle policies to the pro-capitalist, defeatist program of the Labor fakers, there are many thousands of Labor supporters who are ready to listen to an alternative viewpoint—a socialist viewpoint. We consider that this sentiment is the first sign of a change in political consciousness among large numbers of Labor supporters which is opening the way for the emergence of a class-struggle alternative on a truly broad basis. The job before us is to ensure that this development is given the greatest possible chance of coming to fruition.



When the Leyland car factory in Sydney closed in October, 1974, thousands of workers were sacked but the Labor government gave large handouts to the company and did nothing to save workers' jobs.

The Labor Party and the Crisis of Australian Capitalism

This resolution was adopted by the fourth national conference of the Socialist Workers Party, held in Sydney, January 24-28, 1976.

I. The international context The world political situation

The international situation today is characterised by a deepening of the economic, political, and social contradictions of capitalism in the "new stage in world politics" which we began to analyse at our last national conference. The political resolution adopted at that conference took the January 1973 cease-fire agreement in Vietnam as the watershed marking this new stage. The political resolution and the document "The World Political Situation and the Immediate Tasks of the Fourth International," the line of which was adopted by our party, noted the following developments, which differentiated the new stage from the preceding one:

1. The weakening of US imperialism vis-a-vis both revolutionary movements and its imperialist competitors. On the one hand, Washington, despite massive and barbaric

military intervention, had proven unable to achieve victory in Vietnam, but had been forced to content itself with a temporary and unstable compromise with the Stalinist-led national liberation movement in that country. At the same time, such factors as war-primed inflation, a lower rate of productivity increase in the United States relative to Western Europe and Japan, and the accumulating contradictions of Keynesian anticyclical economic measures combined to reduce significantly US capitalism's superiority over its competitors.

2. US imperialism's attempts to shore up its dominance in a period marked by the ending of the long post-war boom, introduced an additional measure of instability into the international capitalist economy and consequently intensified class struggles. As our political resolution noted: "The weakened dollar has threatened the stability of world trade and thus the prosperity of the last period. The US remains the largest economy and its problems are internationalised as it seeks to export its inflation and maintain its dominant role. As a result, new and more savage attacks must be launched against the working class internationally as each capitalist state seeks to maintain its own competitive advantage." One of the products of increased economic instability was the phenomenon characterised in "The World Political Situation and the Immediate Tasks of the Fourth International" as the "stage of sudden breakdowns," ie, a tendency towards the eruption of sudden and unexpected disruptions of capitalist economy: the energy crisis, postal breakdowns, fertiliser shortages, etc.

3. A major shift in US imperialism's strategy towards the workers states. Unable to contain the revolution in Vietnam by military means and faced with the growth of anti-war sentiment and the intensification of social contradictions domestically, Washington decided on the turn to detente. This involved the postponement of the ultimate goal of "rolling back Communism" in China and the Soviet Union and the acceptance of their continued existence for the present. In exchange for trade concessions and diplomatic "normalisation," the bureaucracies of Moscow and Peking were expected—they have of course done their best to fulfill the expectation—to co-operate with imperialism in containing socialist revolution, primarily by diplomatic means. Thus the first fruits of the detente were the acquiescence of Moscow and Peking in Nixon's mining of the North Vietnamese harbors and bombing of Hanoi.

4. The return of the world revolution to its main course. The

weakening of international capitalism in World War II, the survival of the Soviet Union, and treachery of the Stalinist and Social Democratic leaderships in the imperialist centres, which allowed the restabilisation of capitalism, combined to send the world revolution on a long detour in the quarter-century following the end of the war. For a whole period, the main axis of the international class struggle shifted from the advanced capitalist centres to the colonial and neocolonial countries. Within these countries, the same process was reflected in the predominance of rural over urban struggles, in the peasant composition of the revolutionary forces, and in the petty-bourgeois Stalinist or nationalist leaderships which usually emerged at the head of these struggles. Trotskyists have always viewed this departure from the classical pattern of socialist revolution, as exemplified by the Bolshevik revolution, as primarily the product of subjective, rather than objective causes. That is, unlike the Maoists and various "new left" centrist currents, who tended to attribute this pattern to inherently revolutionary traits in the peasantry and inherent conservatism in the metropolitan workers, we saw it as the product of the crisis of proletarian leadership: the betrayals of Stalinist and Social Democratic parties and the lack of mass Trotskyist parties that could prove an alternative pole of leadership for the masses.

But while this crisis of proletarian leadership enabled the imperialists to restabilise capitalism in Western Europe and Japan and to enjoy nearly a quarter-century of relative class "peace" at home, it could not indefinitely prevent the eruption of major class struggles in the imperialist centres and in the cities of the under-developed world. It has always been our perspective that ultimately the course of the world revolution would return to the pattern of the [1917] Russian October, of mass uprisings by the urban working class in which victory requires the leadership of a mass revolutionary-socialist party.

These trends continue to provide the framework for the major international developments that determine the context in which we will be working throughout the next period.

Rise of the world revolution

The depths of the military-political dilemma of US imperialism in attempting to contain the colonial revolution was revealed by the collapse of the Saigon puppet regime in April [1975]. US imperialism could find no way to preserve its "ally."

The most powerful military arsenal ever assembled was immobilised by Washington's fear of domestic reaction to a renewed military intervention. (This fact in itself is a demonstration of the growing importance of the class struggle in the imperialist countries.)

In Indo-China, detente proved inadequate as a tool for pulling Washington's chestnuts out of the fire. Nevertheless, and despite rumblings of discontent from certain sections of the US ruling class, the detente continues to be the cornerstone of present imperialist policy. Washington's military-political weakness vis-a-vis the colonial revolution makes it indispensable.

It is important for us in charting our own strategy to recognise that we live in a period marked by the rise of the world revolution. Despite often catastrophic defeats engineered by the misleaders of the working class and its allies (Indonesia in 1965, Chile in 1973), new struggles of the proletariat and other oppressed people continue to erupt all over the globe. The difference which this rise of the world revolution makes for the perspectives of revolutionaries is clear if one thinks back to the period of the 1950s. Then, on an international scale the revolution was stagnant or in retreat, and US imperialism, confident of its power, was hell-bent on preparing its "final solution" to the problem of the Soviet and Chinese workers states. Today, the strategy of Washington is similar to that of the fabled Dutch boy: It rushes about hastily jamming its fingers into new holes in the dike against the revolution. Unlike the fictional character, however, Washington has already begun to doubt whether it has sufficient fingers for all the holes.

Although it is not crucial to pinpoint the exact beginning of this new rise of the world revolution, it could be argued that the shift in the international relationship of forces began with the victory of the Cuban revolution and the contemporaneous struggle of US Blacks against the Jim Crow system. But at whatever point one places the beginnings of this rise, the process has obviously accelerated since the time of the May-June 1968 events in France. Merely listing some of the major events of the period is sufficient to illustrate this quickening tempo:

- *The growth of the international movement against the Vietnam war into a truly mass movement.

- *The giant student demonstrations in Mexico City in July-October 1968, which were savagely repressed by the Mexican

bourgeoisie.

- *The "creeping May" of 1969-70 in Italy.

- *The repeated mobilisations of the Chilean working class, even though ultimately unsuccessful, in defence of the Allende government against reaction.

- *The rebellion of radical youth in Sri Lanka.

- *The forced retirement of the Argentine military dictatorship under the pressure of a mass radicalisation and semi-insurrections in major proletarian centres.

- *The growth of the Black liberation movement in the United States and the ghetto rebellions.

- *The development of nationalist sentiment among the nationally-oppressed workers of Quebec.

- *The signs of strikes and other forms of opposition to the bureaucracy in China.

- *The development in the Soviet Union of an oppositionist movement—at least part of it looking to Lenin—among intellectuals, heralding the coming antibureaucratic struggles of the Soviet working class.

- *The continual resurgence of the Palestine struggle for self-determination despite all the mistakes of its leadership and the repeated treacheries of Stalinism and the Arab bourgeois governments.

- *The rise of the national struggle in Northern Ireland.

- *The successful struggle of the people of Bangladesh for independence from West Pakistan.

- *The series of militant strikes in Britain (against the Industrial Relations Act, the miners' strike etc).

- *The upsurge of illegal strikes and the growth of the Basque nationalist movement in Spain.

- *The defeat of Washington's military intervention in Indo-China.

- *The wars of independence in Portugal's African colonies.

- *The revolutionary upsurge in Portugal following the April 25, 1974 coup.

- *The mass mobilisation which defeated the right-wing coup by the neocolonialist UDT in East Timor.

The class-collaborationist policies which Moscow and Peking apply to these struggles are a betrayal of the socialist revolution and of the oppressed masses throughout the world. They are an added burden upon the workers and other oppressed in the battles of the international class struggle. But the treachery of Moscow and Peking only change the conditions

in which the battles are fought; they do not suppress or suspend the class struggle as the above list indicates. Despite the cringing of Moscow and Peking and Washington's present need to rely on class-collaborationist methods to defeat revolution, detente is no guarantee of a relaxation of international tensions, let alone of "peaceful coexistence." Moreover, detente in no way modifies imperialism's longer-term goal of overturning the workers states and reinstating capitalist property relations. The social systems in the workers states and in the capitalist world are incompatible, and their simultaneous existence carries with it the certainty of open warfare sooner or later, unless the working class is able to prevent this by overthrowing capitalism in its strongholds. Nixon's rattling of the H-bomb during the October 1973 war in the Middle East illustrated how easily "peaceful coexistence" can become a worldwide nuclear war.

The international economic crisis

In the economic arena, Nixon's "New Economic Policy" and the post-October 1973 "oil crisis," which was engineered by the (primarily US-owned) multinational oil monopolies, succeeded in reversing US capitalism's trade deficit with its competitors. But while the United States is still by far the most economically powerful capitalist country, the days in which it could direct world capitalism by fiat, as in the years following World War II, are gone forever. West Germany and Japan in particular remain powerful competitors. (West German exports now exceed those of the United States.)

The increased rivalry among the capitalists is not at all confined to the strongest powers. The junior partners in the imperialist system, including Australia, are driven by the same economic forces as the senior partners. Moreover, the competition among the strongest capitalist classes provides the junior partners with openings to manoeuvre to advance their own particular interests. One of the more obvious of such manoeuvres in the recent period has been the "new Australian nationalism" of Whitlam and the ALP leadership.

The increased economic competition among the imperialist powers, large and small, is both a contributing factor to, and a result of, the present worldwide capitalist recession.

It is vitally important for revolutionaries to understand the significance of the present generalised recession, the first to

strike all major capitalist countries simultaneously since the Great Depression of the 1930s. The present economic slump was analysed at length in "The Capitalist World Economic Crisis," a resolution adopted unanimously by the International Executive Committee of the Fourth International at its meeting in January 1975. That resolution pointed out the impact of a generalised recession, as opposed to recession striking different countries consecutively:

"There have been many recessions since World War II. Indeed, today as in the past, capital cannot avoid cyclical fluctuations of its economy. But the staggered character of these recessions (for example, the absence of a recession in West Germany, Japan, Italy, and France during the severe 1957-58 US downturn) limited their breadth and depth. A country with shrinking internal markets could export surplus goods and capital.

"But with all the major imperialist countries caught simultaneously, the export markets are pinched off. . . .

"Because it occurs simultaneously in many countries, the recession can build up as a whole with extraordinary force, the recession in each country aggravating the recessions in the others, and all of them combining to make the crisis much graver than any recession since the thirties." (See *Capitalism in Crisis* by Dick Roberts [New York: Pathfinder Press, 1975], p 111.)

The recession has now lasted two years without any credible signs of improvement, particularly in the United States, whose economy, because of its size, tends to drag the other imperialist economies in its wake. Unemployment in the United States continues to hover around an official figure of 7 per cent. In Britain, the number of unemployed has passed 1 million and continues to rise.

The protractedness of the recession confirms the Fourth International's analysis that the generalised slump which began in 1974 definitively marks the end of the long post-World War II capitalist boom. That is, the present crisis is not merely conjunctural, but also expresses a more profound shift in the long-term direction of the capitalist world economy.

Despite conjunctural slumps in various countries, the overall trend of capitalist world economy in the postwar period can only be characterised as a "boom." Between 1948 and 1973, world capitalist production increased at an average rate of 5 per cent a year.

But most of the major motor forces of the boom are either no longer operating or now do so only with a much-reduced effect. These include: the reconstruction of Western European and Japanese industry following the devastation of World War II; the explosive growth of the automobile industry and the industries supplying it; the "cybernetic revolution," involving the automation of whole spheres of industry; and the stimulation provided by deficit financing and the growth of credit.

Particularly noteworthy is the inability of Keynesian economic nostrums to overcome the present crisis. For decades, the major capitalist powers have followed the Keynesian prescription of combatting cyclical downturns through deficit financing, that is, through the artificial creation of economically effective demand. To the capitalists, the inflationary effects of such a policy seemed a small price to pay—particularly since it was generally paid not by them, but by the working class.

But the application of Keynes' formulas could not eliminate the contradictions of capitalist economy. On the contrary, it merely bottled up the pressures temporarily, ensuring that when they did explode, their destructive effect would be greatly multiplied. Every new economic downturn required larger deficits to overcome it, and the inflationary effects began accumulating to the point where they hindered, rather than fueled, the expansion of production. And the capitalist fools' paradise constructed on the infinite expansion of credit now threatens to produce a financial crash comparable to 1929 in the wake of New York City's de facto bankruptcy.

Thus, the IEC resolution assesses the present direction of world capitalist economy:

"Increasing inflation of the dollar led to a series of crises and ultimately to the collapse in 1971 of the international monetary system set up at Bretton Woods in 1944, marking the end of the long postwar boom.

"The short inflationary boom of 1971-73 was merely a passing phase in the opening of a new long-term period of increasingly aggravated contradictions of world capitalism (including much slower growth) that began in 1967-68 and that became still more clearly manifested in the present world recession."

If we were to draw a graph of the world capitalist economy for the quarter century following the end of World War II, its overall direction would be upward, and at a fairly steep angle. It would consist of a series of waves representing the cyclical

fluctuations inherent in capitalism, but the troughs would be narrower than the peaks and each peak would be higher than the one preceding it. In the period that we have now entered, we expect the graph to look considerably different. It is of course impossible to predict exact figures, but if the overall direction of the graph continues upward at all—and that is far from certain—it will do so at a much slower rate than in the preceding period. The peaks will be narrower and will not rise so sharply as previously. The troughs will broaden considerably and will be deeper. Moreover, the overall downturn (whether absolute or only relative) in the capitalist economy will mean that within any given country, the ups and downs of the economic graph are going to come more frequently: There will be brief upturns as one national capitalist class gains a temporary advantage over its competitors; this will be followed by an inflationary spurt or a crisis of overproduction, or both, in very short order.

The rise of working-class struggles

We can expect the changed economic context to have a profound effect on working class consciousness in Australia and internationally.

Marxists do not applaud the onset of capitalist depressions. We do not share the Stalinists' romanticised enthusiasm for the 1930s. We do not accept the old anarchist notion of "the worse, the better." There is no historical necessity for the working class of any country to endure the hardships of depression once again prior to the socialist revolution. We share the view expressed by Leon Trotsky in his summary of the report to the Third Congress of the Communist International.

"The question, which is raised by many comrades abstractly, of just what will lead to revolution: impoverishment or prosperity, is completely false when so formulated. I have already tried to prove this in my report. One Spanish comrade told me in a private conversation that in his country it was precisely the prosperity which came to Spanish industry through the war that produced a revolutionary movement on a large scale, whereas previously stagnation had prevailed. Here we have an example that is not Russian but Spanish—an example from the other side of Europe. Comrades! Neither impoverishment nor prosperity as such can lead to revolution. But the alternation of prosperity and impoverishment, the crises, the uncertainty, the absence of stability—these are the

motor factors of revolution.

"Why has the labor bureaucracy become so conservative? In most cases it consists of weak creatures who live on a moderate scale, whose existence is nowise marked by luxury, but they have grown accustomed to stable living conditions. They have no fear of unemployment so long as they can keep themselves within the framework of the normal party and trade union life. This tranquil mode of existence has also exerted its influence upon the psychology of a broad layer of workers who are better off. But today this blessed state, this stability of living conditions, has receded into the past; in place of artificial prosperity has come impoverishment. Prices are steeply rising, wages keep changing in or out of consonance with currency fluctuations. Currency leaps, prices leap, wages leap and then come the ups and downs of feverish fictitious conjunctures and profound crises. This lack of stability, the uncertainty of what tomorrow will bring in the personal life of every worker, is the most revolutionary factor in the epoch in which we live." (See *The First Five Years of the Communist International*, Vol. 1 [New York: Monad Press, 1973], p 233.)

For the next few years, at the very least, a "tranquil mode of existence" is going to be very rare in the lives of most workers. The period will be characterised by the sort of rapid economic shifts mentioned by Trotsky: "the ups and downs of feverish fictitious conjunctures and profound crises."

An intensification of the class struggle is inherent in the need of the capitalists, in this economic situation, to preserve their declining rate of profits, as the IEC's economic resolution pointed out:

"What makes the present situation so grave for world capitalism, however, is not so much the fact that the economic crisis is the worst yet experienced in the postwar period—it is still much milder than those that occurred between the two world wars—but that it is combined with an exceptionally high level of organisation, striking power, and militancy of the working class. The situation in the working class is resultant of two decades of relatively high economic growth, a relatively high level of employment, of extensive . . . and intensive . . . industrialisation, and a general increase in the level of skills and education. . . . Additional factors have strengthened the working class subjectively. These include the worldwide radicalisation of youth and women; the advances of the world revolution in the semicolonial countries from China to Cuba; the

who did not experience the two and a half decades of defeats following the October 1917 victory; the crisis of Stalinism; and a generalised increase in opposition to imperialist war.

"This means that the *present social crisis of the world capitalist system*, which began with the May 1968 events in France, *will be seriously and significantly deepened by the present recession*, and that the central role of the industrial working class will become increasingly accentuated.

"But it also means that the general trend points to increasing tensions and explosive conflicts between capital and labor, of more and more acute political crises in key imperialist countries. Attempts of the capitalists to 'buy off' workers will decline relatively while attempts to inflict serious defeats upon the working class will increase, the objective being to 'solve' the crisis at the expense of the workers by reducing real wages, thereby enabling the rate of profit to rise again." (*Capitalism in Crisis*, p 118.)

This situation will reinforce the trend, analysed at our last conference, for the world revolution to return to the "classical" pattern, that is, for the class struggle in the imperialist countries to once again become the major axis of world revolution.

Vietnam and Portugal—the need for a revolutionary party

The trend for the world revolution to return to the "classical pattern" does not at all imply any diminution of struggles in the neocolonial world or the deformed workers states. The reality is just the opposite: The development of working-class struggles in the imperialist centres will act as a spur to the other sectors of the world revolution.

There is an inevitable interaction between the victories and defeats in one sector of the world revolution and the willingness of the masses in other sectors to engage in revolutionary struggles. Most often, this interaction occurs by moral means, by the force of example. Illustrations of this process are numerous: the effect on Black consciousness in the United States of the post-World War II independence of some African states; the way in which noted figures of the international revolutionary movement have become models for thousands of radicalising youth; the interaction between the Prague Spring, the French May, and subsequent anti-bureaucratic struggles in

Eastern Europe and the Soviet Union, etc. But the interaction can also be much more concrete: the international anti-war movement was more than just a boost to the morale of the Vietnamese liberation fighters; it actually helped to restrain some of Washington's military might.

In the coming period, the interaction between the colonial revolution and the struggle in the imperialist countries will be intensified by their sharing of the common factor of the international capitalist economic crisis.

Vietnam

The record of the struggle in Vietnam provides the most graphic proof—in the negative—of the indispensability of the revolutionary party. That this proof was provided in an underdeveloped rather than an imperialist country only reinforces the lesson.

For four and a half decades, the Vietnamese independence movement was under the leadership of the Stalinist Vietnamese Communist Party. After 1945, when Ho Chi Minh organised the murder of the Trotskyists, there was no alternative working-class leadership available to the Vietnamese masses. There is, therefore, no scapegoat on which the apologists for Stalinism can blame the VCP's repeated betrayals. The Stalinists alone unmistakably bear the responsibility.

Throughout the 1930s, the VCP slavishly followed every twist and turn in Stalin's international line, from the sectarian excesses of the "third period" to collaboration with the French imperialists for the sake of the "anti-fascist struggle." After the Japanese occupation of Vietnam, the VCP fought against the Japanese—who were allied with the fascist invaders of the Soviet Union—and emerged at the end of the war as the most powerful and virtually the only armed force in the country. Vietnam was, at that point, independent and united in fact, although French imperialism was determined to regain its colony.

Ho Chi Minh and the Communist Party betrayed the independence that had already been achieved. For the sake of "peaceful coexistence" in the form of Stalin's wartime agreements with the imperialist powers, the VCP allowed the British into Saigon and allowed the French into Hanoi. Even before the imperialists began their overt military assault, Ho Chi Minh signed away Vietnamese independence in an agreement with the French Government. The result of these betrayals was

the first Indo-China war and years of unnecessary suffering for the Vietnamese people.

But after the Vietnamese had finally defeated the French invasion force, the Communist Party once again, in 1954, gave away the fruits of the victory. At the Geneva Conference, under pressure from Moscow and Peking, the Vietnamese Stalinists agreed to the partitioning of the country. They thus provided US imperialism with the base from which it immediately began attacking not only the independence forces in the South, but North Vietnam as well. The war that followed was the direct result of the Stalinists' policy of "peaceful coexistence."

Throughout this second Indo-China war, the VCP followed a class-collaborationist line that restrained the potential force of the independence struggle. The Stalinists consciously and deliberately subordinated the struggle against imperialism and its Vietnamese hirelings to a "national democratic revolution"—that is, an alliance with the so-called "national bourgeoisie," a thoroughly reactionary layer which time and time again demonstrated its virtually unanimous subservience to the imperialists. For the sake of this "national democratic revolution," the VCP refused to mobilise the urban masses to fight in their own interests; such action would have frightened the "national bourgeoisie."

The signing of the cease-fire agreement in January 1973 represented an ephemeral compromise between the Vietnamese and Washington, which desperately needed "peace" for political reasons, but which was threatening to obliterate North Vietnam without objection from Moscow and Peking. As we pointed out at the time of the signing, the agreement settled nothing, and in fact it never produced more than a slight let-up in the scale of the fighting. Despite this, the Vietnamese Stalinists loudly hailed the temporary compromise as a "great victory," thus demobilising most of their support internationally and did their best to observe the restrictions imposed upon them by the agreement—an effort that was attested to even by bourgeois observers.

The collapse of the puppet regime in April 1975 and Washington's inability to intervene militarily to save it was, as we termed it in *Direct Action*, a "victory for all humanity" and for the Vietnamese workers and peasants in particular. But it was a victory won despite the misleadership of the Vietnamese Stalinists and at a cost many times what was necessary. When the liberation forces marched into Saigon in April, they

succeeded only in recreating the situation that had existed in 1945—that of an independent and united Vietnam. The intervening 30 years of death and destruction are Stalinism's only "contribution" to the Vietnamese revolution. They are the price that the Vietnamese people were forced to pay for the lack of a revolutionary party.

Portugal

Our perspective of the class struggle in the imperialist countries again becoming the central axis of the world revolution was confirmed within a few months of our last conference by the revolutionary upsurge of the Portuguese masses following the April 25, 1974, coup. Faced with a losing war in its African colonies and unrest at home, and driven by the necessity to modernise and rationalise its industry, the Portuguese bourgeoisie gambled on an attempt to reorganise its state apparatus by means of a military coup. But the Portuguese capitalists failed to foresee the scope of the mass movement that would spring up when the Salazarist shackles were removed. Just as did May 1968 in France, the upsurge in Portugal demonstrates the increasingly explosive character of social relations in the imperialist countries.

This document will not attempt to draw a rounded evaluation of the Portuguese situation. There are, however, certain lessons that will be important for revolutionaries to absorb and apply to the coming social explosions in other imperialist countries, including Australia.

Among the most important of these, if only because it is usually overlooked by centrists and sometimes even by Marxists, is the increasing weight of democratic struggles within the revolutionary process. While the trend is more pronounced in a relatively backward imperialist country like Portugal, even in the most economically favored centres the bourgeoisie more and more finds the maintenance of traditional democratic norms in conflict with the need to roll back the living standards of the working class. This was noted in the IEC's January 1975 resolution on the economic crisis:

"Such an onslaught on the living standard and level of employment of the working class entails serious restrictions on the democratic rights of the working class (statutory wage controls, government arbitration of labor disputes, onerous limitations on the right to strike, anti-union legislation, etc).

"Experience has shown, however, that as long as capital is

unable to succeed in significantly changing the existing relationship of forces between the classes, the attempts to apply such policies generally fail."

Unfortunately, in Portugal the importance of democratic demands has tended to be proved in the negative. The absence of a mass revolutionary party and the anti-democratic practices of the Stalinists have made it possible for the reformist Social Democratic leaders and even bourgeois forces to monopolise the issue of democracy and misdirect the democratic aspirations of the masses against socialism.

A second lesson concerns the need for complete clarity on the nature of the imperialist bourgeoisie and its state apparatuses. The Armed Forces Movement, by portraying Portugal as part of the "Third World," succeeded in introducing considerable confusion into the left, defusing to an extent the mass anti-war sentiment, and thus gaining valuable time for the Portuguese capitalists in their attempts to impose a neocolonial relationship upon the African colonies. In Australia there has already been a considerable effort to obscure the imperialist character of Australian capitalism. The Maoists have openly proclaimed Australia a "colony" of the United States, while the ALP leadership has, less crudely, promoted an economic nationalism which reinforces similar delusions.

The experience in Portugal demonstrates that this sort of confusion about the nature of the enemy we face severely disorients the anti-capitalist struggle.

The third, and most important, lesson of the Portuguese upsurge is the indispensable role of the revolutionary party. At the time of the April 25, 1974, coup, the forces of the Portuguese Trotskyists were only a handful. Despite gains, they remain tiny relative to the Stalinists and Social Democrats. In this situation, the misleaders of the working class have so far been able to prevent the prerevolutionary conditions from developing into a revolutionary situation, in which the question of which class shall rule is directly posed.

The Fourth International, in analysing the overturns of capitalism in Eastern Europe, China and Cuba, recognised that in exceptional circumstances revolutionary victories might be achieved with a "blunted instrument." That is, where the state apparatus of the bourgeoisie had been destroyed by war, as in Eastern Europe, or in colonial and neocolonial countries in which social contradictions were particularly sharp, usually because of the capitalists' inability to solve any of the

tasks of the bourgeois revolution, there it was sometimes possible in the absence of a revolutionary socialist leadership for a Stalinist or other petty bourgeois party to come to power and overturn capitalist property relations. This analysis always stressed that such situations were exceptional and that they in no way obviated the importance of constructing mass revolutionary socialist parties to lead the struggle for power and direct the construction of the post-capitalist society.

Portugal strongly reaffirms this conclusion. It is not possible to rely on substitutes for the revolutionary party in the fight to abolish capitalism. Nor is it possible for the nucleus of the revolutionary party to leap over its own head and effortlessly win the ear of the masses without the long and patient effort of winning respect and leadership in the day-to-day events of the class struggle.

The developing social struggles in the metropolitan centres will provide the cadres of the Fourth International with an opportunity to demonstrate how well they can use the program of revolutionary Marxism in providing answers to the problems confronting the working classes of the imperialist countries, and will likewise create conditions in which new recruits can more easily be assembled in the revolutionary party. This will not be done by means of gimmicks or shortcuts, but by means of Lenin's formula of "patiently explaining" to all who can be persuaded to listen.

II. The radicalisation in Australia

Australia in the economic crisis

The international capitalist economic crisis has already had severe effects in Australia. It is easy to see from official statistics that the state of the Australian economy is intimately bound up with the condition of the world capitalist economy; in the conditions of modern capitalism, there are no islands. As a result of the international downturn and the collapse of the beef market for example, the value of Australian exports declined 8 per cent (in terms of constant dollars) in the year ending June 1974. To take another indicator, new foreign investment for the financial year 1972-73 was less than one-third of the figure for the preceding year.

Such figures reflect not only the downturn internationally of

the capitalist economy, but also the less competitive position of Australian capitalism relative to the larger powers in a period of shrinking markets. Thus, Australian exports to Japan increased only about 11 per cent (representing a real decline if allowance is made for inflation) in the financial year 1973-74, while imports from Japan jumped 47 per cent in the same period. The effects of the protectionist measures adopted by the United States bourgeoisie show up even more sharply in the official trade figures. In 1972-73, Australia exported to the USA goods worth \$759 million and imported \$860 million, for a balance of trade deficit of \$101 million. The following year, despite the effects of inflation, the value of exports to the USA actually dropped slightly, to \$750 million, but the value of imports shot up to \$1348 million. During the same period, exports to the United Kingdom dropped sharply, from \$602 million to \$457 million, while imports rose from \$768 million to \$847 million.

Australia nevertheless had a large balance of trade surplus in 1973-74, as it has had continuously since 1969-70. This was based on a surplus of more than \$1000 million with Japan derived from the export of primary products and on exports to New Zealand and underdeveloped countries in the region. Australia had the following trade surpluses in 1973-74:

New Zealand	\$281 million
Papua New Guinea93 million
Indonesia90 million
Philippines79 million
Malaysia48 million
Singapore66 million
Thailand41 million
India46 million
South Korea25 million
Fiji49 million

In one respect, trade figures can give a somewhat misleading picture of the Australian economy because of the anomalous character of Australian exports. Although a fully developed capitalist economy, Australia exports chiefly primary products. The Australian economy is therefore more affected than those of similarly developed countries by the low prices of raw materials which usually prevail on the world market.

While there was no way that a capitalist Australia could have been insulated from the world capitalist recession, a number of domestic factors have worsened the picture for Australian capitalists.

From the standpoint of their immediate economic interests, the decision of sectors of the Australian bourgeoisie to back the ALP in the December 1972 elections was very poorly timed. Labor has long favored rationalisation of Australian industry, which necessitates a reduction in tariff and other forms of protection. For the capitalists, an operation of this nature is best performed in a boom period, when expanding markets provide less efficient competitors with a certain breathing space in which to try to improve the profitability of their businesses. But the Whitlam government's tariff reductions instead coincided with the beginning of the present recession, in which the competition for markets was intensifying.

More importantly, the ALP was elected on a program that committed it to a large number of welfare measures entailing an increase in deficit spending. The Budget deficit in 1971-72, the last full year of the Liberal government, was a relatively insignificant \$187 million. The deficit for 1972-73 was \$774 million. The figure dropped to \$293 million the following year, but then increased to \$2560.9 million in 1974-75. The deficit for 1975-76 is projected as a minimum of \$2800 million and perhaps as much as \$4000 million.

Since Keynesianism became the received wisdom of bourgeois governments, it has been the norm to deliberately increase deficit spending as an anticyclical measure at the beginning of a recession. Such measures were not sharply inflationary when only one or a few countries carried them out simultaneously because a part of the artificial purchasing power thus created circulated abroad; inflation was exported. But the present recession is generalised, and therefore all the major capitalist governments are inclined to deficit financing. In these circumstances, the inflationary effect can not be exported and is felt immediately. Moreover, in the increasingly monopolised conditions of capitalist economy, deficit spending becomes less and less effective as an economic stimulant because monopolies can simply raise prices to "absorb" increased purchasing power, without increasing production. Each successive crisis requires larger doses of credit to overcome it.

With the exception of Britain, there is no developed capitalist country in which the combination of recession and inflation has been felt more sharply than in Australia. While the deficits of the Whitlam government fueled inflation, its attempts to restrain price rises by means of a credit squeeze only succeeded in curbing investment, adding to the effects of the international

recession.

Another factor added to the declining rate of profits in Australia. The working class tended to see the new ALP government as its own, and set out to claim the fruits of the electoral victory. Particularly as inflation gathered steam, workers put forward and fought for larger and larger wage claims.

The militancy of the class and its refusal to shoulder the burdens of the capitalist crisis are visible in strike statistics. In 1972, a total of 2,010,300 working days were lost in strikes. In 1973, the figure was 2,634,700. In 1974, the number of strike days leaped to 6,293,000. The Australian working class in 1974 spent as many days on strike as the British working class, which is four times as large, and the Japanese working class, which is more than eight times as large.

This militancy resulted in wage gains, even allowing for the effects of inflation. The rate of inflation during the first year of the Whitlam government was 13.2 per cent. During the same year, the average adult male wage (both weekly and hourly) rose about 21 or 22 per cent. The rise in the adult male average minimum wage was approximately the same, while the average minimum wage for adult females rose about 27.5 per cent. In 1974, average adult male weekly earnings increased even more, by 28 per cent, while prices rose officially by 16.3 per cent. Even when allowance is made for official exaggeration of wage increases, the increase in income tax rates as nominal wages rise, and for the fact that wage gains may be granted at the end of a period in which prices have been rising steadily, it appears that most workers experienced a gain in real wages in 1973-74. Certainly, it can be said that the Whitlam government in its first two years did not succeed in persuading the working class to bear the major burden of the capitalist crisis.

However, in the last year or so the picture has changed. As a result of the government's wage freeze policies, and probably also because of the continued slump of the economy, wage rises have fallen behind the rate of inflation, representing a decline in real earnings. For the 12-month period ending in September 1975, the increase in average adult male earnings was only 13.8 per cent. The increase of the September quarter over the June quarter was even smaller—only 3 per cent. But by this point the capitalists had decided, virtually unanimously, that it was well past time to put an end to the ALP government.

The prospects of Australian capitalism quickly restoring a satisfactory rate of profit are anything but bright. It is not excluded that the Liberal government might be able to create a short-lived boom by means of massive giveaways to industry, but such an upturn would not be self-sustaining, and would be highly inflationary. There are essentially only two factors that can bring the Australian economy out of its present recession: an upturn in the world capitalist economy and an increase of the rate of surplus value in Australia.

The first of these factors is outside the control of Australian capitalism, and we therefore expect the government, whether Liberal or Labor, to concentrate upon the second.

The Whitlam government's efforts to restrain wages by securing the co-operation of the unions have not succeeded to the extent required by the bourgeoisie. The near-unanimous bourgeois support for Fraser indicates a decision to take a harder line. While the capitalists will probably retain indexation if they are able to do so, this method of wage control will be supplemented by more direct assaults on working class rights and living standards. There is no reason to expect that the working class will remain passive in the face of such assaults.

The working class and the trade unions

In the new economic circumstances, we expect an upsurge of working-class struggles to defend existing living standards. For the most part, these battles will be fought through the trade unions. The unions will be a central arena of the class struggle, and consequently, of the activity of the revolutionary party.

But the coming struggles are not going to be carbon copies of those of the 1930s. Nor are they going to conform to the purely economic vision of the class struggle held by the various socialist sects.

The working-class radicalisation of the 1930s really began only after the workers had been subjected to the worst years of the Depression and its debilitating effects on working-class organisation and morale. The Australian proletariat today enters the new period of radicalisation after nearly three decades of economic boom, without having suffered major economic defeat, and with its defensive organisations, the unions, intact and relatively strong.

The political context, both internationally and domestically, is also considerably different from that of the 1930s. Then

fascism was on the rise. The international proletariat had suffered such major setbacks as the defeat of the 1925-27 Chinese revolution. The workers movement was dominated by the misleaders of the Social Democratic and Stalinist parties, while the revolutionaries, the Trotskyists, found it almost impossible to gain a hearing for their views. Today, despite setbacks, the world revolution is on the rise. Most of the mass Social Democratic parties are thoroughly identified with the capitalist misrule they have helped to maintain. The Stalinist monolith has long been shattered beyond any hope of repair, and the well-known abominations of Stalinist rule in the workers states tend to destroy the attractive power that official "Communism" once held for militant workers. On the other hand, the Fourth International, while it has not yet assembled a mass party in any country, can now count its cadres in several sections or sympathising organisations by the thousands instead of by hundreds or tens, and in many countries where its followers are still miniscule relative to the reformists, Trotskyism has won wide respect from its vanguard role in struggles such as the anti-war movement, women's liberation, etc.

Equally important in determining the character of the coming working-class radicalisation are the changes that have occurred within the Australian proletariat and the effects of the radicalisation of other sectors in the 1960s and 1970s. The Australian working class is now larger and more concentrated than ever before. (Only 6.5 per cent of the labor force now works in agriculture.) Whole sectors of the workforce—teachers, office workers, technicians—who four decades ago were regarded as "middle class" and regarded themselves in that way, today are unmistakably part of the proletariat. And the Australian proletariat is young: 50 per cent of the labor force is under 35 years of age. These workers have never personally experienced a major depression; they regard a rising standard of living as a birthright, and they will fight to defend it.

This means that a majority of the proletariat—and a majority which is increasing—has entered the work force since the beginning of the youth radicalisation. The effects of the youth radicalisation upon the attitudes of younger workers, and not a few older workers as well, have obviously been profound. The Vietnam moratoriums made mass, extra-parliamentary action in the streets an accepted part of everyday life. Many of the youth who marched in those demonstrations are now in the

factories and will be ready to take to the streets again when they find the government backing attacks on their living standards. Women influenced by the attitudes of the feminist movement are no longer inclined to accept second-class wages or the idea that they should be the first laid off in periods of economic slump; the beginnings of a struggle around this latter issue are already visible.

All of the issues raised by the radicalisation of the sixties and early seventies—war, sexism, racism, oppression of gays, ecology, and so on—will become even more relevant as the radicalisation of the working class begins to be expressed through the unions. These various movements for social change are not going to be submerged or made irrelevant by the mass union struggles of the next period. On the contrary, they will gain inspiration and direction from the mass actions of the organised working class and will at the same time continually force the unions to confront the whole range of social and political issues going beyond particular economic struggles.

In the last work of his life, Leon Trotsky wrote: "The trade unions of our time can either serve as secondary instruments of imperialist capitalism for the subordination and disciplining of workers and for obstructing the revolution, or, on the contrary, the trade unions can become the instruments of the revolutionary movement of the proletariat." (See "Trade Unions in the Epoch of Imperialist Decay" in *Leon Trotsky on the Trade Unions* [New York: Pathfinder Press, second edition, 1975], p.71.) That statement is even more true today than it was when Trotsky wrote it. As a result of the radicalisation of the last 15 years, the unions will have to take sides on all the major questions which, in the final analysis, can be answered only by the socialist revolution. Such phenomena as the green bans of the Builders Laborers Federation in New South Wales provide only a small foretaste of the sort of struggles that will develop in the unions and of which the revolutionary party must be a part.

Our work in the trade unions, our effort to transform them into "instruments of the revolutionary movement of the proletariat," is, at the present stage, primarily propagandistic. We have to win the ear of the militant workers and their respect for our political judgement. There are no organisational shortcuts by which a small party can leap over the unions and their bureaucratic misleaders. As Trotsky wrote in "The Unions in Britain":

"Under these conditions [bureaucratic domination of the

unions), the thought easily arises: Is it not possible to bypass the trade unions? Is it not possible to replace them by some sort of fresh, uncorrupted organisation of the type of revolutionary trade unions, shop committees, soviets, and the like? The fundamental mistake of such attempts lies in that they reduce to organisational experiments the great political problem of how to free the masses from the influence of the trade union bureaucracy. It is not enough to offer the masses a new address. It is necessary to seek out the masses where they are and to lead them." (See *Leon Trotsky on the Trade Unions*, p 55.)

In order to successfully mobilise workers on a class-struggle program the central axis in our work in the unions is the fight for the complete independence of the unions from the capitalist state. Australian union bureaucrats have a long and disgraceful history of subordinating the unions to arbitration and other forms of state interference, that is, of betraying the class independence of the unions. Our propaganda aims to destroy the myth of the capitalist state as some sort of impartial arbiter between bosses and workers. We work to see that the unions confront the state as the enemy which it really is.

In periods of capitalist boom, when employment and wages are relatively high, it is much easier for the bureaucrats to subordinate the unions to the state. Viewed pragmatically, arbitration and the other class-collaborationist policies of the bureaucrats can appear more or less "successful" to many workers. But with the change in the economic situation, there is no longer any question of the bosses conceding a few crumbs for the sake of industrial "peace."

The bosses' assaults on working-class living standards will make the unions' independence of the capitalist state a prerequisite not only for their transformation into revolutionary instruments, but even for their successful defence of existing gains.

Under the reformist, including Stalinist, misleaders the tying of the unions to the capitalist state also can be seen in the effect of unions tailoring their demands to the "national interest," as if this transcended the particular interests of the working class. The relationship of the unions and Labor government in the recent period is a striking example of this.

But the "national interest" is nothing more than a cover-phrase for the interests of the bourgeoisie. In his article "Trade Unions in the Epoch of Imperialist Decay" Trotsky described the reason for the leaning of the trade union leaderships toward the

capitalist state:

"They have to confront a centralised capitalist adversary, intimately bound up with state power. Hence flows the need of the trade unions—insofar as they remain on reformist positions, ie, on positions of adapting themselves to private property—to adapt themselves to the capitalist state and to contend for its co-operation. In the eyes of the bureaucracy of the trade union movement, the chief task lies in 'freeing' the state from the embrace of capitalism, in weakening its dependence on trusts, in pulling it over to their side. This position is in complete harmony with the social position of the labor aristocracy and the labor bureaucracy, who fight for a crumb in the share of superprofits of imperialist capitalism." (*Leon Trotsky on the Trade Unions*, p 69.)

Our propaganda, and the activity of our cadres who are members of unions in which struggles develop, aims to win the union ranks to an independent and militant class-struggle program. Again, this is a political, not an organisational struggle: Our goal is to force the bureaucrats either to fight for working-class interests or to display their treachery before the entire union movement.

This process is described in the "Transitional Program":

"The Bolshevik-Leninist stands in the frontline trenches of all kinds of struggles, even when they involve only the most modest material interests or democratic rights of the working class. He takes active part in mass trade unions for the purpose of strengthening them and raising their spirit of militancy. He fights uncompromisingly against any attempt to subordinate the unions to the bourgeois state and bind the proletariat to 'compulsory arbitration' and every other form of police guardianship—not only fascist but also 'democratic.' Only on the basis of such work within the trade unions is successful struggle possible against the reformists, including those of the Stalinist bureaucracy." (*The Transitional Program for Socialist Revolution*, p 77.)

The fight against the bureaucracy and for the class independence of the unions presupposes the struggle for union democracy. In the recent past, the Gallagher bureaucracy of the Federal BLF in its campaign against the NSW branch has provided an unmistakable illustration of the close connection between the suppression of union democracy and the bureaucrats' goal of making the unions instruments "for the subordination and disciplining of workers."

The independence of unions from the capitalist state and union democracy are inseparable tasks: neither can be achieved in isolation from the other. The independence of the unions means, as Trotsky put it, making them "the organs of the broad exploited masses and not the organs of a labor aristocracy." The phrase serves equally well as a definition of union democracy.

The allies of the proletariat

As the preceding section indicated, the radicalisation of the working class will not occur in isolation from the mobilisation of other sectors of society. Capitalism is founded upon the economic exploitation of the worker, but the victims of its oppression extend far beyond the proletariat. With a correct strategy on the part of its leadership, the proletariat can win these layers to its side in the struggle for socialism.

In Australia, important forces have already begun to mobilise around movements of opposition to their particular oppression in advance of the bulk of the working class, and many of the demands that have been raised have an implicit—and sometimes conscious—anticapitalist logic. Sectarians view the rise of such struggles with misgiving, if not alarm, considering them a "diversion" from the class struggle. Revolutionaries welcome the development of such movements, even when they remain for the moment composed primarily of non-proletarian layers. We recognise that while these movements lack the power by themselves to overthrow capitalism, they will each contribute a current to the floodtide of the socialist revolution.

Women

There have been few if any struggles against oppression that have spread so widely so rapidly as has the women's liberation movement in the last decade. In that brief period, feminism has circled the globe, bringing the issues of women's oppression into the political spotlight in developed and underdeveloped countries alike. In Australia, the movement has developed in five or six years from a "foreign import" involving a handful of women into a political force that is increasingly able to win a hearing from Australian women well beyond the ranks of those who consciously consider themselves feminists.

Nevertheless, the movement is still small when compared to its potential. In part, this is due to the newness of the second

wave of feminism, but a lack of political direction and a tendency to seek individual rather than social solutions on the part of some feminists has also been a factor. A mass-action orientation such as had been consistently urged by feminists of the SWP represents the best way for the women's liberation movement to draw in the thousands of potential recruits.

Although the movement has already challenged, to one degree or another, virtually every aspect of the oppression of women by capitalist society—and will continue to do so—certain issues have shown a greater potential for building the movement because of their immediate impact on large numbers of women. These include the demand for safe and legal methods of contraception and abortion; equality of education, job opportunities, and wages; and adequate child-care facilities. The issue of legalised abortion has emerged as the point of confrontation between women and the reactionary forces who are determined to keep women "in their place." Feminists of the SWP have played a vanguard role in this struggle by building the Women's Abortion Action Campaign, which has organised such successful actions as the National Conference on Abortion and Contraception [July, 1975] and the December 6 [1975] demonstrations and which publishes a widely circulated and attractive newspaper.

Gays

A measure of the success of feminists in challenging capitalism's reactionary sexual and family ideology is the efforts by homosexuals to overcome the prejudices and oppression imposed upon them by capitalist society. It was the undermining of traditional "morality" by the women's movement and by the youth radicalisation as a whole that created the climate in which the first organisers of the modern gay liberation movement saw the opportunity to united large numbers of gays in struggles for complete legal and social equality.

The organised gay movement in Australia is still fairly small in numbers, but has already succeeded to a certain extent in involving activists from many different walks of life. Even such centres of anti-homosexual prejudices as the churches have not escaped the formation of church-centred gay rights groups.

Because of the very nature of homosexual oppression, it is impossible to estimate, except in the most general way, the number of homosexuals in the population as a whole, but the number is certainly not small. As the coming radicalisation of

the working class develops, the potential exists for the gay movement to grow rapidly and become a powerful force for homosexual equality and against the reactionary sexual ideology fostered by the ruling class.

Blacks

The 1971 census reported the number of Aboriginals in Australia as just over 100,000. While this is not a large number relative to the whole Australian population, it is far from insignificant. It was, for example, roughly equal to the total number of university students in the same year.

Because the oppression of Blacks is everywhere so apparent and the justice of their demands is so obvious, the struggles of Blacks have shown an ability to mobilise support in the white community as well, as in the campaign against the Queensland Acts or the defence of the Brisbane Three. The movement against Black oppression thus has a potential social force far greater than would be indicated by considering only the percentage of Blacks in the Australian population.

Moreover, the struggle of Australian Blacks is an inseparable part of the worldwide upsurge of antiracist struggles, a process which has given racial minorities in the predominantly white developed capitalist countries the consciousness that they are not isolated and helpless minorities but part of a combative international majority.

Migrants

Migrants make up 50 per cent of the male and 60 per cent of the female work force in industry. Their struggles against discrimination and oppression therefore interact directly with the struggles of the proletariat through the unions.

Migrants suffer discrimination not only from employers, landlords, etc, but also *within* the unions. Australian trade unions on the whole have an extremely poor record on the question of involving migrants in union affairs. Few bother to publish resolutions or their journals in the languages of migrants. Migrants are greatly underrepresented in leadership posts and in ACTU congresses.

In the present economic crisis, migrants are generally the first to be sacked. As the worst-paid workers, they are also the hardest hit by wage-restraint policies, inflation and cutbacks in welfare services.

All of these factors mean that the struggles of migrants against

oppression merge with the goal of breaking the bureaucratic control over the unions and transforming them into "the organs of the broad exploited masses and not the organs of a labor aristocracy."

The migrant workers conference held in Melbourne in November 1975 drew 400 delegates. The final resolution adopted indicated the radical thrust of the migrants' battle against oppression, calling upon migrants and other workers to:

"Resist the present [ie, the Whitlam government's] economic strategy of making the workers pay through wage restraint appeals and threats and cutbacks on socially necessary projects and services.

"Defend the right to work by all means, refuse to accept the sack, turn up for work, call on the other workers and unions for support, demand government action to prevent the sackings, to provide alternative work and to make the unemployment benefit equal to the workers wage."

Proposals put forward by the women's workshop at the conference indicated that the demands raised by the women's liberation movement have had an impact in the migrant communities. The proposals included 24-hour child-care centres in local neighborhoods, a fight against the sacking of women in the present economic crisis, and the outlawing of discrimination based on sex, marital status, or sexuality.

Migrants, precisely because they are migrants, tend to be more conscious of the events of the international class struggle than many Australian-born workers. In several cities there are now large Arab communities which strongly identify with the Palestinian struggle. These communities provide a base for the building of a powerful anti-imperialist movement in solidarity with the Arab revolution. As the only tendency on the left to defend the Palestinians unconditionally against Zionism, our organisation bears a special responsibility to help construct such a movement.

Youth

On an international scale, there is no segment of capitalist society that has undergone such an extreme shift in attitudes in the last two decades as have youth. The youth of 20 years ago were known as "the silent generation"—conservative, apolitical and apathetic, concerned with little except finding a high-paying job, marrying, and raising children who would be carbon-copies of their parents.

The conservatism and apathy of the early 1950s was a product of the temporary ascendancy of capitalism, particularly US capitalism, and the imperialists' launching of the cold war. The rise of the world revolution, beginning first in the colonial and neocolonial countries, started the process of questioning in many youth. Soon the growingly apparent contradictions of capitalism in the imperialist countries themselves accelerated this process.

There are easily understandable reasons why the failures of capitalism to make good its promises of the 1950s should have produced their radicalising effect first among young people, particularly student youth. Young people are generally not bound by the same material strands—job, hire-purchases, etc—that make their parents slower to respond to social issues. Sociologically, students are in a certain sense classless: Although they take on some class attitudes from their parents and from their expectations of their own future, they themselves have *no* specific relationship to the means of production. This makes students unusually susceptible to a more or less dispassionate weighing of the opposing ideologies of the contending classes.

At the same time that increasing numbers of youth, especially students, were experiencing a disenchantment with various features of capitalist society, the campuses were taking on a greatly enhanced social weight as a result of the rapid rise in the numbers of students. This rise was a consequence of capital's need for more skilled workers and technicians in industry.

In short, neither the youth radicalisation nor its impact on society at large are accidental or transient events. They are produced directly by modern capitalism itself. This means that the youth radicalisation will not be reversed unless the working class internationally was first to suffer the sort of catastrophic defeat that would decisively alter the relationship of forces between the classes and permit a relative stabilisation of capitalist rule.

The youth radicalisation, both in Australia and on an international scale, provided the first organisers and the bulk of the troops so far for the anti-war movement, the women's liberation movement, gay liberation, nationalist struggles, etc, as well as most of the cadres recruited to the Fourth International over the last decade. The youth radicalisation is so widespread that the attitudes and life-styles associated with it are now largely taken for granted; advertisers try to cater to it and the wife of the president of the United States publicly

admits that she wouldn't be shocked if her children smoked marijuana or her daughter lived with a man to whom she was not married.

One of the most important aspects of the youth radicalisation is the way in which it has helped to spread a profound antimilitarist sentiment throughout the country. We have repeatedly analysed and stressed the role of the international anti-war movement in contributing to the defeat of imperialism in Indo-China. But the implications for the future are no less significant. Military aggression is the continuation of capitalist diplomacy by other means, but the spread of antimilitarist feeling has made it an extremely dangerous tool to resort to. The fear of new explosions like that of the movement against the Vietnam war must be an important factor in the calculations of the imperialists whenever they consider using gunboat diplomacy to achieve their goals.

Nor is it possible for the capitalists to isolate completely the ranks of the armed forces from such widespread opposition to militarism. An army that shares with the general population an opposition to foreign military adventures is hardly likely to expect the acclaim of the populace if it is used, for example, to break strikes at home.

III. Developing class consciousness— from the ALP to the revolutionary party

The Australian Labor Party— an obstacle to social change

The Australian Labor Party is the mass party of the Australian working class and represents both its strengths and weaknesses. With its formation the working class took a big step forward towards breaking with the political parties of the bourgeoisie. Today, however, the ALP is an obstacle to the further progress of the working class.

But because it does represent today the political consciousness of the Australian working class and because we strive to represent that consciousness in the future, orientation to the ALP is the axis of our work.

Dual nature of the ALP

The ALP, like its counterparts in Germany, Britain, Canada, New Zealand etc is a thoroughly contradictory phenomenon. Even the phrases by which Marxists commonly refer to it are contradictory: "Social Democratic labor party" or "bourgeois workers party."

The ALP is a *labor party*, that is, the mass party of the Australian working class. In its origins, composition and organisation, it is the party of the trade unions. As a class party, it represents an historic advance for the Australian proletariat.

It is the only political mass organisation of the Australian working class. As the present expression of the political class consciousness of the working class it represents the elementary understanding that parallel to the economic struggle of the trade unions, a political struggle must be conducted against the parties of the bosses.

At the same time, the ALP is a *Social Democratic party*. There is nothing whatsoever progressive about this aspect of the ALP. On the contrary, the Social Democratic program and leadership of the party are an obstacle to the development of revolutionary consciousness in the Australian proletariat. Social Democratic reformism is not a necessary stage in the development of working-class consciousness or even a detour on the road to the revolutionary party: It is a barricade across the road which prevents further progress.

The *program and leadership* of the ALP are in contradiction with the *composition* of the party. In its composition, the ALP is a proletarian organisation, based on the trade unions. Such independent organisation of the class to fight for its interests is progressive. But from its beginning, the party has had a purely parliamentary and class-collaborationist perspective. This reformist outlook means that the ALP cannot satisfactorily defend even the *immediate interests* of the working class, to say nothing of its *historical goals*. This contradiction is summed up in the phrase "bourgeois workers party": The ALP is working-class in its composition, but bourgeois in its program.

The ALP is the party of the Australian trade unions. But it is the party of the unions as they are, not as they ought to be. It is the party of unions which at the present time come much closer to being "secondary instruments of imperialist capitalism for the subordination and disciplining of workers and for obstructing the revolution" than "instruments of the revolutionary movement of the proletariat." To put it another way, the ALP is

based on the organised working class, but does not represent it; what it represents is the union bureaucracy.

Social Democracy is a petty-bourgeois ideology grafted on to the workers' movement. Reflecting the unrealisable dreams of the petty bourgeoisie and labor aristocracy, which are caught in the middle of the conflict between capital and labor, Social Democracy preaches a class-collaborationist utopia in which the irreconcilable conflict between capitalists and workers is compromised and harmonised—under the direction, naturally, of the petty-bourgeois politicians of the Social Democracy. The ALP leaders, like the union bureaucrats, do not see themselves as champions of the working class in its battles with the employers. They see themselves as mediators of the conflict.

The ALP is thus in a state of perpetual tension between the contradictory poles of its dual nature. On the one hand, it is based on the organised working class and has the allegiance of the overwhelming majority of the class; on the other, it serves the bourgeoisie.

Principled opposition and tactical flexibility

Our approach to the ALP is conditioned by this contradiction. Firstly, we are clear that the Labor Party is not *our* party because it is not the party that can bring about socialism. Here is how James P. Cannon put the matter when discussing the British Labor Party and his comments apply equally to the ALP:

"But then the question is raised—the fact that the question is raised shows some confusion on the question of the labor party—comrades ask: 'Well, what is the British Labor Party?' If we judge it by composition alone, we must say it is a 'workers' party' for it is squarely based on the trade union movement of Great Britain. But this designation 'workers' party' must be put in quotation marks as soon as we examine the program and practice of the party. To be sure, the formal program and the holiday speeches of the leaders mutter something about socialism, but in *practice* the British Labor Party is the governing party of British imperialism. It is the strongest pillar holding up this shaky edifice. That makes it a bourgeois party in the essence of the matter, doesn't it? And since 1914, haven't we always considered the Social Democratic parties of Europe as bourgeois parties? And haven't we characterised Stalinism as an agency of world imperialism?"

"Our *fundamental* attitude towards such parties is the same as our attitude toward a bourgeois party of the classical type—that

is, an attitude of irreconcilable opposition." (See "Summary Speech on Election Policy" by James P. Cannon in *Aspects of Socialist Election Policy* [New York: SWP National Education Department *Education for Socialists* bulletin, March, 1971], p 30.)

So our attitude to the ALP is the same as it is to the Stalinists or any other opponent tendency: They are obstacles that will have to be overcome on the road to building the mass revolutionary party. But unlike the Stalinist parties in this country, the ALP has a progressive aspect—its mass working-class base. This fact does not alter our goal of removing the ALP as an obstacle to the socialist revolution, but it dictates a different set of tactics to accomplish that goal. To quote Cannon again:

"But the composition of such parties gives them a certain distinctive character which enables, and even requires, us to make a different *tactical* approach to them. If they are composed of workers, and even more, if they are based on the trade unions and subject to their control, we offer to make a united front with them for a concrete struggle against the capitalists, or even join them under certain conditions, with the aim of promoting our program of 'class against class.'" (p 30.)

Cannon goes on to define what our approach would be to such a party if it developed in the US:

"We would oppose such a 'bourgeois workers' party' as ruthlessly as any other bourgeois party, but our tactical approach would be different. We would most likely join such a party—if we have strength in the unions they couldn't keep us out—and under certain conditions we would give its candidates critical support in the elections. But 'critical support' of a reformist labor party must be correctly understood. It does not mean reconciliation with reformism. Critical support means opposition. It does not mean support with criticism in quotation marks, but rather criticism with support in quotation marks." (p 31.)

So our orientation to the ALP aims to exploit the contradictions within it in order to clear the party out of our way. We intervene in the ALP to sharpen the conflict between the working-class base on the one side and the bourgeois program and petty-bourgeois leadership on the other. Our aim is to make the contradiction between the party's base and program blindingly clear to the ranks of the working class, which is another way of saying that we have to expose the ALP leaders as the craven servants of capital that they are.

None of this implies a sectarian attitude towards the ALP. On the contrary, the slightest hint of sectarianism could cut us off from the ranks of the party whom we want to reach. Our uncompromising criticisms of the ALP's rotten program and treacherous leadership are always presented in the context of our support to the ALP as a party of the working people in opposition to the bosses.

The two sides of our orientation are not contradictions which somehow have to be made to coexist, but logical corollaries. It is precisely its bourgeois program that prevents the ALP from really defending the class interests of the proletariat against the bosses.

Our tactical approach towards the ALP can take a multitude of forms and depends only on what is most effective. We can carry out fraction work within the party. We can seek to involve elements of the party or the party as a whole in united front-type activity, eg the anti-war movement. We can at times urge people to join the ALP and urge the strengthening of its union base. Any combination of tactics is acceptable providing we maintain our programmatic independence.

Trotsky summarised our approach to work with a labor party when discussing the American Socialist Workers Party and US labor party: "In relation to the labor party in all stages of its development the SWP occupies a critical position, supports the progressive tendencies against the reactionary, and at the same time irreconcilably criticises the half-way character of these progressive tendencies." (See "The Problem of the Labor Party" by Leon Trotsky in *The Transitional Program for Socialist Revolution*, p 242.)

In general, our method of exploiting the contradiction between the base and the program of the ALP is to demand that the ALP leaders act as most workers still believe them to be—their representatives. We demand that the ALP act like a working-class party by defending working-class interests. The aim is not only to persuade the ranks that a particular proposal is desirable, but to put the onus on the ALP (and the union) leadership for failing to carry it out. Thus, for example, after the dismissal of the Labor government, we did not—like the CPA and the "Trotskyist" sects—call for a general strike in the abstract or demand that the workers down tools because we told them to; we demanded that the ALP and the unions call a general strike.

Virtually any demand which is in the interest of the working

class or other oppressed layers and which seems reasonable to the masses can serve the purpose of exposing the ALP leadership and sharpening the contradictions within the party. It is not necessary to catalogue such demands here; our draft program contains numerous examples.

Labor to Power! For a workers government!

There is another important weapon in the arsenal that revolutionary Marxists have developed for use against mass reformist parties in the working-class movement. This is the demand that such parties take state power and for a workers or workers and farmers government.

This tactic is not at all the same as merely calling on the reformist party to take over the government of the capitalist state. In 1917, the Bolsheviks were able to expose the ultimately pro-capitalist programs of the Mensheviks and the Social Revolutionaries by calling on them to "take the power" even though the reformists already headed the Provisional government. The Bolshevik demand meant: Break with the capitalist state and form a government based upon your majority in the Soviets. The Bolsheviks raised this demand because they realised that in order to form a government based on the Soviets, the reformists would have had to contradict their programmatic allegiance to the bourgeois state.

What the Bolsheviks' demand would have created if the Mensheviks and Social Revolutionaries had yielded to it has been referred to in the Trotskyist movement as a workers and peasants' government or workers' government depending on the class composition of the country concerned. Such a government is neither a capitalist government nor the dictatorship of the proletariat, but an extremely unstable and short-lived phenomenon that can arise when the capitalist state has been severely weakened but not destroyed and the workers and their allies have not yet, for whatever reason, established a dictatorship of the proletariat. Such a government is independent of the bourgeoisie and will therefore be overthrown by the capitalists at the first opportunity if it does not first abolish the power of the capitalists by establishing a workers state. The importance of the demand for a workers government for us at the present time lies in its propagandistic and agitational use. Trotsky explained this in the "Transitional Program":

"The central task of the Fourth International consists in freeing the proletariat from the old leadership, whose

conservatism is in complete contradiction to the catastrophic eruptions of disintegrating capitalism and represents the chief obstacle to historical progress. The chief accusation which the Fourth International advances against the traditional organisations of the proletariat is the fact that they do not wish to tear themselves away from the political semi-corpse of the bourgeoisie. Under these conditions the demand, systematically addressed to the old leadership: 'Break with the bourgeoisie, take the power!' is an extremely important weapon for exposing the treacherous character of the parties and organisations of the Second, Third and Amsterdam Internationals." (*The Transitional Program for Socialist Revolution*, p 94.)

And further: "The agitation around the slogan of a workers-farmers' government preserves under all conditions a tremendous educational value. And not accidentally. This generalised slogan proceeds entirely along the line of the political development of our epoch (the bankruptcy and decomposition of the old bourgeois parties, the downfall of democracy, the growth of fascism, the accelerated drive of the workers toward more active and aggressive politics). Each of the transitional demands should, therefore, lead to one and the same political conclusion: the workers need to break with all traditional parties of the bourgeoisie in order, jointly with the farmers, to establish their own power." (p 95.)

The development of the class struggle in Australia has not yet produced soviets, which would considerably simplify the task of presenting the demand for a workers' government. Nevertheless, we have developed slogans which express the same essence as the Bolsheviks' demand that the Mensheviks and Social Revolutionaries "take the power." Naturally, the best opportunity for the present to advance such slogans is provided during election campaigns, when the question of government is foremost in the minds of workers and the other oppressed.

Election tactic

In the 1972 and 1974 elections, we put forward the slogan "Vote ALP! Fight for Socialist Policies!" This was a concrete expression in the given context of the slogan "For a Workers Government." It meant: for a government by the mass party of the working class, but one not committed to the bourgeois program of the ALP—a government independent of the bourgeoisie.

By using this tactic of *critical support* we are using Lenin's

method: "Support them in order to force them to take office so that the masses will learn by experience the futility and treachery of their program, and get through with them."

In 1975, the growth of our organisation and the development of its cadres made it possible for us to advance the same idea in a more concrete—and therefore more effective—form. By running our own candidates, we could pose more directly to the ranks of the working class the contradiction between the mass working-class base of the ALP and its bourgeois program. By putting forward our own candidates on a clear program of transitional demands, while calling unmistakably for the return of a labor government, we gave workers the opportunity and encouragement to oppose the reactionary policies of the ALP leaders without abandoning the one progressive aspect of the ALP, its character as the mass party of the working class in opposition to the parties of the bosses.

We think that Trotsky expressed this correct approach of a small formation towards the mass Labor Party in his discussions on the Independent Labour Party in Britain in 1935. Trotsky was asked:

"Question: Was the ILP correct in running as many candidates as possible in the recent General Elections, even at the risk of splitting the vote?"

"Answer: Yes. It would have been foolish for the ILP to have sacrificed its political program in the interests of so-called unity, to allow the Labour Party to monopolise the platform, as the Communist Party did. We do not know our strength unless we test it. There is always a risk of splitting and losing deposits, but such risks must be taken. Otherwise we boycott *ourselves*." (See "Once Again the ILP: An Interview with Leon Trotsky" in *Writings of Leon Trotsky (1935-36)* [New York: Pathfinder Press, 1970], p 69.)

The revolutionary thrust of our election campaign strategy can be highlighted by contrasting it to that of the CPA, which managed to be opportunist and sectarian simultaneously. The CPA campaign was opportunist because it put forward no real programmatic differences with the ALP. It was sectarian because putting forward its own candidates without expressing political differences could only mean: "Vote for our candidate over the ALP's because he or she represents our organisation instead of theirs; we are better than the ALP but we won't tell you why."

Trotsky also pointed out that we run in elections against the

Labor Party not to expose this or that individual candidate who is particularly reactionary but to expose the party as a whole. There is no fundamental distinction between different shades of Social Democrat. Nor do we urge a vote for Labor on the basis of some or another aspect of its program:

"Revolutionists never give critical support to reformism on the assumption that reformism, in power, could satisfy the fundamental needs of the workers. It is possible, of course, that a Labour government could introduce a few mild temporary reforms. It is also possible that the League [of Nations] could postpone a military conflict about secondary issues—just as a cartel can eliminate secondary economic crises only to reproduce them on a large scale. So the League can eliminate small episodic conflicts only to generalise them into world war.

"Thus, both economic and military crises will only return with an added explosive force so long as capitalism remains. And we know that Social Democracy cannot abolish capitalism.

"No, in war as in peace, the ILP must say to the workers: 'The Labour Party will deceive you and betray you, but you do not believe us. Very well, we will go through your experiences with you but in no case do we identify ourselves with the Labour Party program.'" (p 70.)

Some have argued that the ALP is already exposed and to run in elections only gives credibility to parliamentary democracy. In these circumstances we should urge a boycott, they say. Trotsky's answer was:

"It is argued that the Labour Party already stands exposed by its past deeds in power and its present reactionary platform. For example, by its decision at Brighton. For us—yes! But not for the masses, the eight million who voted Labour. It is a great danger for revolutionists to attach too much importance to conference decisions. We use such evidence in our propaganda—but it cannot be presented beyond the power of our own press. One cannot shout louder than the strength of his own throat. . . .

"As a general principle, a revolutionary party has the right to boycott parliament only when it has the capacity to overthrow it, that is, when it can replace parliamentary action by general strike and insurrection, by direct struggle for power. In Britain the masses have yet no confidence in the ILP. The ILP is therefore too weak to break the parliamentary machine and must continue to use it. As for a *partial* boycott, such as the ILP sought to operate, it was unreal. At this stage of British politics it would be interpreted by the working class as a certain contempt

for them: this is particularly true in Britain where parliamentary traditions are still so strong." (p 70.)

Of course, in running in elections we in no way fall prey to the trap of the Social Democrats who see parliament as the decisive arena of struggle and the way to win reforms for the working class. We take our stand along the lines of the resolution of the Second Congress of the Comintern on "The Communist Attitude to Parliamentary Reformism":

"In face of imperialist devastation, plunder, violation, robbery and ruin, parliamentary reforms, devoid of system, of consistency and of definite plan, have lost all practical significance for the working masses. . . .

"Parliament at present can in no way serve as the arena of a struggle for reform, or for improving the lot of the working people, as it was at certain periods of the preceding epoch. The centre of gravity of political life at present has been completely and finally transferred beyond the limits of Parliament." (See *Aspects of Socialist Election Policy*, p 5.)

Any candidates who are successful in electoral contests will act as "scouting parties" for the working class and use the parliamentary bodies as a forum to propagate the ideas and demands of socialism.

Where and when we run our own candidates in the future will depend on our strength, the gains that can be made, and considerations of a similar nature. The growth of our organisation will increasingly make it possible for us to run our own candidates and thus pose concretely our program against the program of the ALP.

ALP in office—a bourgeois government

When an ALP government comes to office we place *no* confidence in it. It is a *bourgeois* government from the moment of swearing in.

An ALP government is a *bourgeois* government because it is administering the bourgeois state. It works within the framework of the bourgeois power incorporated in this state. It accepts the authority of the bourgeois constitution, courts, legal structure, governmental bureaucracy and repressive apparatus. It accepts the financial limitations imposed on these governments by the bourgeoisie. It accepts the bourgeoisie's rules for the parliamentary game. It comes into office with the consent of the bourgeoisie and acts as an instrument of

bourgeois rule. It defends the bourgeois profit system and capitalist property relations.

It is true that a Labor government is a bourgeois government with a particular feature, which is vital for us to understand. A Liberal government is based on parties which the bourgeoisie has built, shaped, and which it controls directly, without intermediaries. An ALP government poses a somewhat more complex task for the bourgeoisie, and therefore normally does not enjoy their confidence to an equal extent. For the ALP is a party based on the labor movement, and its leaders are tied to the bureaucratic layer which heads the labor movement. For that reason it is much more susceptible to mass pressure.

As we said, the ALP is a labor party. Its social base is the labor movement, but its program is bourgeois and leadership petty bourgeois. Its election to government often reflects the rise of the working class movement, and gives rise to expectations by workers that it will act on their behalf. But the leadership which takes office does so with a pro-capitalist program. It takes office to administer a bourgeois state, not to dismantle it. It takes office with the agreement of the bourgeoisie, which has made a conscious decision to allow the ALP to form the government.

When you have an ALP government like that of Whitlam's the situation expresses very graphically the contradictions inherent in the ALP, the contradiction between the labor base of the party and its bourgeois program. The interests of the working class base of the party are in fundamental contradiction to the interests of the bourgeoisie in whose interests the government is ruling. The workers' interests are in fundamental contradiction with the pro-capitalist program of the government. This presents us with tremendous possibilities to intervene. We pose the question, in whose interests is the government ruling: those of the working class or those of the bourgeoisie?

Of course we support progressive measures taken by an ALP government—indeed we support genuinely progressive measures taken by a Liberal government too. If Fraser abolished the abortion laws, we would support that action. But we do not support the *bourgeois government* which carries out such actions

Our goal is to expose the ALP government in the eyes of the masses, and to mobilise the ranks, and the working class in general, against the government. It means calling on the ALP leaders who are in government to take action on behalf of the

working class. It means presenting our program in the framework of what *this* government should do—without suggesting any political confidence in the government, or any confidence that it will actually implement that program. It means taking up the parts of the ALP program that are correct, and demanding that the government implement them. In general it means pointing out the contradiction between the base of the party and the party leadership which rules in the interests of the enemy class. This approach is a means of struggle against the government, not of support.

We do not cease our critical support of the ALP as a *party*, when it takes office. We also continue to defend the ALP against the attacks of the bourgeoisie.

And even in the case of an ALP government, we will defend it against attacks from the right. To the degree that an ALP government bends in response to pressure from the working class, there may be conflicts between the government and the decisive layers of the bourgeoisie. The ruling class can come to the conclusion that a new government is needed. It can try to unseat the ALP government in order to install a government which it considers better able to defend its interests. This is what happened to the Allende regime in Chile. It was a bourgeois government but the bourgeoisie decided to replace it with a military dictatorship. We were for defence of the Allende government against the coup as we were for the defence of the Whitlam government against Fraser.

But this does not mean that we have any political confidence in such a government, or that we give it political support, but we can defend it against attack from the right. We do so in order to create the conditions where the working class will be able to replace it and install a workers' government. That's the traditional Leninist strategy. It expresses our basic goal with respect to a government like that of Whitlam, Allende or Kerensky. Our basic policy is opposition; our basic goal is to replace it with a genuine workers government.

Our tactical approach to the Labor Party is not a short-term tactic. Rather it is a tactic that will be most effective in a revolutionary or pre-revolutionary situation. Until the Labor Party decisively betrays the *consciousness* of a large section of the working class, it will continue to be looked to as the representative of the working class. But the principled position and tactical approach we have outlined above are the indispensable tools for winning a hearing for ourselves and our

program from the broad masses of the working class, both now and as revolutionary events unfold in the future.

Political blocs

We regard the ALP as an obstacle to the socialist revolution. Its incurably reformist, class-collaborationist program and leadership make it a barrier across the path of the proletariat, a barrier that will have to be swept aside if the working class is to achieve its historic goal. Nevertheless, we adopt the tactic of urging the workers to vote for the ALP in opposition to the parties of the bosses.

The question is sometimes raised as to whether there is any principled difference between urging for a vote for a class-collaborationist labor party and calling upon the workers to vote for a popular front, that is, an electoral bloc between a working class party and a bourgeois party. The question was posed sharply by the Union of the Left in France. In this bloc, the bourgeois party, the Left Radicals, is not supported by any significant sector of French capitalism, and it is a junior partner within the bloc itself. Does this mean that there is no essential difference between calling for a vote for the labor party in West Germany or Britain or Australia and calling for a vote for the Union of the Left in France?

If *all* we did was to call for a vote for the ALP, there would be no essential difference between doing so and calling on the workers to vote for an actual or embryonic popular front. Both actions would be unprincipled. Both would implicitly endorse a reformist, class-collaborationist program. Both actions would, in effect, tell the working class that such a program represented at least a partial solution to some of their problems.

But this is not what we do when we call for a vote for the ALP. All of our propaganda makes it clear that we call for a vote for the ALP *despite* its program, not because of it.

Our tactic of critical support can be understood only in this context. Critical support of the ALP is *not* a form of assistance to the party which we grant it as a reward for having—at present—the allegiance of the organised working class. Critical support is a weapon against the class-collaborationist program and leadership of the ALP.

The key to our approach to the ALP or any other party or bloc of parties is our opposition to class collaborationism, the subservience of the oppressed to their oppressors. Whatever its

tactical expression, our strategy aims to promote the class consciousness and independence of the working class (and its allies among other oppressed sectors) from the ruling class.

The tactic of critical support to the ALP does not contradict the goal of raising class consciousness because the party has one progressive aspect upon which our support centres. The ALP is the mass party of the working class, based upon the trade unions. This aspect is a first step (but only the first step) in the direction of breaking with class collaboration on the political plane.

It is permissible, from the standpoint of our strategic goal, to “support” the ALP because we can do so without creating class-collaborationist illusions, by focusing our support on the class-against-class implications of the party’s trade union base, and because this support provides us with the opportunity to present our implacable criticism of the program and leadership.

But the operative principle in this situation is not that it is always permissible to “support” working-class political formations. The principle that guides us is that we may never do anything that tends to support class collaborationism.

Popular fronts

What we support in the ALP is only its one progressive feature: its class character as the political arm of the organised working class. But an electoral alliance of working-class and bourgeois parties does not have this character.

A popular front is simply a joint electoral platform of working-class and bourgeois parties on the basis of which the participants hope to take over government. This program is necessarily a bourgeois program, for the simple reason that capitalist parties do not form alliances for the purpose of abolishing capitalism. A popular front undermines the class independence of the proletariat by subordinating its party to the bourgeoisie.

(In speaking of the program of such a bloc or of the ALP or any other party, we of course mean the goals which the partners really have in mind and are willing to fight for, not the demagogic rhetoric with which it may try to hide its real intentions.)

It is this inescapable programmatic subordination of the working class to the bourgeoisie which obligates revolutionaries to oppose popular fronts.

It is programmatic agreement—whether expressed or

concealed—to defend the interests of capitalism which creates the preconditions for a popular front and brings it into existence. The popular front *is* its program.

Unlike a labor party, a popular front contains *no* progressive element upon which revolutionaries may base their critical support. A popular front represents, not the independent political organisation of the working class, but the political subordination of the workers to the bosses. It is impossible to endorse a popular front without at the same time endorsing the one thing that makes it real: its class-collaborationist program.

Alliances of working-class parties

Bourgeois participation in a popular front is a result, a symbol, of the prior agreement upon a class-collaborationist program. As such, open participation by bourgeois parties is not a *necessary* element of a popular front. Because of various circumstances, a popular-frontist program may not succeed in its aim of bringing about a formal alliance with a capitalist party. Thus the Spanish popular front, in Trotsky's words, included only "the shadow of the bourgeoisie." Naturally, revolutionaries oppose any political bloc which does not answer the question of which class shall rule, regardless of whether the capitalists actually join the bloc.

We would continue to oppose the Union of the Left, for example, even if the Left Radicals were to withdraw. The significance of the Left Radicals' presence in the Union of the Left is that it provides incontrovertible proof that the alliance is based upon a bourgeois, class-collaborationist program, and their withdrawal would not change the program of the bloc.

In relating to a programmatic electoral bloc between two working-class parties, without the participation of bourgeois parties, we would call for a vote for the bloc (as opposed to vote for the parties composing it) only if the bloc had a class-struggle rather than a class-collaborationist program. (This position does not contradict the Bolsheviks' line of calling upon the Mensheviks and Social Revolutionaries to take power jointly. The two reformist parties had already formed a government on the basis of a joint class-collaborationist program; the demand that they "take the power" was a demand that they break with that program.)

The reason for using program as the criterion in deciding whether or not to support such a bloc is quite simple: There isn't any other criterion available. If we are talking about an electoral

alliance, and not a fusion, between two working-class organisations, the alliance *is* its joint program, just as in the case of a popular front. A call to vote for or against such a bloc therefore can only mean voting for or against its program. Electoral support for a hypothetical Union of the Left without the Left Radicals, for example, would contradict our criticism of its program, since the Union *is* nothing but an electoral bloc seeking to implement a class-collaborationist program. If we wanted to carry out a tactic of critical support toward such a formation, we would do it by urging a vote for candidates as representatives of the individual working-class parties, while explaining that we could not support the bloc as such because of its program; in effect, we would be calling for the breaking of the bloc based on a rotten program and demanding of parties that they adopt a class-struggle program, either individually or jointly.

This principled, programmatic approach to electoral formations does not, of course, justify a sectarian attitude. Unlike the case of a popular front, it is *not* inevitable that the program of an electoral bloc between two or more working-class parties would be a class-collaborationist one. Indeed, such a program could even be *ours*.

Australia at the moment provides no real examples of working-class electoral alliances, either on a class-collaborationist or a class-struggle program. But as revolutionaries intent on building the mass party to lead the Australian socialist revolution, we are always alert for opportunities to unite in action with other working-class organisations on a principled basis—in elections as well as in the mass movements.

Our principled adherence to program is not a handicap to the building of the mass revolutionary party, but the foundation without which the party cannot be built. In the coming years, the demands of our program will win over, not merely the occasional militant, but thousands upon thousands of workers, including whole sections of non-Trotskyist organisations, as the development of the class struggle forces the working class to seek new solutions to its problems. Organisational manoeuvres or gimmicks which obscure our program would not be a short cut, but a dead end. The program is the tool with which we will win the political struggle for the allegiance of the workers and other oppressed.

Labor in power—the record

The last three years have demonstrated—and not for the first time in Australian history—the total inability of Social Democracy to defend even the immediate interests of the working class in the era of the death agony of capitalism.

The ALP came to power in 1972 by riding the mass movements, particularly the anti-war movement and the upsurge that began with the jailing of Clarrie O'Shea in 1969. Labor's campaign oriented to these movements, enlisted their support, and directed its promises to them: reduction of inflation and unemployment, withdrawal from Vietnam and the ending of conscription, equal wages for women, and so on.

At the same time, the ALP enjoyed support from a significant section of the Australian capitalist class, as it had in 1969 as well. There were two essential reasons for this capitalist support. One was that the ALP seemed more able to adjust Australian government to the new reality of the detente, which appeared only to confuse the L-CP government. More important than this consideration was the expectation that the ALP, because of its base in the trade unions, would find it easier to impose some form of wage freeze upon the working class and to moderate the militancy of the unions and other mass movements.

For the petty-bourgeois leaders of the ALP, there was nothing peculiar about enjoying the simultaneous support of the working class and a large part of the capitalist class. On the contrary, Social Democracy sees itself as the mediator destined to reconcile the contending classes in a utopian "national unity." Or, as Bob Hawke excellently expressed it at a rally in Sydney last October 30, "We came to power to save the system."

As it turned out, this collection of labor fakers and petty-bourgeois utopians couldn't even save themselves.

When Whitlam was elected, the 1969-72 recession was just coming to an end. The Labor Party leaders seemed to expect that the upturn of the business cycle, combined with their efforts to modernise Australian capitalism, would permit them to grant continuing small but real concessions to the working class, mostly in the form of welfare measures, while still guaranteeing a steady rise of profits to the capitalists. For the Social Democrats, the successful implementation of such a strategy would be identical with the millennium.

There is no reason to deny that the Whitlam government, especially in its early months, did carry out a number of minor

but nevertheless real reforms: raising of pensions (already begun by the previous coalition government), diplomatic recognition of China, North Vietnam, and North Korea, ending of conscription, improvements in maternity leave, Medibank.

But when the unexpected entrance of the international economic crisis exploded the pipe dream of keeping everyone happy, the Whitlam government quickly demonstrated its complete subservience to capital. While the attempts to impose a wage freeze went full steam ahead, the welfare measures that were supposed to act as compensation to the workers were quickly dropped one after the other. Whitlam's inability to gain statutory authority for a wage freeze either by agreement with the States or by constitutional referendum—in part because of obstruction by the Liberals, who thought they could force even harsher measures to be adopted and the fact that unions continued putting forward and winning wage claims tended for a time to prevent mass awareness of the assault which the government had launched against working-class living standards. For example, in the May 1974 elections, there was a swing to Labor in working-class electorates despite the overall swing to the L-CP.

Gradually, however, the Whitlam government's anti-working class, pro-business methods of managing the economy began to produce the inevitable demoralisation or disillusionment in the working class. The various shifts in budget strategies during the ALP government's three years have been charted and detailed in *Direct Action*. Here we need only note that a common feature of all the measures used was the attempt to restrain wage claims by giving the working class a dose of unemployment to curb its militancy.

There was of course no way in which a capitalist Australia could have avoided rising unemployment and inflation in the midst of an international capitalist crisis characterised by simultaneous unemployment and inflation. But workers naturally expected that the government which they had elected would do something to protect them. Instead, they saw workers being given the sack and the companies who sacked them being given multi-million dollar handouts.

Other oppressed sectors, such as women, similarly saw the ALP's promises being betrayed. The much-heralded child-care facilities somehow never got started. In the 1974 campaign, Whitlam promised large spending for childcare and then retracted the promise almost as soon as the votes were counted.

Even on the question of abortion, which would not have produced any great economic loss to the bourgeoisie, the majority of ALP members in Parliament openly sided with reaction.

When the Federal ALP conference at Terrigal in February 1975 wrote explicit support for capitalism into its program, it was only ratifying the policies already put into effect by the ALP government. The move was essentially a gesture designed—vainly—to regain from the right some of the loss of working-class support caused by the program of the Whitlam government.

Despite Whitlam's obvious subservience to the capitalists the latter had decided almost unanimously by the end of 1975 that it was time for him to go. A number of factors entered into this decision:

1. The traditional ruling-class preference for government by its own parties rather than by a labor party, which can occasionally be pushed by its mass base to go a bit further than the capitalists would like.

2. The indecisiveness, bordering on incompetence, of the Whitlam government in switching from one nostrum to another in their efforts to cure the ailing economy.

3. The government's inability to impose a firm policy of wage restraint and the calculation by some sectors that with the continued slump in the economy wage indexation might actually produce higher wages than would result from bargaining and arbitration.

4. The judgement that disillusionment with the ALP had reached the point that the working class could be dealt a sharp electoral defeat, perhaps shifting the axis of Australian politics to the right for a whole period and in any event bringing in a Liberal government with a large "democratic mandate" for attacks on the unions. The capitalists no doubt had in mind the precedent of the Scullin Labor government, which was used to demobilise the working class politically and then discarded while the capitalists went about the business of cutting wages.

Faced with well-grounded dissatisfaction in the ranks of its supporters, Whitlam's government could think of no better way to respond than by the escalating use of lies, since meeting the demands of its supporters was excluded by economic circumstances and the ALP's subservience to capital. The economy was always about to enter an upswing; inflation was always starting to decline; publicity was given now to seasonally

adjusted unemployment figures, now to the unadjusted, depending on which looked best; the attack on working-class living standards was all the fault of the international crisis, or the multinational corporations. Lying was the only alternative to the unthinkable course of telling the truth: That deteriorating economic conditions were the inevitable product of capitalism and the only way the workers and other oppressed could protect themselves was by making the bosses pay.

The depths of the ALP's subservience to capital was demonstrated still further by the leadership's response to the November 11 coup and its behavior in the subsequent election campaign. It seems evident that the ruling class misjudged the extent of outrage in the working class that would be provoked by the ouster of the ALP government. Or perhaps they did not miscalculate: perhaps they simply were sufficiently confident of the craven reaction which Whitlam did in fact display.

It is not very difficult to imagine situations similar to those of November 11 in which even the leadership of a *bourgeois* party would fan the outrage provoked by the coup and mobilise the masses in order either to win an electoral victory or force its opponents to agree to a back-room compromise. But the ALP, without a moment's hesitation, did everything in its power to defuse the mass anger of the working class and other oppressed.

It was of course excluded that the ALP leaders would use the electoral campaign to mobilise the working class to fight in its own interests against the parties of the bosses. But it would not have contradicted the nature of Social Democracy as such for Whitlam and company to have campaigned on a demagogic program designed at least to save the necks of the ALP parliamentarians. In the actual circumstances, however, even this course appeared too radical to the right-wing leadership. Whitlam resembled nothing so much as a whipped dog appealing to its master for mercy; the whole thrust of the campaign consisted of a whining appeal to the ruling class that retaining Fraser in office would threaten "democratic stability."

Even commentators in some of the bourgeois press pointed out that Whitlam seemed to be deliberately courting electoral disaster by his preoccupation with the constitution and refusal to campaign on economic issues or on a program of defending Labor's social-welfare reforms. This was perfectly in character for the petty-bourgeois ALP leaders. They chose political suicide in preference to telling even the little bit of truth that

would have been needed for an effective campaign and could not conceive the possibility of appealing directly to the masses without first gaining the support of the bourgeoisie.

It was to be expected that types like Hawke would draw from the December 13 electoral disaster the lesson that the Whitlam government had been "too radical" for Australian voters. What the record of the ALP government really proves is that the party's bourgeois program is a disaster for the interests of the working class and for the electoral fortunes of their political party. One of our tasks in the next period will be to hammer home this lesson to the ranks of the working class.

And as a result of the way in which the ALP was thrown out of office and the blatant failures of Whitlam, Hawke and Co there will be more and more rank and filers in the unions and the ALP who aren't willing to show any more "restraint." The ruling class has guaranteed an explosive 1976 with its actions of November 1975.

Building the revolutionary party

The preceding analysis has indicated why we expect the coming months and years to bring with them explosive struggles of the proletariat and its allies both here and internationally. Such struggles will create greater opportunities for winning recruits to the program of Trotskyism and building the revolutionary party. The Socialist Workers Party will be involved in all these struggles to the absolute limit of its resources.

Basically what is involved is an *acceleration* of the class struggle in all its forms and a corresponding acceleration of our activity. But we have noted in the past year a trend that will become more dominant in the next few years: An increasing number of working class militants are looking for solutions to the crisis of capitalism outside the framework of Social Democracy and the restraints imposed upon them by the union bureaucrats. This trend will have decisive importance for us. We must be in a position to respond to these openings and help lead the struggles that will erupt. What is involved for us is the opportunity to win an increasing number of union militants who will lay the basis for developing our party in this decisive area.

While this is not a new goal for our party, the possibilities of success are greater now than in any time since our foundation. However, we should not engender any illusions that we can, at

this stage of our development, have any sort of decisive influence on the course of the class struggle. We are still only the nucleus of the mass revolutionary party. Our primary task throughout the next period, and the reason why we participate in the battles of the proletariat and other oppressed people, is the winning of cadres. Recruiting to the program of revolution is our central activity.

Without closing our eyes to the unforeseen opportunities that may develop, we project certain areas of struggle in which we will be active in order to carry out our task of recruiting to the revolutionary party. Our program for these struggles is presented in "Towards a Socialist Australia."

Our method

On a world scale, the objective prerequisites for socialism have been present since the turn of the century. Capitalism has survived because of the failure of the subjective conditions, that is, the lack of a mass revolutionary party able to lead the masses of workers and oppressed in the struggle for socialism. We intend to build that party.

In the period of sharpening conflicts now opening, we will have the opportunity to make great strides forward in the task of overcoming the failure of the subjective conditions. In this period we can make qualitative steps forward in the construction of the party.

Our growth will not proceed in a steady, linear fashion from now until we achieve mass size. The process will be one involving fusions, splits, periods of relative stagnation and periods of rapid growth. The one thing that will remain constant throughout is our method.

Our method is the method of the "Transitional Program." The transitional method, proceeding from the recognition that the chief obstacle to socialism is the subjective factor, sets the revolutionary party one overriding goal: winning the masses.

The struggle for the masses is a political struggle, a struggle for the consciousness of the proletariat and its allies. There are no organisational tricks or manoeuvres, no matter how clever, that can replace the political battle for the minds of the masses. There are no brilliant tactics that can force the misleaders of the proletariat from the scene without first winning the political allegiance of the working class.

The transitional method of struggle for the masses proceeds, because it must, from the actual level of consciousness of the

proletariat and its allies. Our method is to raise and fight for demands which correspond to that consciousness and which lead it from that level towards the conclusion that the struggle for socialism is a burning necessity.

This method should infuse every aspect of our work, from selling *Direct Action* to leading mass actions. This is what Trotsky meant when he wrote in the "Transitional Program": "The present epoch is distinguished not for the fact that it frees the revolutionary party from day-to-day work but because it permits this work to be carried on indissolubly with the actual tasks of the revolution." (*The Transitional Program for Socialist Revolution*, p 75.) In the era of the death agony of capitalism, the "actual tasks of the revolution" are the construction of the party through the struggle for the masses.

The opportunists and the sectarians alike are forever in search of some shortcut or talisman that can replace the arduous task of winning the political leadership of the oppressed. There are no shortcuts. The transitional method is not only the shortest path, it is the only one that leads to the goal. The "Transitional Program," the founding document of the Fourth International, is also the foundation of all our work.



A huge demonstration against the Vietnam war in Melbourne, May 8, 1970. Mass actions such as this are the most effective weapons for winning victories and advancing consciousness.

Towards a Socialist Australia

This program was adopted by the fourth national conference of the Socialist Workers Party, held in Sydney in January 1976. The first draft of the program was published in the October 23, 1975 issue of the socialist newspaper Direct Action.

We live in the era of socialist revolution. In the historical period that opened with the triumph of the Russian Revolution in 1917, one-third of humanity has already thrown off capitalist exploitation and begun the construction of a higher social order.

Capitalism, although it still prevails over most of the earth's surface, is a historically outmoded and dying system. In its youth, capitalism expanded humanity's productive capacity by leaps and bounds and infused millions with the dream of "liberty, equality, fraternity." Now, in its senility, the same system limps from economic crisis to economic crisis, supported by the crutches of repression, discrimination, and war.

The death throes of capitalism have already proven infinitely more violent than those of any preceding social order. Two world wars, the incredible bestiality of fascism, widespread use of torture, the genocidal bombing of Indochina, preparation for nuclear war: these are only a few of the products of capitalism in its death agony. The longer capitalism survives, the more horrible its products become.

Every additional day that capitalism survives means additional hardship, suffering, and death for millions of people. The purpose of the Socialist Workers Party and the international

party to which it belongs—the Fourth International, World Party of Socialist Revolution—is to hasten the final demise of capitalism and help begin the construction of a new social order free from exploitation, poverty, discrimination, injustice, and war.

I. Capitalism in decay

Poverty in the midst of plenty

In 1975, while famine raged over large areas of Africa and Asia, Australian graziers found themselves forced to shoot large numbers of their beef cattle, which could not be sold at a profit. This scandalous contradiction illustrates the basic conflict inherent in capitalist production: goods are produced, not to satisfy human needs, but to create profits.

This contradiction is basic to *all* capitalist production. As a rule, its effects are more glaringly visible in the underdeveloped countries, but they are no less real in the advanced capitalist countries.

For decades, the Australian bourgeoisie spread the myth of the Lucky Country, which was supposed to be free of the poverty, class conflicts, and boom-and-bust economic cycles found in other capitalist societies. But the report of the Henderson commission into poverty, tabled in Parliament in August 1975, found 1.5 million Australians living "below minimum acceptable standards." More than half of these people live in extreme poverty, with incomes of less than \$93.20 for a couple with two children, or less than \$40.20 a single person, or \$56.90 for a couple with no children.

"The survival of pockets of severe poverty in this rich country," the report said, "is a national disgrace. To remove them as quickly as possible should be an overriding concern for all levels of government."

But does anyone seriously believe that any State or Federal government has either the will or the ability to end these "pockets" of poverty? The number of poor is not declining, but increasing, as a result of rising unemployment and inflation that reduces the real value of everyone's wages. The ALP's solution for the economy is "wage restraint"—that is, wage levels that don't keep up with inflation, meaning a decline in living standards for every worker and thousands more forced below

poverty line. The Liberal-Country Party coalition's answer is the same, with the addition of union-bashing and additional gifts of tax money to corporations.

The lack of real concern with which both major parties view talk of removing poverty was typified by the response of Senator Wheeldon, the Social Security Minister, to the Henderson report: "Just at the time we are faced with the problems of inflation, we are once again reminded that we have nearly a fifth of our population living in poverty and over a tenth in dire straits. It would take years to correct the problem but we certainly intend to act on the report as soon as we can and as soon as circumstances allow us to do so."

But "circumstances" never seem to permit the abolition of poverty, even during high points of the economic cycle. (The Henderson commission's survey was conducted in 1973, when overall economic conditions were much better.) The "circumstances" of capitalist production constantly create new layers of impoverished people. While there are ups and downs of the economic cycle, and while a particular country may for a time be able "export" unemployment or inflation to other countries, as a world system capitalism is incapable of eliminating poverty; throughout most of the colonial and neocolonial countries, a far higher proportion of the population now lives in impoverished circumstances than was the case under precapitalist conditions.

Boom and slump

Under capitalism, profit is the sole criterion of production. Competitive requirements force each capitalist to strive to reduce costs while maintaining profits by selling a larger number of goods. This is accomplished by attempting to cheapen raw materials and, more importantly, by replacing workers with machines and reducing wages. Capitalist economy thus constantly strives to increase production without regard for the ability of society to consume its products.

The very attempts of the capitalists to increase profits periodically cause the rate of profit to fall. The introduction and generalisation of machine production means that a larger and larger investment is necessary to obtain the same profit. Low prices for raw materials mean that less are produced, resulting in shortages which can cause these prices to shoot up rapidly. The capitalists attempt to offset this falling rate of profit by

further increasing production without regard to the size of the market. With the fall in profits and the intensification of competition, capitalists are forced to seek credit to finance growing inventories and further investment.

Inevitably the point is reached when capitalists can no longer find buyers for their wares. Production which has ceased to be profitable is cut back. Workers are retrenched. Inventories are sold at reduced prices. Capital is destroyed. Smaller companies bankrupt. There is a collapse of the credit mechanism. This is the classical crisis of "overproduction." Because they have produced too much workers by the thousands or hundreds of thousands are forced to suffer privation.

The capitalist business cycle can begin a new upturn only when the rate of profit recovers and markets re-open. It is this that makes necessary the physical destruction of the "surplus" machinery, goods, crops, etc. Capitalism is thus an inherently wasteful economic system requiring the periodic destruction of much of the wealth it has created. Included in this wastage is the attempt to create artificial markets by planned obsolescence (that is, the production of goods designed to wear out in the shortest possible time), the production of numerous brand names of the same product by the same company, the enormous expenditure on advertising, unnecessary packaging, and so on.

Inflation

Since the Great Depression of the 1930s, capitalist governments have increasingly attempted to prevent or alleviate recessions through deficit spending which increases the rate of profit by creating additional markets and by causing prices to rise generally (with the excess issue of paper money).

This Keynesian prescription is inherently inflationary, which Keynes himself considered an advantage from the standpoint of the capitalists. While workers tended to fight fiercely any reduction in their nominal wages, he argued, their real wages could be reduced by inflation without most workers realising what was happening to them.

Deficit spending to overcome recession can be more or less effective in a single country while that country is able to export the inflationary effects of such spending. For roughly two and a half decades after World War II, the United States government regularly resorted to such deficit financing to combat recessionary trends. This spending was not nearly as in-

flationary as it might have been because Western Europe and Japan, whose economies had been destroyed in the war, provided an investment outlet for surplus American capital.

By the 1970s, however, Japanese, French, and West German capitalism, which had become increasingly competitive with that of the United States, also ran up against the beginning of an "overproduction" crisis, as did most of the capitalist world. Simultaneous attempts to prevent recession through deficit spending meant it was no longer possible to export inflation. Instead, most of the capitalist world has experienced simultaneous recession and inflation—"stagflation" as it has been called.

The inflationary spiral in a whole series of countries caused the breakdown of the international system of fixed exchange rates and a continual rapid shift of vast sums of capital from one country to another in search of speculative profit. In the same way, goods are shifted to markets in which prices are rising most rapidly, producing sudden shortages in other countries. Thus, in the decaying capitalist economic system, shortages are the product of overproduction.

Workers

Under capitalism, the long-term prospects for workers are anything but bright. Increasingly, the rulers of society have dropped even the pretence that it is possible to increase the living standards of the majority. The rhetoric of "consumerism," of rising standards of living, has given way to "wage restraint," "austerity," and "sacrifice." Those of whom sacrifice is expected, of course, never include the capitalists. According to the Henderson commission report more than one-third of aged couples, and one-half of the single aged, live in poverty. Yet these aged poor are called on to sacrifice part of their already insufficient pensions to ensure "adequate" profits to the corporations.

The change in the rhetoric adopted by our rulers reflects their perception of changed economic reality.

The long period of capitalist growth from the Second World War which was maintained by this inflationary mechanism has come to an end with the stagflation of the early 1970s and the depression of 1974. Capitalists and their governments can no longer exercise the option of artificially maintaining profits through inflation. In the period to come, wages will be attacked

directly and workers' standards of living reduced arbitrarily in order to maintain the capitalists' profits. In doing this capitalists will enter direct combat with workers as a whole who will not tolerate such an assault on the conditions of life to which they have been accustomed. Therefore it can be safely predicted that the immediate effect of the recession will be to fortify the upsurge of workers' struggles.

Small farmers

But it is not only the working class that faces a bleak economic future under capitalism. In agriculture, the longterm trend has been for the small farmer to be replaced by "agribusiness"—the large corporation that conducts farming like an industrial enterprise and that enjoys huge competitive advantages over the small farmer or grazier. In periods of economic downturn, the small farmer or grazier is driven to the wall, while the agricultural corporation, with its far greater resources of capital and credit, is able to ride out the crisis.

Petty bourgeoisie

Much the same situation holds true for small businesses, of which there are more than 250,000 in Australia. Unable to compete with the large corporations, the petty bourgeoisie become increasingly peripheral to the economy. (Those 250,000 businesses employ only 40 per cent of the total Australian workforce.) Many of these businesses operate on a shoestring; it requires only a slight economic downturn to force them into bankruptcy. In 1971, in New South Wales alone, 537 registered companies went bankrupt. In 1972, the figure was 894; in 1973, it was 1058; in 1974, it was 1155. The figure for the first seven months of 1975 was 878. Throughout Australia, 3000 small businesses closed between January 1 and July 31, 1975.

These totals apply only to registered companies, not to the far larger number of family concerns and partnerships. It is obvious that many of these family concerns, such as the corner delicatessen, are not, properly speaking, businesses at all, but a disguised form of unemployment and substandard wage labor. In many of them, an entire family works very long hours for a profit comparable to what a single worker can earn for a 40-hour week. The "independence" supposedly enjoyed by such petty-bourgeois layers is completely fictitious: in reality, their

livelihood depends on a host of factors outside their control, including fluctuations in the economy, the availability of credit, costs of goods, taxes, competition from larger businesses, and so on. The director-general of the Associated Chamber of Manufacturers of Australia estimates that two-thirds of the small businesses are in danger of bankruptcy. Many of these businesses consume the lifetime savings of a family before they fail.

The squeezing out of petty-bourgeois enterprises is intensified during recessions, but it is a general trend of capitalism that continues in good times as well as bad. Australian petty entrepreneurs can read their own future in the present conditions of a more developed capitalist society such as the United States, where one-fifth of all small businesses fail in an average year. Not only are existing small businesses being squeezed out, but there is also less and less room for new ventures: 50 per cent of the Australian businesses that fail do so within their first three years.

Pensioners

Capitalism holds a similar fate for other layers that once enjoyed a certain measure of economic security. Pensioners, people who have accumulated some savings or a small amount of income or property, now find much of their security being eaten away by inflation and rising taxes. The big corporations can raise their prices as often as necessary to ensure a desirable level of profit, but the retired person whose income depends on a pension or interest from savings is simply driven into the ranks of the impoverished.

Racism

Capitalism is a system not only of economic hardship for the vast majority of society; it also inflicts additional social, political and economic burdens on wide layers of the population.

Racial and national discrimination in capitalist society is not an accident or the product of some defect in "human nature." In a social system ruled by and operated for the benefit of a tiny minority, the capitalists, racial and national prejudices are deliberately fostered as a means of preventing the majority of society from uniting against their oppressors.

Moreover, the special oppression of national and racial

minorities is often a source of additional profits to the capitalists. In some cases, it is possible to trace a direct connection between economic motives and a form of discrimination. The first European explorers of Africa, for example, looked at the Africans not as racial inferiors but as potential converts to Christianity. Only when it became possible to exploit the Africans as slaves in the plantations of the Americas was the myth of Black racial inferiority developed as an ideological justification for this exploitation.

Aborigines

The European settlers of Australia regarded the Aboriginal people as objects of pillage to be dispossessed of their land. For the settlers, the Aborigines were almost a natural obstacle, like a tree in a farmer's field, something to be uprooted and pushed out of the way. Two hundred years later, Blacks are still excluded from the society founded by the Europeans. Australian Blacks are confined to the worst housing, given the worst education, and often denied even the right to enter the labor force. Australia's rulers are "reminded" of their existence only when a mining corporation expresses interest in a portion of what little land Blacks still hold.

The report of the Henderson commission contains no figures on the number of Blacks throughout Australia living in poverty, but does describe surveys in Brisbane and Adelaide, which found that 55 per cent of the Blacks in each city were poor. The same surveys found that 22 per cent in Adelaide and 47 per cent in Brisbane were "very poor." The report notes further:

"There is no recent study of the incomes of rural Aborigines, but our impression is that they are generally lower—because of higher unemployment for instance—and we expect the incidence of poverty to be consequently higher."

Even when Blacks are able to find jobs, they are confined to the worst-paid positions: "The 1971 Census showed that the great majority of Aborigines are employed as farm or unskilled workers, and the Brisbane research study found that of Aborigines who were working more than 90 per cent were in unskilled jobs."

Racism permeates Australian capitalist society, finding expression in everything from legislation like the Aborigines and Torres Strait Islanders Acts to the denial of the right of Aboriginal children to use their own languages. Blacks are faced

with constant harassment from the police and are subject to special persecution by racist courts. Blacks also make up a large percentage of the prison population, relative to their numbers in the population. Racist ideology is so persistent because it is rooted in a material base: a society based on the exploitation of one human being by another.

Migrants

Migrants too suffer from the racism of Australian capitalism. For decades, this racism was expressed openly, in the "White Australia" policy. The present immigration policy, of giving preference to migrants with relatives in Australia, is equally discriminatory in fact, if not in name.

Once they arrive in Australia, migrants are subject to a host of disabilities, from ineligibility for many welfare services, such as invalid pensions, to rent-gouging for slum housing. The Henderson commission report noted:

"During their first few years in Australia, many non-British migrants have to make large personal sacrifices in order to earn sufficient income to keep out of poverty. Housing costs are an acute problem and we found that some 12 per cent of non-British migrants—eighteen thousand income units—had incomes below the poverty line after housing costs."

Because of the frequent refusal to recognise qualifications attained in their home countries, migrants are often forced into the lowest-paying, unskilled jobs. Language difficulties provide an additional pretext for forcing migrants into the least desirable jobs.

So-called "illegal" migrants suffer even worse exploitation. Used as a scapegoat for unemployment by the Federal government in bad times, exploited at menial wages when there is a labor shortage, denied the protection of unionisation and social security, harassed by police, and crowded into expensive slum housing, they form an almost pariah-like layer of the working class.

Oppression of women

The degradation of women is one of the most ancient forms of human oppression. For thousands of years, from the beginnings of class society to the present day, women have been relegated to the status of property, of semi-human objects for

the amusement of men, and of breeders of the new generation. Capitalism, building on the foundation inherited from feudal society, has refined and modified the oppression of women to suit its own requirements.

For the capitalist, oppression of women provides a double economic benefit. First, women are exploited as wage workers at lower rates of pay than men, can be drawn into the workforce during boom periods and pushed into the home during economic down-turns. Married women in Australia are not even entitled to dole payments when retrenched from their jobs.

The Henderson commission's figures on poverty among men and women give a glimpse into the extra profits extracted by the capitalists from female labor. Nearly 49,000 "income units" headed by working women are poor. On a percentage basis, while 6 per cent of units headed by working men are poor, 14.8 per cent of those headed by women are poor (10.2 per cent are "very poor"). In some occupations, the difference is even greater. The report gave the following figures for the percentage of very poor:

	Male	Female
domestic and service workers	4.9 per cent	18.9 per cent
factory and process workers	4.2 per cent	19.0 per cent
shop assistants	1.7 per cent	19.3 per cent

Second, capitalist society obligates women to fill the role of unpaid domestic worker—to cook, clean, sew, and above all to care for children. All of these functions, which in a rational and humane society would be the responsibility of society as a whole, are placed upon the shoulders of individual women. The economic saving for the capitalists, who thus avoid paying for the upbringing of the next generation of workers and for part of the maintenance of the current generation, is incalculable.

This sexual "division of labor" is not, as the ideologists of the status quo maintain, a product of the biological differences between men and women. Sex-role stereotypes are created by society and serve a particular social function under capitalism, namely maintaining the second class status of women.

As with racist ideology, capitalism is suffused with anti-female prejudices, which reinforce women's oppression while at the same time being a product of it. These prejudices include all the myths about woman's supposed inability to fill certain

kinds of jobs, to learn this or that intellectual skill, or to think "rationally" rather than "emotionally." The products of these prejudices range from the "mother-in-law joke" to rape, wife-beating, and murder.

Under capitalism, the family has retained most of its features that oppress women, while those aspects which lightened their burden in other societies have been eliminated. A wife is still expected to be a household drudge, but she no longer enjoys the amelioratives of co-operative labor and the society of the extended family. In the modern working-class family, the wife no longer has either economic security or a secure social function; at any time she may have a factory job added to her burdens—not as a matter of choice but of economic necessity. In old age, she no longer has the economic security provided by a large family in an immobile society nor a position of respect in the community.

Modern capitalist society exerts conflicting pressures upon the family and the woman at the centre of it. On the one hand, bourgeois ideology glorifies the family because of its economic value to the capitalists and its function of instilling prevailing community values—ie, bourgeois values—in the young. On the other hand, the capitalist economic system constantly undermines and breaks up the working-class family by pushing women into the workforce and out again, by subjecting the traditional "breadwinner" to periodic unemployment, by sending the young hundreds or thousands of miles from their parents for education and employment. The tensions created by these conflicting pressures are felt most acutely by women, who are both the centrepiece of the pro-family propaganda and the persons most directly affected by the objective forces undermining the family.

In recent years, the efforts of Australian reactionaries to maintain the second-class status of women has increasingly focused on a campaign to deny the right of reproductive freedom, especially the right to abortion. The restrictions on this right epitomise capitalist society's regard for women as breeders and nursemaids first and human beings, if at all, second.

Oppression of homosexuals

Closely related to the oppression of women is the discrimination against homosexuals. The historical origin of the oppression

of homosexuals is still a matter of research and debate. But modern capitalist society, which assigns economic and social roles on the basis of sex and which pretends that this stereotyping is the result of natural law, cannot permit any type of sexual behavior which contradicts the myth that "biology is destiny." The "effeminate" male homosexual is an affront to the "morality" of a society in which female means inferior. And the female homosexual defies the myth that the greatest aspiration of a woman is to marry and bear children. (The same applies to a woman who chooses a career rather than marriage; to threatened male egos, the accusation that such a woman is a lesbian often seems a soothing explanation for such "unnatural" behavior.)

Australian State and Federal governments generally treat homosexuality either as a crime or as an illness. Either attitude is an unjustified attack on homosexuals and an infringement of the right of every individual to choose his or her own form of sexual expression. In recent years there have occasionally been moves, as in the ACT, to remove criminal penalties for certain types of homosexual behavior. While such legislation is to be welcomed, it deals with only a small portion of the oppression suffered by homosexuals, leaving intact the economic, social, and other legal restrictions on gays (such as the inability to adopt children, hold some jobs in government, etc).

Destruction of our environment

Capitalist production is as wasteful of natural resources as it is of human resources. Whether they are mining the irreplaceable sand dunes of Fraser Island or operating a factory that belches smoke and poisonous gases into the atmosphere or spreading dangerous pesticides over farmlands, capitalist enterprises operate with almost total disregard for preservation of the environment and the delicate balance of ecology upon which human life depends.

There are already instances on record of pollution reaching levels that are a direct threat to human health and life. A scientist has warned that the Derwent river which supplies part of Hobart's drinking water is dangerously polluted by industrial chemicals and minerals; in parts of the river the accumulation of waste minerals is so great that the river-bottom could profitably be mined. A sampling of fish caught off Australian coasts and for sale in Australian fish shops found 40 per cent containing

mercury in concentrations greater than is considered "safe." In agriculture, technology now permits the spraying of pesticides, herbicides, and artificial fertilisers over vast areas. Many of these are not broken down by natural processes, they tend to become more concentrated as they pass through the food chain, and their long-term effects on the environment are, in the best of cases, unknown.

One of the most obvious examples of the manner in which capitalism needlessly destroys the environment is provided by the motor car industry. Every day, hundreds of thousands of cars add vast quantities of carbon monoxide and sulphur dioxide to the atmosphere of Australian cities. A system of free and efficient public transport could quickly eliminate nearly all of this pollution, and could be built at a social cost far less than that expended on the production of cars. Such systems of transport do not exist solely because they would make no profits for the capitalists (and in fact would eliminate the profits of the car and oil companies). Instead of going for public transport, public funds are expended on expanding highway systems so that ever-larger numbers of cars, most carrying only one or two passengers, can go on making our air increasingly unbreathable. Nor have the car companies deemed it desirable—because it is not profitable—to devote major resources to developing a non-polluting car engine. In a socialist society, the decision whether to produce such an engine will be made on the basis of its cost and its benefits to the whole of society, taking account of such factors as pollution.

Despite public protests and bills proposed or passed by State and Federal parliaments, the companies go on polluting our environment because it is profitable for them to do so. The way "capitalism fouls things up" provides one of the clearest illustrations of what socialists mean when we say that production for profit must be replaced by a system of production for human needs.

Erosion of democratic liberties

The contempt with which the corporations treat the desire of most Australians for an environment free of pollution exemplifies the real capitalist attitude towards democracy. Despite all the lip service to democracy, capitalism is a system of production which benefits a tiny minority at the expense of the immense majority, and the minority have no intention of

allowing political democracy to interfere with their "right" to pursue profits without regard for the damage done to the whole community.

Throughout the capitalist world, the working class has, historically, been the chief motive force and advocate of democratic forms. The proletariat and allied layers such as women or national minorities, who suffer special oppression under capitalism, have fought for and won such progressive democratic measures as separation of church and state, universal adult suffrage, removal of property qualifications for holding office, the right of trade-union association and the right to strike, free public education, freedom of speech and press, the right to privacy, etc.

In the period of capitalism's death agony, the capitalist ruling classes more and more find the existence of democratic forms in conflict with the need to maintain their rule and their profits. In most of the backward capitalist countries, the rulers no longer feel able to permit even a token choice between two bourgeois figures in free elections. The state of emergency decreed by Indira Gandhi throughout India in June 1975, which destroyed what little remained of democratic forms in "the world's largest democracy" typifies the incompatibility in the underdeveloped world between the survival of capitalism and democratic liberties. In these societies, even the most token participation in politics by the masses is seen as a threat to the power and privileges of the wealthy.

In the advanced capitalist countries as well, the erosion of democratic liberties has become a constant feature of the political scene. In Britain, the Labour government used the pretext provided by a terrorist bombing to enact "emergency" legislation allowing arrest and deportation without trial and containing wide-ranging restrictions on freedom of expression. In France, revolutionary organisations have been banned. In West Germany, where leftists can legally be barred from jobs in the public service and the universities, lawyers have been placed in the dock for "sympathising" with their clients in political trials. In the United States, the Watergate affair has led to the disclosure of wide-spread spying and sabotage against the left by the FBI, the CIA, and other police organisations.

Australian political police

Australian society is not immune from this world-wide

pattern of attacks on democratic rights. In February 1975, Max Wechsler, an ASIO agent who had, in turn, joined the Communist Party of Australia and the Socialist Workers Party, decided to sell the story of his activities to the press. Wechsler openly admitted that ASIO's efforts against the SWP had included spying on meetings, photographing of members, telephone tapping, and a break-in at an SWP headquarters. These ASIO activities were regularly reported to the office of the then Attorney-General, Senator Lionel Murphy.

Wechsler's disclosures obviously deal with only a tiny portion of ASIO's total activities of this sort. The agency has a budget of millions of dollars. While disclosures such as Wechsler's are rare, it is likely that any Black militant, trade-union activist, member of a socialist organisation, militant feminist, etc, is considered a fair target for the attentions of the political police.

A new and disturbing development in this area is the creation by the ALP government of the Australia Police, a body consciously patterned on the FBI in the United States. The Australia Police provide the Federal government, whether ALP or Liberal-National Country Party, with significantly increased capacity for the infringement of individual liberties.

Anti-trade union laws

Another area in which there has been severe erosion of the democratic rights of Australians is that of trade-union activity. The right to strike, which is fundamental to the existence of unions, has been increasingly circumscribed in recent years—often with the aid even of ALP leaders. In Western Australia, the Liberal government has in effect made strikes illegal, although it has not yet felt strong enough to enforce the legislation consistently. The Bjelke-Petersen government in Queensland has also tried to bring in repressive anti-union laws.

Throughout Australia, there has been a prolonged campaign to remove the right to strike by submitting all union grievances and wage demands to arbitration, a procedure that undermines the greatest strength of the unions and leaves them dependent upon the 'good will' of arbitrators selected by the capitalist state.

The manner in which the employers, with the endorsement of the ALP government, have attempted to manipulate indexation is a further infringement on the right of workers to unite to better their living standards. In exchange for a system of

quarterly wage rises which only partially compensate for inflation, unions are asked to renounce the basic right to seek improved living standards for their members. By promoting such a policy, the ALP leaders betray the interests and the democratic rights of the unions, upon which the ALP is based.

The Whitlam government has violated working-class traditions and interests by restricting democracy in other fields as well, such as their planned legislation to increase the deposit required of candidates for Parliament.

Such restrictions on democracy are not merely the product of mistakes or bad faith on the part of ALP ministers, although the latter cannot avoid the responsibility for their actions. Rather, they are a reflection of the fact that capitalism, a system of rule by and for the minority, is incompatible with real democracy.

The warfare state

The need of each national capitalist class to preserve its existing markets and to find new markets has already in the course of this century produced two world wars and numerous smaller wars.

Both world wars were essentially interimperialist wars, in which the major capitalist powers fought among themselves over the distribution of markets, colonies, and spheres of influence. The Second World War greatly weakened all of the capitalist countries (except the United States, which emerged as the pre-eminent imperialist power). This fact, coinciding with the rise of the colonial revolution and the creation of new post-capitalist states in Eastern Europe and in Asia (most importantly in China), reduced the motivation for the capitalists to go to war among themselves and made it far more dangerous for them to do so.

Since 1945, the imperialists have found it necessary to concentrate their military efforts on containing the revolutionary upsurge in the underdeveloped world, with a longer-term goal of eventually being able to "roll back Communism," that is, to overturn the governments of the workers states and restore capitalism. The imperialist strategy has kept the world in a state of uninterrupted warfare since 1945. US imperialism, while financing Dutch attempts to reconquer Indonesia and the French effort to regain Indo-China, conducted a savage three-year war in Korea to defend its corrupt puppet regime. In the Middle East, imperialism created

the Israeli settler state as its policeman against the Arab revolution, in which role Israel has continually sought to expand its territory at the expense of the Arab states. In Asia, Africa, and Latin America, American and European imperialists, both directly and through their mercenaries, have repeatedly intervened to prop up corrupt dictatorships or to overthrow popular governments seen as threats to imperialist interests. The decades-long war against the peoples of Indo-China, a war in which Washington exploded a greater tonnage of bombs than that exploded by all the participants in all the theatres of World War II, is only the most extreme example.

Australian capitalism is an integral part of the world imperialist system. As a junior partner first of London and then of Washington, Australia participated in both world wars, colonised Papua and New Guinea, and aided in the US wars against Korea and Vietnam. The Australian government supported the establishment of the Israeli settler state and continues to support "Israel's right to exist."

These policies reflect the class interests of Australian capitalists, who, like all capitalists, are constantly in search of new markets and new investment opportunities. The major companies, such as BHP and CSR, seek these outlets increasingly in South-East Asia, particularly in Papua New Guinea and Indonesia. Australian companies also have major economic interests in South Africa, a fact that explains the refusal of both Liberal and ALP governments to break off diplomatic and commercial ties with that country's racist government.

But the imperialist system of which Australia is a part is more than just the sum of the immediate economic interests of the various national capitalist classes. The system, symbolised by military alliances such as NATO, SEATO, and ANZUS, aims to defeat the tide of socialist revolution and preserve capitalism on a world scale. In the long run, this strategic goal will inevitably involve military confrontation not merely with revolutionary movements in underdeveloped countries or with the smaller workers states like North Vietnam, but with China and the Soviet Union.

Threat of nuclear war

Because of the expansionism inherent in capitalism, imperialism cannot tolerate indefinitely the existence of the workers states, whose potential markets are denied to the

capitalists. "Peaceful co-existence" between capitalist and postcapitalist societies is impossible because capitalism cannot renounce expansion without committing suicide.

The Soviet nuclear capability has, so far, restrained Washington and its allies from launching an all-out military assault on the workers states. But the aggressive intentions of imperialism, its stockpiling of nuclear weapons, and its continual intervention against revolutionary struggles around the globe, necessarily carry with them the possibility of miscalculation leading to a nuclear war. Nixon's worldwide alert of US nuclear forces during the October 1973 war in the Middle East demonstrates how easily imperialist meddling in one area could lead to such a global catastrophe.

By participating in the US-sponsored military alliances, by providing bases for Washington's war machine, Australian capitalism helps to bring closer the nuclear destruction of the people of Australia and the entire world.

As an outmoded system incapable of satisfying the material and spiritual needs of the world's peoples, capitalism must be replaced by a higher form of social organisation. The destructive power possessed by the capitalists and the certainty that, given sufficient time, they will use it, make the worldwide abolition of capitalism necessary not merely for a better life, but for the continued existence of any human life at all.

II. For the rights of the oppressed

The Socialist Workers Party believes that none of the evils outlined above can be finally overcome without a deepgoing social revolution, which will abolish capitalism and begin the construction of a planned economy on a world scale.

But we do not conclude from this that anyone seeking to improve the conditions of human life should therefore abandon their efforts and "wait" for the socialist revolution to accomplish their goals. On the contrary, the Socialist Workers Party, to the utmost limits of its abilities, supports, encourages, and participates in all struggles against the forms of oppression and exploitation created or perpetuated by capitalist society.

Capitalism cannot be abolished by small groups, acting on behalf of the majority. The most powerful ruling class in history can be defeated only by masses of workers and other oppressed

struggling to defend and advance their own interests against those of the capitalists. From this standpoint, the SWP defends those gains already won and puts forward a program which promotes the interests of the working class and its allies at the same time that it points the way to the only guarantee of the protection of those interests—the socialist revolution.

For economic security

The capitalists demand and expect that the workers and poor people will bear the brunt of the hardships created by the capitalist economy. We answer: Let the capitalists pay. Workers, the aged, unemployed, small farmers, etc must be protected against the effects of capitalism's economic problems. Specifically, we advocate:

Against inflation. Inflation, a worldwide phenomenon of modern capitalism, cannot be prevented while Australia remains part of the world capitalist market. But workers and the poor can be protected against it.

Wages must be adjusted every month to compensate for all increases in the cost of living. Control of the consumer price index must be in the hands of the unions, not the government. Such adjustments would in no way limit the right of unions to seek additional wage increases.

Pensions and student grants should be subject to the same system of indexation. Small farmers should be protected against inflation by the government providing, at guaranteed fixed prices, seed, fertiliser, and all necessary farming equipment.

Against unemployment. For the immediate introduction of the 35-hour week with no loss in pay. Further reductions in the workweek, again with no loss in pay, as these prove necessary to provide jobs for all.

The control of who is employed and who unemployed cannot be left in the hands of the capitalists, who have demonstrated their inability to provide full employment. Control of all hiring and firing must be solely in the hands of the unions.

Factories that attempt to close or to lay off workers should be nationalised without compensation and operated under workers' control.

So long as capitalism is unable to provide jobs for all, any worker who becomes unemployed, for any reason, should be paid unemployment benefits equal to his or her normal wage during the entire period of unemployment. These payments

should be available to workers on strike and should be financed by a tax on employers.

For fair taxation. For the repeal of all indirect taxes on commonly used consumer items; such taxes are borne disproportionately by the poor.

We advocate a steeply graduated income tax, without loopholes, which places the burden on those most able to pay: No tax on incomes under \$10,000; a marginal tax rate of 100 per cent on incomes over \$20,000.

Small businesses now pay far too large a share of taxes on business. Company taxes should be graduated in the same manner as individual income taxes. In addition, a small business's profits for tax purposes should be reduced by an amount equal to the average wage for all family members who work in the business.

A decent standard of living for everyone. It is long past time to abolish poverty in Australia, which has the technological and productive capacity to provide a decent standard of living for the entire population. The minimum wage should be raised immediately to the level of the current average wage. Pensions too should equal this level. Apprentices should receive the full wage for their occupation. The government should, whenever necessary, provide cash payments to small farmers to bring their income up to that of the worker on an average wage.

The standard of living of the vast majority of Australians can and should be improved by the payment from tax revenues of costs now borne entirely or in part by the individual. Medibank should be expanded to pay 100 per cent of *all* medical expenses, including such areas as dental work and psychiatric treatment, which are presently excluded. Superannuation contributions by workers should be abolished; an adequate pension, paid by the government from taxes collected from employers, must be the right of every individual who reaches retirement age, irrespective of the length or type of their previous employment.

The costs of raising the next generation must no longer be imposed upon parents. Child endowment payments should be raised to equal the actual expenses involved in raising a child. *All* the expenses of education should be paid by the government; this includes an adequate wage for all students throughout their tertiary education.

For an end to racial and national oppression

The Socialist Workers Party supports unconditionally the right of oppressed nations to self-determination. This means that it is the right of Australia's Black population to decide for themselves whether to achieve equality through complete integration into the larger society, through the creation of their own autonomous state, through complete independence, or by any other means.

Within this context, we propose specific measures to ban discrimination and help overcome the effects of past oppression. These include:

- Legislation, with penal provisions, outlawing all forms of racial discrimination in education, employment, housing, recreation, or any other field.

- The right of Aboriginal children to be educated in their own language.

- Support for Black land rights. This includes the obligation of the government and companies to pay full compensation for past expropriations or exploitation of Aboriginal land.

- Preferential treatment in education to overcome the effects of past mistreatment. The right of Blacks to attend any institution of higher education without regard to entrance examinations. The setting up of Black Studies programs controlled by Black students.

- Preferential hiring of Blacks in all occupations. Apprenticeship programs, with full wages paid by the employers, to be open automatically to any Black wishing to enter them.

- For adequate housing, to be built at government expense if necessary. Rents to be limited to no more than 10 per cent of the tenant's income.

A similar list of measures is needed to overcome the present discrimination against migrants. We propose:

- The elimination of all racist restrictions, whether hidden or open, on immigration.

- Legislation, with penal provisions, outlawing all forms of discrimination based on country of origin or language.

- Full recognition of all educational or occupational qualifications achieved by the migrant in his or her own country.

- Preferential hiring of any migrants previously denied any job on the basis of nationality or language. Apprenticeship programs, at full wages, to include training in English.

- Immediate eligibility upon arrival in Australia for all pensions, unemployment compensation, and other social welfare measures. The right to vote in all elections, and the right to become a citizen, without any residence or language requirements.

- The right of migrant children to be educated, if their parents so choose, wholly or in part in their native language.

- The right of all "illegal" migrants to remain in Australia and to be treated as other migrants in every respect. "Illegal" migrants who have been paid sub-standard wages because of their lack of a visa to receive full compensation from their employers.

Against the oppression of women

The Socialist Workers Party supports all demands aimed at overcoming the oppression of and discrimination against women. Many such demands have already been advanced by the women's movement. These include:

Complete reproductive freedom. No restrictions—legal, economic, or social—on the right to abortion. No "right" of hospitals to refuse to perform abortions. All contraceptives to be provided free, at government expense. For a crash program to develop safe, reliable methods of birth control, including methods used by men. Reproductive freedom of course includes the right of a woman to bear children if she so chooses. No forced sterilisation! Sterilisation without a woman's consent, or the exerting of pressure to obtain her consent, should be treated as serious crimes.

Equality in employment. An end to all occupational discrimination based on sex. Equal pay for equal work. Preferential treatment of women denied employment or advancement because of such discrimination in the past. The extension of "protective" legislation to cover men as well as women. No denial of unemployment compensation or other social welfare measures to women on the basis of their marital status.

For maternity leave, at full pay and with no loss of seniority, during the last six months of pregnancy and the first year of a child's life. If the mother lives with the father of her child, the couple should have the option of the father taking paternity leave, on the same basis, during the first year of the child's life.

Freedom from domestic servitude. Women will not have an

equal opportunity to pursue an occupation so long as they are forced to perform social functions that ought to be the responsibility of employers or society as a whole. While women who choose to make raising their children their main occupation should be free to do so, women who choose to follow careers outside the home should not be hampered by domestic obligations. A necessary first step towards creating equal opportunities for women is the establishment of free, 24-hour child-care centres staffed by professionals.

Equality of education. The present educational system discriminates against women at all levels from pre-school to post-graduate. There must be an end to sex-role stereotyping in the schools, an end to the channeling of pupils into "boys" subjects and "girls" subjects. At the tertiary level, training in the better-paying or more prestigious professions, which are now predominantly male, should include women in proportion to their numbers in the population.

An end to the sexual exploitation of women. Prostitution is not a crime committed by women, but a crime committed by society against them. All laws which permit the fining or jailing of prostitutes should be repealed.

For a ban on all advertising which portrays women as sex objects or uses sex to sell products.

An end to the toleration of acts of violence against women. Repeal of all legislation which requires "corroboration" of rape or that a woman show evidence of physical injury in order to convict an assailant of rape. Prohibition against the questioning of rape victims about their past sexual activity. Legislation to make wife-bashing a crime equivalent to assault against a stranger.

Full equality for homosexuals

The Socialist Workers Party favors the repeal of all laws prohibiting any form of sexual behavior between consenting, sexually mature persons. The only sexual activities which should be prohibited are those, whether heterosexual or homosexual, in which someone is coerced. In addition we favor:

- Legislation, with penal provisions, banning discrimination against homosexual women and men in employment, finance, immigration, education, housing, or any other area.

- Repeal of all laws designed to harass homosexuals. All those in prison or in psychiatric hospitals for violating such laws

should be released, all those punished should be compensated, and all records of convictions destroyed.

- An end to barbaric psychiatric practices, such as aversion therapy, chemical castration, and brain surgery, designed to eradicate homosexuality.

- Abolition of all anti-homosexual regulations in institutions, such as prisons, armed forces, schools, mental hospitals, and "welfare" homes.

- Legal, economic, and social recognition for permanent homosexual relationships on the same basis as permanent heterosexual relationships, including the right of homosexuals to marry.

- The right of homosexual women and men to retain custody of their children and to adopt children.

- Rational sex education in the schools, teaching that human sexuality can be expressed in both homosexual and heterosexual forms and that the only harmful sexual relationships are those based on coercion. The rewriting of homosexuals into history and literature courses.

Against the rape of our environment

Destruction of our environment is a crime against the entire population and deserves to be treated as such. In so far as it is still possible to do so, the damage already done must be repaired—at the expense of those responsible for the destruction. We propose:

- An immediate end to the mining of uranium. (Possible exceptions to this ban would be the mining of uranium for medicinal purposes.)

- The nationalisation, without compensation, of all mining corporations. Future mining operations to be carried out only with the approval of the population concerned and the trade unions. No worker to suffer any loss of wages because of the delay or cancellation of a mining project.

- Corporations convicted of polluting the environment to be nationalised without compensation and operated under workers control. No company should be allowed to use the installation of pollution controls as an excuse for raising prices.

- A crash program to clean up our rivers and waterways contaminated by industrial pollution, financed by a special levy on the industrialists responsible for the pollution.

- A special tax on large agricultural companies and on

manufacturers of pesticides and artificial fertilisers to finance a crash program to develop safe, non-polluting fertilisers and methods of pest control.

- The construction of a system of free, comfortable, and efficient public transportation, financed from the coffers of the car industry and the oil companies. The enforcement of strict regulations to limit pollution by motor car exhausts; no car manufacturer should be permitted to use the installation of anti-pollution devices as an excuse for raising prices.

For the extension of democracy

The SWP opposes all efforts of decaying capitalism to roll back the democratic rights won in the past. We fight to broaden and extend the democratic liberties of the working class and other oppressed. We call for:

- Abolition of ASIO, the Australian Police, and all political police units, and the release of all files compiled by political police organisations to the people they concern.

- No limitations on the right of any workers, including public employees, to strike. No interference by the capitalist government in the affairs of the unions. No Federal or State laws establishing penal powers against the unions.

- Democratic elections. No financial deposits required of candidates for any office. Abolition of the Senate and the State upper houses of Parliament, many of which violate the right of equal representation and serve only to prevent a popular majority from exercising its will through the House of Representatives and the lower houses of Parliament. An end to all gerrymandering of voting districts. For implementation of the principle: One person, one vote.

- No restrictions of any kind on the right to hold and express dissenting views. No restrictions on the right of Australians to hear all political views; in particular, oppressed peoples such as the Palestinians, Irish nationalists, etc, should have the unrestricted right to select their own representatives to present their views to the Australian people.

- The right of all Australians to know what their elected representatives and the public service are doing; No more government secrets. All governmental and public service proposals, minutes of meetings, position papers, etc should be open for inspection by any interested person.

- Extension of democracy into the economy. This involves,

first of all, the right to know. Whenever it is proposed that the capitalists not raise prices or pay a higher wage or do anything else likely to cost them money, their invariable answer is: we can't afford it, business conditions won't permit it, etc. We answer: Open the books. Let everyone see whether or not you can afford it. No more business secrets, which benefit only the capitalists.

For an anti-imperialist foreign policy

The vast majority of Australians are only injured by the pro-imperialist policies that have always been followed by "their" governments. The SWP advocates a policy of solidarity with progressive causes and oppressed peoples and opposition to the aggressive schemes of imperialism. We fight for:

A democratic secular Palestine. For the right of all Palestinians to return to their homeland. The establishment of diplomatic relations with the Palestinian Liberation Organisation as the Palestinian government-in-exile. Breaking of diplomatic and trade ties with the Israeli settler-state.

Support for the Black majorities in Southern Africa. For a total diplomatic and economic boycott of the racist South African and Rhodesian regimes. Independence for Namibia.

The right of national independence. For an end to the remaining colonial regimes in Asia, Africa, and the Pacific islands. In particular, support for the independence of East Timor and the withdrawal of all Portuguese troops from that colony. For generous economic assistance, without strings, to the people of East Timor and diplomatic recognition of whatever government they establish.

Withdrawal from imperialist military alliances. An immediate break with SEATO and ANZUS, and the Five-Power Defence Arrangements. No more support, ever again, to imperialist military adventures as in Korea and Vietnam.

An end to imperialist military bases on foreign soil. For the closing of US bases in Diego Garcia, the Philippines, Taiwan, etc and against the establishment of any new bases by Washington and its allies. For the immediate closing of all US bases in Australia, and a ban on the Omega and any other military surveillance system. Against the stationing of any Australian troops, "advisers," or "police" forces outside Australia.

An end to Australian government interference in neighboring

countries. An end to the practice of determining foreign policy according to the needs of Australian capitalists for markets and investment opportunities. Hands off Papua New Guinea: an end to the policy of opposing the right of Papuans and Bougainvilleans to self-determination. No more military aid or arms sales to the dictatorial governments of Indonesia, Malaysia, Singapore, etc.

On the question of 'Australian independence'

Recently some people, chiefly members and supporters of the Communist Party of Australia (Marxist-Leninist), have advocated a policy of "support for Australian independence," arguing that Australia is in reality a colony of the United States. From this premise the Maoists deduce that it is possible and desirable for the Australian working class to unite with national capitalists in an anti-imperialist alliance.

Both the premise and the deduction are mistaken. Australian capitalism is not the vassal of American imperialism, but its junior partner. As such, it shares Washington's general strategic interest and goal of containing the colonial revolution as the prelude to an eventual attempt to "roll back Communism" in Asia and Europe. In addition, Australian capitalism has its own particular imperialist interests and goals, centred chiefly in South-East Asia.

Imperialist allies can and do disagree over tactical questions or when their particular interests come into conflict, in much the same way that business partners may sometimes disagree. In such situations, it is usually the will of the senior partner that prevails. But this fact does not convert Australian imperialism into an ally of the oppressed any more than a similar dispute in a business converts the junior partner into a worker or an ally of the unions.

Australian capitalists are, of course, eager to increase their own influence over, and share of the profits from, the imperialist "firm." In order to achieve this goal, they have sought to create an Australian nationalism that papers over the conflicting interests of capitalists and workers, and they have enlisted the aid of the ALP leaders in the form of policies such as "buying back the farm" and a foreign policy marginally more aggressive in pushing Australian capitalist interests when these conflict with Washington's.

But for the working class and its allies, the "new Australian

nationalism" and support for Australian independence are a dead end. For Australian workers, the way forward is not support for "their own" imperialists, but international solidarity with the workers and oppressed of the world *against* Australian, US, and all other imperialisms.

III. Towards a socialist future

The working-class struggle for socialism on the basis of a scientific analysis of society is now more than 125 years old. In the course of this struggle, three major historical tendencies have arisen and still compete for influence within the socialist movement. These tendencies are Social Democracy, Stalinism and revolutionary Marxism or Trotskyism. The SWP believes that an understanding of the historical achievements or failures of each of these tendencies, and the reasons for them, is a necessary part of the equipment of a party that seeks to lead the working class in the transformation of society.

Social Democracy

The parties of the Social Democracy are still formally allied through the Second International. These parties arose and were primarily based in Western Europe during the last three decades of the 19th century.

The Second International originally upheld the revolutionary program of scientific socialism developed by Marx and Engels. However, as the European imperialist powers carved up the world among themselves the parties of the Second International increasingly began to reflect the interests and attitudes of the most privileged layers of workers—those who have been more or less appeased by a few crumbs from the imperialist banquet—and of petty-bourgeois careerists and bureaucrats who entered the movement for the sake of their own advancement. Over a period of years, the Marxist program of revolutionary struggle was pushed aside by the utopian assumption that the transition to socialism would be achieved by a prolonged process of gradual reforms of capitalism.

1914 proved that the degeneration of the Second International was irreversible. With the outbreak of World War I, the

parties of the Social Democracy lined up with 'their own' bourgeoisies and led the workers into the imperialist slaughter. While in some parties isolated individuals or groups, such as the Spartakusbund in Germany, remained faithful to revolutionary Marxist internationalism, the only mass party to do so was the Bolshevik Party in Russia.

Within a few short years, history had delivered an unmistakable verdict on the competing claims of Social Democracy and revolutionary Marxism to lead the working class to socialism. While the Social Democratic leaders took positions in capitalist governments and used their influence to prolong the slaughter and to prevent socialist revolution during and after the war, the Bolsheviks, under Lenin and Trotsky, led the workers and peasants of Russia to the overthrow of capitalism and the creation of the world's first workers state.

The outlook of the Bolshevik leaders was not limited to narrow national horizons. They saw the October Revolution of 1917 as only the beginning of the world socialist revolution. Even before the October victory, they had begun laying the groundwork for a new revolutionary international party, the Third, or Communist, International.

Stalinism

But in the post-war period, the mistakes of the new and inexperienced Communist parties combined with the treachery of the Social Democratic leaders to produce a whole series of defeats instead of new revolutionary victories. At the same time, the European and US imperialists intervened with troops, arms, and money on the side of Russian reactionaries in an attempt to overthrow the newborn workers state. While the imperialists were unsuccessful in terms of their ultimate goal, the three-year civil war produced tremendous damage to the already backward economy inherited by the Soviets and resulted in the death of thousands of the best working-class militants.

The disappointment of revolutionary expectations in Western Europe, the poverty of Soviet society, and the physical destruction of thousands of revolutionary cadres and militants in the civil war created the conditions for the growth of a parasitic bureaucratic caste, interested in manipulating the nationalised economy for its own benefit. In the years following Lenin's death, this caste, with Stalin as its leading protagonist, was able to consolidate its hold upon the Soviet economy and

the Communist Party, strangling Soviet democracy in order to prevent any challenge to its material privileges.

The position of this bureaucracy is an extremely contradictory one, a fact which helps to explain some of the frequent zigzags of its policies. On the one hand, its very existence as a caste is dependent upon the existence of a nationalised and planned economy in the country of the first successful socialist revolution, which has been and continues to be an inspiration to millions of the oppressed throughout the world. On the other hand, the bureaucracy is profoundly conservative in its attitudes, fearing any disturbance in the world status quo as a threat to its own position; it is therefore driven to seek an accommodation with imperialism ("peaceful coexistence") in which the Soviet Communist Party uses its influence to prevent or derail revolutionary struggles in exchange for promises by the imperialists to leave the bureaucrats in peace.

The ideological expression of this outlook was the reactionary and utopian theory of "socialism in a single country" which spat in the face of revolutionary Marxist internationalism. Under this banner, the Communist International, which Lenin and Trotsky had founded to lead the world socialist revolution in uncompromising struggle against the capitalists, was converted into a band of lickspittle careerists and toadies whose only function was to assist the foreign policy goals of the Kremlin bureaucrats, chiefly by offering uncritical political support to any faction of the national bourgeoisie deemed more "friendly" to Moscow.

The counter-revolutionary policies of Stalinism produced disaster after disaster for the world working class, the most notable being the defeat of the 1925-27 Chinese revolution, the triumph of Hitler in Germany, and the defeat of the Spanish revolution of 1936-39.

But World War II and its aftermath gave Stalinism a new lease on life, although not without deepening its contradictions. The Soviet victory over Germany gave a new prestige to the Soviet and other Communist parties, who were mistakenly identified, in the eyes of the millions of the oppressed, with the October Revolution. In China, the post-war weakness of imperialism and the miscalculations of Chiang Kai-shek made it possible for the thoroughly Stalinised Chinese Communist Party to come to power on the back of a massive peasant rebellion. In the Eastern European countries occupied by Soviet troops during the course of the war, Stalin was forced, in defence against the

imperialist preparation for a war against the Soviet Union, to overturn capitalism and establish new workers states.

Revolutionary Marxists characterise the Soviet Union and the other workers states as transitional regimes: They have abolished capitalism but have not yet achieved socialism, which requires the economic base that will be available only when socialist revolutions have occurred in the most advanced capitalist countries. The Stalinised workers states are further characterised as "degenerated" or "deformed" because in them democratic government has been destroyed or prevented from developing by the Stalinist bureaucrats. The historic task facing the working classes of these countries is not to carry out a *social* revolution, since capitalism has already been abolished, but to achieve a *political* revolution, that is, one that deposes the bureaucratic caste and establishes proletarian democracy while preserving the progressive economic forms already created. (It is because of these progressive economic forms which exist despite the Stalinist political regimes that revolutionary socialists unconditionally defend the workers states against all imperialist attacks. This does not imply any weakening of opposition to the bureaucratic castes.)

The establishment after World War II of new workers states ruled by parasitic Stalinist bureaucracies meant the shattering of the monolithic front of Stalinism. The new ruling bureaucracies, who were, like their mentors, possessed of a narrow national outlook rather than an attitude of proletarian internationalism, soon found points where their own particular interests came into conflict with those of the Kremlin. To the extent that their own power bases—and their physical distance from Soviet troops.—permitted, they began staking out a measure of independence, not in order to advance the cause of the international socialist revolution, but to turn Stalinist class-collaborationism to their own advantage. The creation of multiple centres of Stalinism in turn provided a certain room for manoeuvre for Stalinist parties in the capitalist countries. While the essence of their politics has not changed, these parties can no longer be forced to follow every whim of the Kremlin, particularly if they have something of a mass base.

As a tendency in the working-class movement, Stalinism is doomed not only by its own internal contradictions but even more so by the passing of the conditions which gave birth to it. Stalinism arose from, and based itself upon, a downturn in the struggle for socialism—the isolation of the Soviet Union, the

post-World War I defeats, and the defeats of the 1930s which Stalinism itself was responsible for. The three decades since the close of the Second World War have seen tragic and unnecessary setbacks, such as the Indonesian blood-bath of 1965-66, but overall the period has been one of enforced retreat by imperialism and a new upsurge of revolutionary struggles, struggles which have begun to have profound effects not only within the colonial and neo-colonial countries but in the imperialist centres themselves. We stand now upon the threshold of an era in which the program of revolutionary Marxism will win millions of followers, including many now in the ranks of the Social Democrats or the Stalinists.

Revolutionary Marxism

The bureaucratic degeneration of the Soviet Communist Party was vigorously opposed by many Bolshevik cadre. Lenin himself repeatedly warned against the dangers of bureaucratism, and increasingly so towards the end of his life. Among the last of his political actions was the agreement with Trotsky to form a bloc for the removal of Stalin from the post of general secretary and for the cleansing of the party of careerists and bureaucrats.

After Lenin's death, leadership of the struggle against the bureaucracy fell upon Trotsky. Unable to confront revolutionary Marxism on a political plane, the Stalinists used their control of the party and state apparatus to silence the Leninists. Trotsky himself was arrested and deported to Siberia, and then exiled from the Soviet Union. Thousands of other oppositionists were imprisoned or murdered.

In exile, Trotsky, supported by a handful of followers in Europe and the United States, fought to reverse the process of degeneration in the Third International. In particular the Trotskyists sought to turn the Communist Party of Germany, which was in the throes of a revolutionary crisis, onto a course that could lead to a socialist revolution. Such a victory would have undermined the objective basis of the Stalinist degeneration and could have provided the spark for revolution throughout Europe.

But when the German Communist Party allowed Hitler to come to power without a battle, and the Communist International proved incapable of drawing the lessons of this catastrophe, the Marxists concluded that the Third International

had crossed a watershed comparable to what 1914 represented for the social democracy. The Third International could no longer be reformed; a new international was necessary to lead the way to the world socialist revolution. The Fourth International was founded in 1938.

Today parties adhering to the Fourth International exist in more than 40 countries. Although most of these organisations are still small in numbers, the world Trotskyist movement has already played an important and sometimes leading role in major events of the international class struggle, such as the campaign against US aggression in Vietnam.

Revolutionary Marxists regard the international party as indispensable to the struggle against capitalism nationally and internationally. The Fourth International is not, like the Second International, a mere federation of independent parties whose leaders meet periodically to pass resolutions binding on no one. Nor can the revolutionary party be built on the model provided by the Stalinists, in which an infallible leadership in Moscow or Peking issues commandments to its adherents; revolutions are not made by people whose chief skill is the ability to obey orders unthinkingly. The policies of the world Trotskyist movement are worked out in fraternal discussion and debate among all the parties of the Fourth International, tested in practice, and modified in the light of experience when events prove this necessary. In this process, the revolutionary international is constructed and its cadres are trained.

Australian reformism

The Australian Labor Party

The ALP is one of the historic achievements of the Australian working class, a mass party based upon the trade unions. As such, it represents, although in distorted form, the Australian proletariat's consciousness of itself as a class distinct from and opposed to the capitalists. In any confrontation between the ALP and the parties of the capitalists, revolutionary socialists support the ALP regardless of the policies of its leaders.

The ALP is a member of the Second International and its leaders are thoroughly imbued with the reformist, class-collaborationist attitudes of the Social Democracy. In government they prove themselves interested, not in advancing towards socialism, but in making capitalism run more smoothly. Rather than siding unconditionally with the workers in their

battles with the capitalists, the ALP leaders try to remain "above" the fight and to promote a phony class "peace" which invariably is opposed to the interests of the working class.

Nevertheless, because the ALP is the party of the organised working class, members of the SWP join in and work for its victory in elections while attempting to win the ranks of the party to a class-struggle perspective and the program of revolutionary Marxism. In calling for the election of ALP governments, the SWP does not endorse the timidly reformist policies of the leaders; its support is solely from the standpoint of maintaining working-class solidarity against the parties of the bosses.

The Stalinist parties

There are three separate Stalinist parties in Australia today. The Socialist Party of Australia seeks to maintain towards Moscow the same total subservience that characterised relations between the parties of the Third International and the Kremlin in the 1930s. The Communist Party of Australia (Marxist-Leninist) looks to Peking and Mao Thought as the source of all wisdom; it has become notorious for its physical attacks on members of other tendencies and for its destruction of the NSW Builders Laborers Federation.

The Communist Party of Australia is the largest and most influential of the Stalinist parties in this country. Like such other Stalinist parties as the French and Italian CPs, it has taken advantage of the fragmentation of Stalinism to gain a certain freedom to manoeuvre while retaining the basic Stalinist politics.

The CPA itself hotly denies that it is any longer accurate to characterise the party as Stalinist, but its theory and practice continue to reflect the conservative bureaucratic fear of change and a subservience to the policies of Moscow. The CPA, for example, uncritically endorses the counter-revolutionary, class-collaborationist policy of the Portuguese CP; it supports "Israel's right to exist," it continues to advocate "peaceful co-existence," Stalinism's term for class collaboration on an international scale.

The Socialist Workers Party

The Socialist Workers Party is part of the Fourth Inter-

national, which adheres to the revolutionary program of scientific socialism elaborated by Marx, Engels, Lenin, and Trotsky.

The SWP today is the nucleus of the mass revolutionary socialist party that will be forged tomorrow in the heat of the class struggle. Its task is not to advocate timid reforms or to merely applaud revolutionary struggles in other countries, but to build the mass party that will contribute to the world socialist revolution by toppling capitalism in Australia.

The SWP participates in the class struggle using the method of the "Transitional Program," the founding document of the Fourth International, which points out: "The present epoch is distinguished not for the fact that it frees the revolutionary party from day-to-day work but because it permits this work to be carried on indissolubly with the actual tasks of the revolution." (*The Transitional Program for Socialist Revolution*, p 75.)

The transitional method is based on the understanding that the objective conditions for socialist revolution on a world scale have been in existence for more than 60 years. Capitalism has been allowed to survive by the failure of the subjective conditions: the lack of mass revolutionary parties that can persuade the working masses of the necessity for socialist revolution and lead them in accomplishing it.

Transitional Program

The demands listed in Section II above, while all worthy of support in their own right, are not advanced in the belief that they represent a complete solution to the problems they deal with. Nor do they constitute the sum of what the SWP stands for. Rather, they are put forward as specific applications of the transitional method, which seeks to lead the oppressed from their present level of consciousness, through their own experiences of struggle, to an awareness of the need for socialism and of how it must be achieved. Our transitional program can and will incorporate other demands and proposals as these are made necessary by the development of the class struggle. In developing such demands, our criteria are the extent to which they correspond to the needs of the mass of people and can advance their revolutionary consciousness.

This perspective determines the methods of struggle which the SWP advocates. The most effective weapons, both for winning victories and advancing consciousness, are the

traditional working-class forms of struggle: strikes, pickets, demonstrations, in short, *mass* actions.

In the course of such battles, the workers and other oppressed will learn the lessons and rehearse the techniques which will enable them to overthrow the capitalists and begin the construction of a socialist society.

That society will be one in which the evils of capitalism will be but a bad dream, in which economic security is a universal human right, and in which racism, sexism, and war are unknown. It will be the first truly human society, in which the direction of human evolution is no longer the product of blind forces but of conscious decision and co-operative effort by the entire human race.

The Socialist Workers Party exists for only one purpose: to hasten the day on which the construction of that society begins.

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Towards a Socialist Australia analyses and discusses the deepening crisis which has gripped the entire political, economic and social life of this country for almost a decade now, from the time of the rise of a mass opposition to Australian involvement in the Vietnam war. The sacking of the Whitlam Labor government on November 11, 1975 marked a new stage in the development of this crisis. The myth that Australia is some kind of "Lucky Country" is well and truly dead.

The Liberal-National Country Party government in Canberra which followed November 11 has launched a savage assault on the rights and living conditions of working people and of every sector of the disadvantaged in Australia — on women, Blacks, migrants and youth. How can the labor movement and its allies resist these attacks? This collection of documents of the Socialist Workers Party argues that the urgent task confronting us right now is the construction of a mass socialist movement of the working class and its allies which can take on the capitalist rulers and win.

Towards a Socialist Australia provides a comprehensive socialist analysis and criticism of the political line and programme of the ALP and trade union leaderships. Published in full in this volume is the programme of the SWP which shows what demands the labor movement must take up and fight for if it is to be effective in the present situation.

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