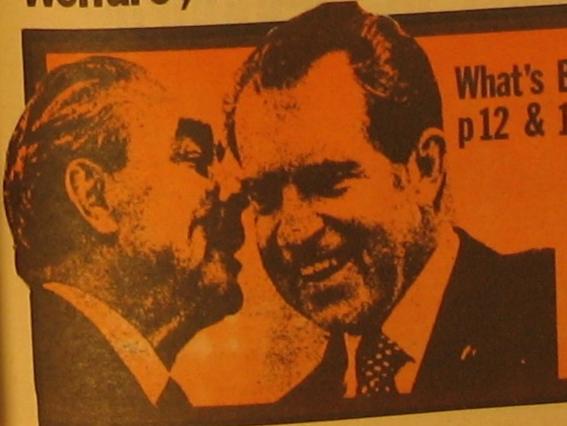
DIRECT ACTION A Socialist Fortnightly No.46 August 23, 1973 A Socialist Fortnightly No.46 August 23, 1973

Why Labor Is Not ...



Fighting Inflation

A Businessmen's Budget p3, The Budget & Education, Health and Welfare, An Anti-woman Budget p4, How To Fight Inflation p5



What's Behind the US Detente With Moscow and Peking n 12 & 13

THE TURN IN THE INTERNATIONAL SITUATION

No. 46, August 23, 1973

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EDITORIAL

Unions is facing one of its most important congresses for many years. For the first time in twenty-four years the congress is meeting under a government which was swept into office by a massive demand for change in the Australian working class. Further it is a government that has tried to make sure that its public image was one of being pro-worker. Gough Whitlam's remarks in Ottawa that he was one "socialist" Prime Minister who wasn't going to pass anti-union legislation undoubtedly had a hollow ring to it, However, the Labor Party has already demonstrated that it is as susceptible to pressure in office as it was outside, In particular, the industrial legislation concerning the abolition of the penal clauses which has already been carried through the House of Representatives has shown that Labor, if pressured enough, will adopt measures in the interests of the union movement.

The so-called left and militant forces on the ACTU are entering the congress with a clear-cut majority on the executive. They can have no excuses for retreating. The balance of forces on the executive at the moment is 10-7 in favor of the left. Despite the Sydney location of the congress which will tend to help the right wing the left will still benefit from the Labor Government and the continuing radicalisation which expressed itself so manifestly at the polls last December.

The leadership of the ACTU is facing its second congress since Bob Hawke was elected president in 1969. For four years now, the promises he made have had sufficient opportunity to be tested. Over this period we have seen two major attacks on the workers' standard of living: the worst unemployment figures in the post-war period. At the moment inflation is cutting into the working class's standard of living at an unprecedented rate of over 13 per cent a year.

The last four years, however, have not been marked by any strong industrial action on either employment or wages. While some effort was made in terms of industrial action against South African racism, US involvement in Indo-China and French nuclear tests, the main actions of the ACTU were in a different direction.

Bob Hawke's main innovation and claim to fame has been through the ACTU's involvement in business. Initially there was the unions' halfshare in Bourke's, the ACTU store. Among the additions in the period since then have been the ACTU's travel company and the promised ven-

tures in insurance and construction. This action of imitating the tradeunion movements in West Germany and Israel is nothing but a trap. It is absolutely false to consider that any benefit can accrue to working people from such integration into business. Running a capitalist business on a

leged minority involved in running these ventures. This running of capitalist enterprises without the introduction of workers' control is nothing but a diversion from the real struggle against inflation and rising

No less a diversion is the new practice introduced by the Whitlam Government of appointing union officials on the boards of public corporations. Once again these people are not subject to any kind of rank-and-file control. Their role is only to make these corporations more efficient. Of what use is it to the working class to have Jack Eggerton on the board of directors of Qantas and Bob Hawke on the board of governors of the Reserve Bank?

If any indication was needed of just how valueless this practice is, it was given during the recent conference of the Liberal Party. Malcolm Fraser, a former Liberal Cabinet minister, praised this policy and gave his party's endorsement.

The illusions created by workers' representatives on the boards of these enterprises serve only to obscure the real nature of these corporations.

The real fight is elsewhere - against rising prices. So far, the only action promised is industrial action against firms which are not going to pass the benefits of the tariff cuts on to the consumers. But much more is needed.

The ACTU must undertake a real programme of action against inflation including industrial action against firms which increase their prices, as a much more effective prices watchdog than the fraud of the Prices Justification Tribunal.

The ACTU congress must demand that all union officials resign from any position of management in capitalist enterprises and reject the setting up of business enterprise as a substitute for fighting inflation.

The rejection of any proposed "incomes policies" i.e. a wage freeze must also be made a key task for this congress. The Australian Labor Government should not be allowed to repeat the crime of the New Zealand Labour Government of introducing such a wage freeze. Only a strong and independent stand by the trade-union movement will guarantee this lack of repetition.

Above all, the ACTU must undertake to fight for an escalator clause in all contracts and awards. Such a clause will give automatic cost-of-living increases every month, the index for such a purpose to be kept by the

The ACTU must force the Labor Government to undertake a serious campaign to combat inflation and organise a joint effort to wage an effective

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W.D. Scott and Co, one of the most influential voices of Australian business interests has announced that an incomes policy was essential for Australia.

The model they may have in mind is the reactionary wage freeze imposed by the Labour Government in New Zealand. Prices have been frozen for a month while wages are limited to 8.5 per cent increase which falls far short of expected price rises.

Socialist Action a revolutionary socialist fortnightly published in Wellington commented in its August 17 editorial,

... For the 6 months from January to June 1974 all workers are prohibited from receiving any pay increase whatso-

"It's no wonder that all the employers' and manufacturers' representatives, and the establishment dailies, have gone along with the Government's action. The sharemarket index, which has been at an all-time high this year, rose again on the first day of trading after the regulations were promulgated. Profits are certainly not going to be affected. And asked in connection with his economic stabilisation measures whether he would curb dividends, Hugh Watt the Deputy Prime Minister replied that this was a 'separate question'.



Tom Skinner

"Shareholders would be screaming blue murder if they were subjected to the

same sort of restrictions as workers are today. Few of the major companies have reported less than a 20 per cent profit rise over the last year, and even more improvement is expected. In face there is much discussion about the problem of 'excess liquidity' - that is capitalists with so much money they don't know what to do with it all.

"Businessmen are not worried about the 30-day price freeze; even the Government admits that it is just an 'interim measure' which in itself can have no long-term effect. And it's unlikely that this pro-capitalist Government will bring in price control schemes following on from the freeze that are any more effective than its past ones.

"The biggest hypocrites are the parliamentarians, both National and Labour, Hugh Watt, who talked in sombre tones about a "wages crisis" allegedly produced by an 8 per cent wage rise for boiler-makers (about \$ NZ 280 a year) did not bat an eyelid two weeks previously when a royal commission had boosted his own salary by 37 per cent (or \$NZ 5664). It is worth noting that it takes a boilermaker more than one year to earn the extra \$ NZ 5664 that the Deputy Prime Minister is going to have in his pocket. (And now Watt and his fellow MPs are boasting about the great sacrifice they are making by postponing the introduction of the new parliamentary salary scale because of the wage freeze.)

"The most unsavoury aspect of the whole episode is the role being played by the Federation of Labour (FOL) leadership. Tom Skinner has publicly given his blessing to this most serious blow to workers' living standards and their right to fight for higher wages free of government restriction Without the cover provided by the top union bureaucrats Labour would have found it much harder to introduce the freeze.

The acquiescence of Skinner and his cronies is stopping the union movement from utilising the capacity it now has to win big wage increases. The boilermakers had shown the way with their successful 13-week strik unions were about to follow their lead,

"Militant action at this stage would have paid off. The New Zealand capitalist economy is in an almost unprecedented phase of booming profits, and firms are easily able, even if reluctantly, to grant substantial pay demands. The current shortage of labor makes it even more difficult for employers to refuse.

"If workers are prevented from taking this opportunity now before them, they will fall even further behind when conditions are not as favorable.

"On August 14 a meeting of drivers' job delegates in Auckland passed a motion "resolutely opposing" the freeze. Other unions would do well to follow their example. A strong and united stand by militant sections of the labor movement against the Labour Government's freeze is the only way that this frontal attack on workers' living standards can be

Gay Pride Week Actions in Melbourne

BY DOROTHY TUMNEY

Gay Pride Week in Melbourne will run from Friday September 7 to Friday September 14.

The week's activities will be the biggest action Melbourne Gay Liberation has organised for some time, with at least one activity being projected for each day during the week.

To attempt to involve the maximum number of gays in the Gay Pride Week activities and in gay liberation actions in the future leaflets will be handed out during the week, especially in places where gays congregate.

Organisers of Gay Pride Week are hoping

that these and future actions will give many more gays the confidence to openly take action against persecution rather than hiding their gayness. The fight against legal repression is to be a focus of the movement in the future and Gay Pride Week should serve as a starting point for a campaign around repeal of anti-gay laws in addition to action expressing objection to all forms of discrimination against homosexuals.

Previous gay demonstrations have been deliberately ignored by the press.
Organisers are hoping for a reversal of this situation.

Melbourne activities planned to date include most importantly a gay pride demonstration on Friday September 14. The demonstration is to assemble in the city-square at 5 pm.

THE LABOR BUDGET



SINFSSMEN'S BUI

BY SOL SALBY

The Federal Treasurer, Frank Crean described it as a "workers" budget . The Australian called it a "reform Budget". But surprisingly enough neither thought there was anything incongruous about business interests actually praising Labor's first Budget in 24 years.

Brian Johns in a front-page article in The Sydney Morning Herald reported: "Labor's traditional adversary - business mainly has pain and hardship offered to it in the Budget." The editorial writer was more complementary: "Faced with a difficult set of budgetary problems, the Government has managed to give effect to its reformist social ambitions while exercising a reasonable degree of economic responsibility ... There is little to quibble at either in the general ordering of these priorities or the specific programmes involved."

The financial editor of The Australian went further still when he stated "The business community may well consider it has come through Labor's first Budget for 24 years better than it expected."

But, the editorial in the Australian Financial Review was unquestionably the most honest. This influential voice of Australian capitalism had this to say: "Within the context of Labor's stated philosophy and aspirations - and contrary to the often irrational fears of business doomsayers - Mr Crean's first Budget is fair, moderately innovative and responsible." (emphasis added).

With all the contradictions between the various views as to whether or not it is a "workers' Budget" some questions must be asked? In the final analysis who does benefit from the Budget? What have Australian workers to benefit from the "workers' Budget"?

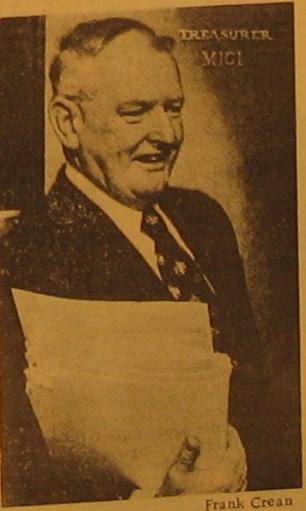
The first consideration must be the Budget's fiscal policy i.e. its overall Impact on the economy. There cannot be too much disagreement on this score. The increase in revenue is bigger than the increase in government spending, although only marginally so. In domestic terms the Budget's domestic deficit this year is smaller, being \$162 million compared with \$215 million last financial year. Thus it is probably going to have a mildly anti-inflationary effect, but will at least not be as inflationary as

last year's Budget.

The Labor Government has apparently ing at the current rate which in the long run is probably higher than 10 per cent a year. It has chosen to restrict welfare spending and limit its deficit. It has chosen not to use the Budget as the main weapon against inflation or against the working class.

It is, however, also noticeable that in line with the reformist policies of the ALP and the greater role that the state plays in the economy under Labor the Budget figures were much higher. Outlays are 18.9 per cent higher than last year, while revenue is 20,6 per cent higher. It is therefore useful to note where the extra money is going to come from and where it is going to be

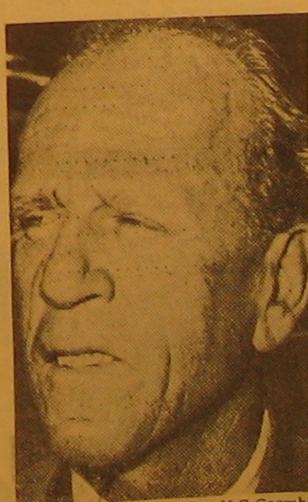
A lot has been made of the fact personal income tax rates have not changed while that of some companies have. Further there were comparatively more company tax deduction abolitions than on individual people. However, a strange thing happens when one compares the increase



in the amount of tax raised from companies and individuals. Company tax is expected to rise by 19.3 per cent while income from individuals is going to rise by 24.0 per cent. This apparent contradiction can be explained by the impact of inflation which is going to take more and more individuals into higher income brackets and higher tax rates. Companies on the other hand are generally taxed at a uniform rate of 47.5 per cent.

It is on this count that one of Labor's election promises has failed to materialise. The promised cut in income tax rate for low-income earners under \$100 a week has apparently been shelved.

The other main source for revenue in the Budget is indirect taxation. Increased postal rates and other charges of the PMG, as well as increased duty on liquor and cigarettes are going to be reflected in the purchasing power of the working class. There is no question that such indirect taxes affect Labor supporters who are low income earners more than it affects the rich who pay a much smaller proportion of their income in these kind of taxes.



Dr. H C Coombs

While it is easily demonstrable that the bulk of the new revenue will come from the pockets of the working class the question of outlay should not be dismissed

As Phil Jeans points out elsewhere in this issue of DIRECT ACTION the increased social security and welfare payments are not even keeping up with inflation. And with the current rate of inflation, half-yearly increases of \$1.50 will never get pensioners to the level of 25 per cent of average weekly earning.

This has to be emphasised regarding the Budget items over which spending has increased significantly is the general nature. It is obvious that the increased welfare spending of 25 per cent is well above what any Liberal government would have granted. On the other hand the education measures need closer scrutiny. Labor has increased expenditure by 92 per cent but mainly on tertiary education. This emphasis on tertiary education makes it plain that it basically represents a restructuring of the priorities. Business needs a subsidy to keep training skilled technocrats. The Budget allocation is designed to do precisely that.

The person most likely to be happy with the actual Budget is Dr H.C. Coombs. The report of the task force which he led has been accepted with few amendments overall. Dr Coombs's assistance to Labor was originally arranged by newspaper magnate Rupert Murdoch who told Gough Whitlam that in order to make sure that he will have the full confidence of the business community he should have have Coombs as his advisor.

The Coombs report and the Labor Budget must confirm Murdoch's observations. Many anomalies have been removed and the economy is slowly being reformed, modernised and restructured - all in the interests of big business.

The Australian working class is not the beneficiary from this Budget. It is the businessmen who benefit.

In an article in the prestigious Far Eastern Economic Review on July 9 the following comment was printed:

"Is Labor government profitable? After six months of rule by the Labor Party in Australia, the answer has to be yesor at least in the short term."

THE LABOR BUDGET

What the Budget Means for ...

BY DEB SHNOOKAL

"We want a new life and a new meaning in this new nation - to the touchstone of modern democracy - to liberty, equality and fraternity, " declared Gough Whitlam in his policy speech in November 1972. However he obviously wasn't referring to the women of Australia as the first Labor Budget clearly shows. For the 1973 Budget does not change the existing unequal economic relationship between men and women.

It makes no challenge to the fundamental assumption of capitalist society of the economic dependence of woman on man and the family unit. What is most outstanding about the 1973 Budget as regards its attitude to women is its almost complete lack of interest or concern.

There is always much talk about the necessity of incentives when discussing the employment of men; but in regard to women it is assumed that they will work under the worst conditions for the least possible remuneration; that economic incentives are not necessary for female employees and that they should be content children alone. with merely having a job.

In Australia today, the major part of the increased Gross National Product is due to the rapidly increasing rate of employment of women. In fact women now make up one third of the workforce and this proportion is rising continually. It is not from idleness, but economic necessity that women are now seeking employment. With an increasing rate of inflation many more women are finding it necessary to have full or part-time jobs to supplement their husbands' incomes in order to maintain their standard of living. But what assistance are they given by the Government?

It is reasonable to say that there is a child-care crisis in Australia at the moment. Many children in inner-city and country areas are left with friends or relatives with inadequate supervision in dull, unstimulating and often hazardous environments,

At present, some women are prevented from seeking employment because of the absence of child-minding facilities a job that could be of vital importance to the family's budget. The Government has done very little to alleviate this situation. In its Budget it has given a total rise to child-care programs of \$121,3m and this is a 100 per cent increase from the previous year's budge But this will prove to be only a drop in the ocean when compared to the current demand for child-care centres. It is also the low quality of the existing child-care centres in Australia that discourages many women from obtaining work.

The Government's 50 cent per week increase for dependent children's allowance is of little significance or assistance levels of the education system. The to families living on the breadline, and still less to a woman feeding and educat- migrant children, \$2 million when ing her children by herself.

All pensions are up \$1.50 with another rise due in six months. But the taxable pension system will hit women on the totally inadequate allowances for widows, deserted wives and single mothers, for

it deprives her of a certain amount of her spending power for a year.

The new Government has given no more money for the training and retraining of women, which is essential for the reintroduction of housewives into the "industrial economy". It kept last year's increased taxation allowances for dependent wives, aimed at helping the single income man. In other words, the Labor Budget has failed to come to terms with a major social change, that is, the working

Once again the Australian Government

has brought down an anti-woman budget. It ignores the serious problems women face in the Australian economy as housewives and workers. To begin to realise themselves as equal, responsible individuals, women need equal pay, recognised in principle in the Labor platform; maternity leave on full pay; part-time arrangements for working mothers; adequate and educational child-care centres; an extensive scheme for occupational training and retraining of housewives; considerable increases in the subsidisation of family planning clinics; safe contraceptives on the free list; and realistic pensions for mothers bringing up

BY BERNIE MURPHY

"The most rapidly expanding section of public spending under a Labor Government will be Education." That was the policy on which the Labor Party went to the polls last December.

While the total expenditure for education in the Budget is up by 92 per cent over last year, most of the additional Federal expenditure is merely involved in taking expenditure from the State budgets The only really positive step forward is the allocation of \$179 million of the total \$843 million (21.2 per cent) education outlay for government payment of tertiary education fees. Apart from this little else has been done that will increase the quality or availability of education.

Outlays for construction of new education facilities take up very little of the Budget outlay. Allowances for the construction of technical education institutions total \$25 million. While the Treasurer claimed, correctly, that this was an increase of \$10 million on last year's Budget he did not mention that it only represents 2.9 per cent of the total expenditure compared with 2, 7 per cent last year.

A significant point in the Budget's educational allocations is the bias they betray in favor of the interests of the business sector of the community and against the interests of students in all total new provisions for the education of compared with the \$2.3 million set aside for a post-graduate school of management at the University of New South Wales shows the Labor Government gives equal weight to a tiny circle of technocrats as it does to a whole sector of society.

The overall emphasis of the Budget is to finance tertiary education at the expense of secondary and primary education. This is wholly in keeping with the demands of industry for a relatively small number of highly trained workers and a large number of relatively unskilled

The bias of the increased spending on financing tertiary education is in no way a concession to students. Not one cent of the Budget money was allocated to finance the Australian Union of Students, the national students' union. Traditionally the States have included payment of AUS fees in their scholarships to students, however the Federal Government seems set to let this practice lapse. This is another step in the attack on AUS by the Government. The total expenditure on tertiary institutions would be increased by only a small fra fraction if the Government undertook to pay these fees.

The figures show that expenditure on education increased more than for any other sector. However this can be put down to the Government's desire to rationalise the tertiary education system by taking it out of the States' hands and to increasingly gear the education system to the needs of industry rather than to any desire to provide better, more freely available education for all.

Welfare

BY PHIL JEANS

With the current high rate of inflation, the ALP's election slogan for health and social security, "It's time for the old and the needy" rings rather hollow.

This year's Budget contained no real surprises in this sphere. The ALP had earlier set as its aim the raising of pensions and unemployment benefits to "25 per cent of the average weekly male earnings". This was to be achieved by raising pensions and benefits by \$1,50 every six months.

However, in order to achieve this within Labor's term of office, it would require that average weekly earnings rise by less than six per cent. This is very unlikely to happen. On the Government's figure of an expected rise in average weekly earnings of 13 per cent during the next year, the \$1.50 rise will fall short of the \$1.63 rise in the 25 per cent of average weekly earnings in the first six months and promises to diverge still further in following months. The prospect for pensioners and unemployed can only be described as gloomy. This is no credit to a government supposedly representing the interests of the working people.

Expenditure on welfare has risen 16.2 per cent over last year's Liberal preelection Budget. This increase has been spread fairly evenly between existing areas of social service expenditure. Thus, in general terms, welfare has barely kept apace of inflation and there have been no radical changes to the existing social services system.

The basic fault of all fixed incomes remains in that they are not subject to

and unemployment benefit increases they don't represent increases in real terms, but in fact represent decreases in comparison to other workers. Once again the Labor Government failed to provide adequate social services. It is only very decisive action by the Government in markedly raising social services that will even approach the situation where those on social services can keep abreast of the spiralling cost of living.

... Defence and Foreign Policy

BY JAMIE DOUGHNEY

Prior to the Budget speech media comm. entators were speculating on how much the defence budget would be cut. They observed the new foreign policy of Australia under Labor, the rejection of "forward defence" and end of the more crass militarism of the Liberals, and expected its reflection to be seen in the amount of income spent on defence.

However, to the surprise of many, the Federal Treasurer, Frank Crean, announced that defence spending would actually increase by 32,5 million dollars. This step, which in no way benefits Australian workers, reflects the whole tenor of the Budget as being a "businessman's Budget".

It is to be noted that during the redivision of responsibilities of government departments undertaken by Labor since it took office, some areas usually covered by the defence allocation were taken over by other departments. This means that if the old system had been used the increase in reality would have been 112 million dollars, a rise of 9 per cent on last year.

The reasons for the refusal of the Government to take any steps to radically alter the basic attitude toward defence and the armed forces by previous budgets, lies in the basic desire of Labor to preserve the status quo. What has been done however, is to reallocate defence money, in line with the policy projected by Defence Minister, Lance Barnard, earlier this year, or as Crean put it "in conformity with the present strategic outlook".

That policy maintained that Australia's role, particularly in the immediate area of concern, South East Asia, would be to uphold the present system of imperialist domination of the region while using however, the new methods practised by Labor in foreign affairs. Instead of the military policy of "forward defence" which found its clearest expression with Australia's involvement in Indo-China, the objective would rather be to create the environment whereby challenges to the social system in South East Asia could be prevented, preferably by non-military means. And if that proved inadequate then minimal military intervention would be the best alternative. Thus we see the emphasis of the defence budget going toward developing a highly mobile, volunteer armed force which is capable of dousing the outbreak of revolutionary struggles should the need arise.

Perhaps the Coombs report, (which in many ways shaped the Budget formulations) best expressed the attitude of Labor to defence when it stated:

"The present Government's defence policy is based upon political and strategic assessments and objectives which contain significant differences from those of its predecessors. It is, of course, possible that those differences are less profound than they at first appear or are sometimes presented."

Such an attitude toward defence has nothing whatsoever in common with the interests Labor is supposed to represent, i.e., those of the working people. The expenditure over defence is expend-

iture which aids anti-labor forces and the maintenance of the present system both in Australia and elsewhere, and substitutes for spending in other more pressing areas such as social services.

THE LABOR BUDGET

Behind Australia's Inflation

BY DAVID NIZOZ

The main restraining factor on the Labor Budget has been inflation. In Australia as well as in all other major capitalist countries rampant inflation is the main economic problem at this

The annual publication of the Treasury, The Australian Economy 1973 which represents the most comprehensive statement on the state of the economy was quite clear in its analysis. Under the heading of Economic Prospects it stated:

Dominating discussion of economic prospects today is the question of inflation as reflected in rising costs and price prices. In recent years the rate of increase has been high whether judged absolutely or by standards of earlier

Australia is not the only country suffering from inflation. Similar figures of the same order of magnitude have been recorded by New Zealand (10 per cent), Canada (10 per cent), the US, France, West Germany, etc.

The predominance of inflation as the most significant economic problem stands in sharp contrast to the situation this time last year. Unemployment then stood at 99, 201 or 1.77 per cent of the estimated work force, the highest June figures since 1963. In seasonally adjusted terms unemployment stood at an even higher figure of 104,929 or 1,87 per cent of the work force.

The rate of inflation on the other hand was a lot slower. The second quarter figures showed a 1.1 per cent increase in the Consumer Price Index or 4.4 per cent a year. When compared with the current annual figures of 13.2 the difference is striking.

THE HORRORS OF INFLATION

The increases in prices which make up inflation have been reported daily in the press. Everybody is feeling the pinch at the moment.

Food prices have been the most spectacular in their rise. The latest figures available show that food prices have gone up by 12,8 this year, which is even higher than the Consumer-Price-Index increases as a whole. Unquestionably the hardest hit by these food prices are low-income earners such as unskilled workers, migrants, blacks and pensioners. These people spend a high proportion of their income on food and other basic necessities.

But food price increases are not all, A whole range of other price increases has occurred also. No product or industry has been slow in raising its prices and more increases are promised. The Broken Hill Pty Co Ltd has already announced its intention to make a further price increase. This time it is asking the Prices Justification Tribunal for a 9.42 per cent increase only a few weeks after announcing record profit figures.

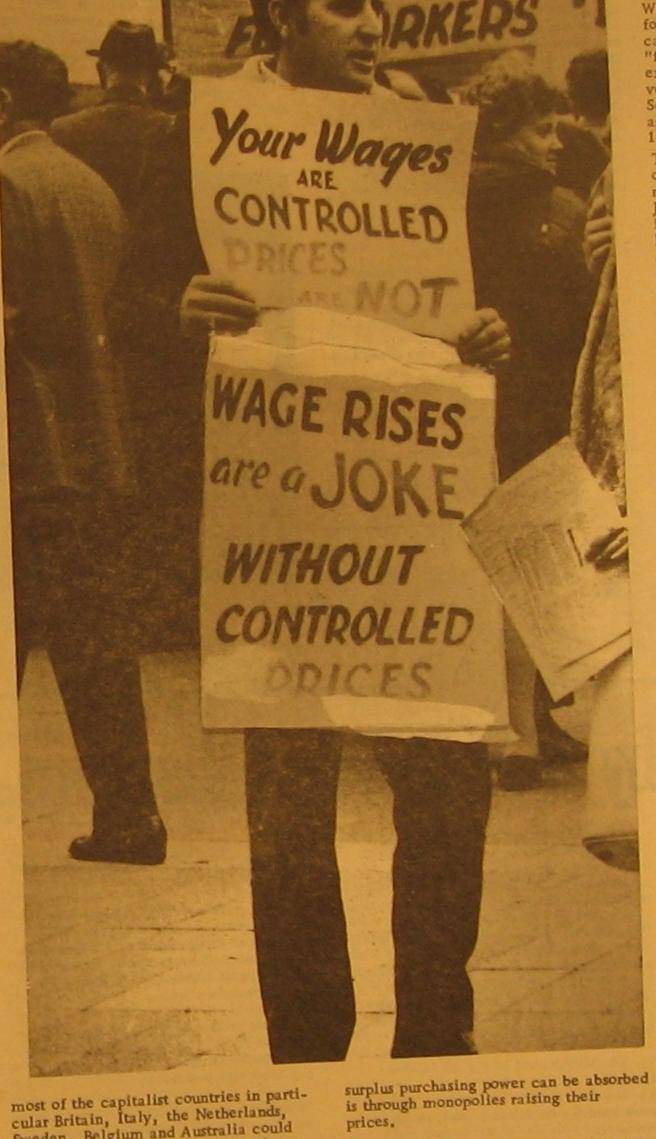
THE TURN IN THE ECONOMIC SITUATION

What has changed in the economic situation? How has inflation reached such a high level and replaced unemployment as the key economic problem? There are many who wish to claim credit for the economic "boom" and the reduction in unemployment, but nobody claims the credit for inflation.

Both the Liberal Opposition and the Labor Government have claimed that unemployment was reduced due to their respective policies. It may be true that the Liberal Inflationary pre-election Budget was responsible somewhat for the inflationary pressure that reduced unemployment. Similarly the various measures that Labor has taken may have had a role but, fundamentally it has been the change in the international economic situation which has made the biggest impact.

The end of the 1969-1972 recession has resulted in an increased demand for some of Australia's key exports with high prices registered for wool, wheat, fron ore etc and new record prices being paid for copper and other minerals.

The persisting economic difficulties in



cular Britain, Italy, the Netherlands, Sweden, Belgium and Australia could only terminate under conditions of drastic action. As the Belgian Marxist economist Ernest Mandel pointed out in DIRECT ACTION 35 February 8, 1973;

"For the first time, the 1969-72 recession was accompanied by accelerated inflation on an international scale, More than ever, inflation remains the only way to halt the crisis at a certain level (that is the big difference between "classical" crises and today's recessions). But a stronger and stronger dose of inflation will be needed to do the job. The Republican Nixon, theoretical champion of 'balanced budget' could end the recession only by deficit spending at a record level in American history. In Great Britain industrial production picked up only after an increment on the order of 25 per cent in one year in the amount of currency in circulation."

HOW TO IMPORT INFLATION

The main cause of inflation is government deficit spending. Governments borrow money over and above what they collect in taxes. The money is being spent in the economy but it is not balanced by any goods being offered for sale on the market. Thus the money is pumped in but not taken out by taxation,

The result is what is called "surplus purchasing power". The only way this

Surplus purchasing power comes in more than one way. It can come through government monetary action in increasing the money supply. In Australia a significant factor is capital inflow. In recent years the large sums of money from overseas, used to purchase Australian companies, have resulted in money being pumped into the economy without goods being produced and put for sale on the market. The latest figures show that \$286 million was rushed in during the month of July alone. The increased inflow of money following the recent export boom has played a similar role to

This capital inflow forms one of the chains in the process of importing inflation. In the case of Australia it is not necessarily the most significant factor.

A more likely variant is that of shortages particularly through the commodity markets. Some food prices of items like beef are affected particularly severely. As the demand for beef rises in the United States the price also rises. More is imported from Australia which reduces the supply locally causing Australian prices to rocket.

UNEMPLOYMENT

As a result of the great focus on inflation

unemployment has been neglected. For the last six months unemployment has remained relatively static at around 1.51 - 1.55 per cent of the work force. While the last figures available, those of July 1973 at 89,259 (seasonally adjusted) are well below last year's figures they are still very high.

What is even worse is that the outlook for any improvement is no better. In capitalist terms we have a situation of "full employment" and this has been expressed in a report in one of the chief voices of Australian capitalism W.D. Scott and Co who view the Labor market as being "tighter than at any time since

The rise in unfilled vacancies, which on seasonally adjusted terms has reached 71,907, the highest ever July figure, shows that unemployment is now developing a different character. It is becoming what is commonly known as "structural unemployment". Despite increases in the size of the work force many unskilled workers find it impossible to get a job. For them the boom is quite fake. They don't want any higher unemployment benefits if this means they will remain unemployed, what they want is the right to a job. And the only way they are going to achieve this right in the present circumstances is by a thorough government retraining programme. There can be no complacency about the question of unemployment regardless of the level of inflation.

All the actions taken against inflation so far have been unsuccessful. The two main directions provided were the Prices Justification Tribunal and increased import substitution. Now the deflationary impact of the budget is to be added.

The Prices Justification Tribunal has already been proven to be nothing but a fraud. Every day brings with it more news about an exemption granted (83 companies have already been exempted) and the tribunal has had no effect whatsoever on prices. If it had it would not have been so lightly dismissed by business interests. Nor would there have been any need for any tariff cuts or a deflationary Budget.

While the impact of the tariff cuts is yet to be felt they are not likely to achieve any more success than the 7.05 per cent December revaluation. As the parliamentary inquiry into import prices was told, the revaluation of the Australian dollar had not generally led to significant price reduction.

The Australian Financial Review reported the parliamentary committee session in its August 8 edition:

"The benefits of the 7 per cent revaluation of the dollar had been offset by fluctuation of other world currencies especially the US dollar and the Japanese yen, manufacturers said.

"Rising production costs of querseas products increased competition, and rises in freight charges were also responsible for minimising the benefits to the consumer, they said."

What they neglect to mention was the extra profit made by themselves and the overseas manufacturers. At any rate the point was made that at best, such measures can only have a short term effect.

The possibility of price control has also been raised. It had already been tried to a limited degree in South Australia and in the Australian Capital Territory. Unquestionably price control is going to be more successful than the Prices Justification Tribunal, But it can't be policied. Further, most of the contribution to inflation in Australia is imported. Price controls will not be able to stop inflation from continuing unless applied on an international scale.

The problem of inflation and the defence of the working class standard of living can't be solved at the point of prices. It can only be met at the point of wages. Only a cost-of-living adjustment can defend our standard of living. A monthly cost-of-living adjustment based on an index kept by the ACTU written up into all contracts and awards can be the only way to combat inflation.

I will only get \$1.50" (Photograph courtesy of ALP election pamphlet entitled "Social Welfare")

IN BRIEF.

MYSTERIES OF THE YUGOSLAV

In Yugoslavia, where students have been arrested for protesting against US imperialism in Vietnam and where striking workers have been arrested, film director Ousan Makavejev has been indicted for "hostile" acts against the Yugoslavian State, Makavejev's offense was his film WR: Mysterles of the Organism.

The film is considered "a criminal act punishable under Article 174 of the criminal code" because it "brings into derision the Socialist Federal Republic of Yugoslavia, a socialist republic, their flag, coat of arms, their highest agencies of authority or representatives thereof, the armed forces or the supreme commander." Belgrade's eaction to a film which has been disributed internationally for more than two years is due to the fact that Mysteries of the Organism is only now being shown in the homeland of its direction.

IN THE NAME OF THE FATHER, THE SON AND CAETANO

The United Nations special Committee on Colonialism was recently told that Portuguese security police in Mozambique arrested at least 200 members of non-conforming" (i.e. non-Catholic) the unbelievers to beatings and torture until some died, some went mad and ome confessed to having assisted the Mozambique anti-Portuguese rebel forces. Of course the dissenting Christans received gentle treatment comared to that meted out to the African eathens. Recent reports from Mozamsique (naturally denied by the Portuguese Government) reveal that the sholders of civilisation in dark Africa have been forced to massacre whole illages in order to hold Mozambique for the Lord and Portuguese investors.

T.J. Watkins, a Brisbane construction company has hit upon a brilliant new scheme to hold down rising costs. The company has installed a timer in the toilet on one of its construction sites. After three minutes the timer automatically turns out the light. A supervisor for the company said: "We put the timer in because we had trouble with people leaving the light on in the lavatory. We use a lot of power tools and equipment and we didn't want to waste more than necessary in the lavatory." Of course the installation of the timer has nothing to do with the company wanting to discourage its workers from engaging in the unnecessary and time-wasting practice of going to the toilet. With the thousands of dollars which this ingenious scheme will save the company they can employ a public relations officer to think up more sophisticated justifications for similar schemes.

HIGH ENDEAVOUR

London theatre owner Paul Raymond will soon achieve a long-standing ambition. Next year he plans to stage a show which must come close to rating as the ultimate in exploitation of distortions of human relations in the service of the profit motive. The show, which will cost \$530,000 to kick off churches during June 1972 and subjected (and which will no doubt return a tidy profit on this investment), will feature dolphins which will strip off the clothes of 45 women in a water tank.

> This magnificent scheme has occupied the imagination of this great artist, who so faithfully reflects the spirit of the society which shaped him for twenty years. He recently explained how much his creation meant to him: "I have had an ambition to present this kind of revue for 20 years." Paul Raymond is certainly a shining example of the heights to which human creativity

can rise under the spur of the profit motive. Could socialism with its insistence on the equality of all humanity produce such an outstanding

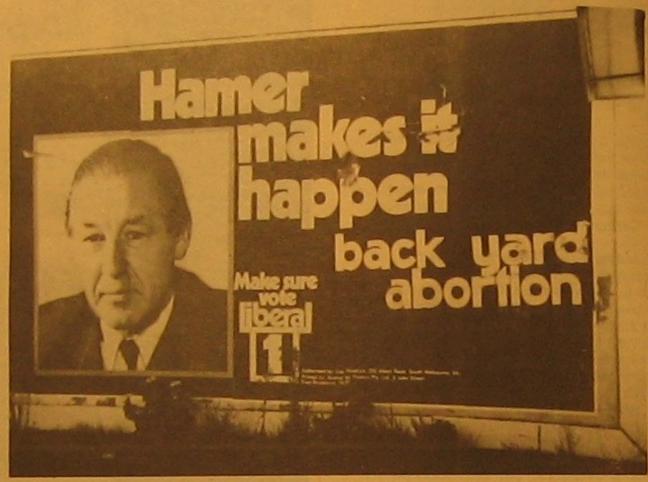
DEFENDING DEMOCRACY

During the first six months of 1973, Indonesian government officials burned eighteen tons of banned books on communism and "pornography". To the politically naive that might seem a little drastic. However sometimes people have to make a sacrifices to get what they want. That is the situation in Indonesia at the present time. The wealthy merchants and army generals have sacrificed the freedom, and in some cases the lives, of the rest of the people of Indonesia in order to maintain themselves in the manner to which they are accustomed.

ANTI INTERNMENT DEMONSTRATION

On August 11, about 30 people parties pated in a demonstration to protest against the discriminatory internment law in Ireland. The evening before members of MICRA (Northern Ireland Civil Rights Association) had handed our leaflets outside of BOAC. The demon. stration was temporarily disrupted by a few pro-Unionists but was generally quiet and peaceful.

The Special Powers Act has been law for exactly two years. At the time of its enactment it was presumed to be a temporary emergency measure. Under this act, the British Army can arrest and gaol anyone, without any explanation. warrant or trial. It has been used extensively since 1971 to intimidate and defeat, not only members of the IRA. but their families and the whole of the nationalist population.



A talented sign writer has made this addition to several election bill boards around Melbourne of Victorian Premier, Rupert Hamer,

.... STEVE PAINTER

United Fight by QLD Building Workers

BY IAN NORMAN

United action by Queensland building workers has forced the Queensland Master Builders Association to retreat from an attempt to divide the workers employed on Queensland construction sites. The employers' association had successfully sought the insertion of a stand-down clause in the Building Trades Award. The provision was granted by the Queensland Arbitration Commission on July 26, 1973 and allowed employers to stand down all on-site construction workers within a 30-mile radius of Brisbane if they felt the workers could not be "usefully employed". It was the first time for forty years that a stand-down clause had been incorporated in an award.

Ostensibly, the employers sought the stand-down clause to counteract the effects of a strike by about 120 scaffolders employed around Brisbane. The scaffolders had gone out on July 10 in support of a wage rise of \$5 a week. Of course the "humanity" of the bosses led them to seek the stand-down provision rather than just sack the other construction workers on the sites affected by the scaffolders' strike. The Courier Mail, reporting the director of the QMBA QMBA (Mr R.M. Jones) on July 9, said:

"It had been decided to seek a standdown order to preserve employees' continuity of service and to demonstrate to them the trouble had arisen from a small minority that was trying to stage "worker control" strikes as in the south."

In response to the attack by the Master Builders and in support of the scaffolders, the Building Trades Group of unions called a mass stop-work meeting of all building workers affected by the standdown clause for July 30. The workers used the occasion not only to organise against the clause and in solidarity with he scaffolders, but to turn the tables

on the employers by advancing their own log of claims. The resolution, carried almost unanimously by the mass meeting, said in part:

"This meeting directs the union officials and rank-and-file representatives to enter into negotiations with the employers around the following demands. There shall be no return to work until a satisfactory settlement is reached on the following claims:

1) The withdrawal of the stand-down

2) 4-weeks annual leave plus a 17; per cent loading for all who work in the

3) Bi-annual, paid, four hour stop-work meetings to enable unions to report on union and industry matters to their members.

4) No lost time because of wet weather, 5) Better employment opportunities for young people, apprentices and nonapprentices who wish to enter the building industry. Equal employment opportunities for women in the building

industry to be made available. 6) Support for the wage demands of the

) Absoluté preference to union members."

The result was a general strike by about 6000 on-site construction workers within 30 miles of Brisbane which left an estimated \$100 million of projects idle.

To organise the strike the mass meeting set up a rank-and-file disputes committee to organise picketing of the sites and ensure that no work would be carried out. The rank-and-file committee was also given joint responsibility with the Building Trades Group to negotiate the dispute. (The BTG comprises officials from the Building Workers Industrial Union, Builders Labourers' Federation and the Painters', Plasterers', Plumbers' and Bricklayers' unions.)

Following the meeting at least 600 workers marched to the offices of the QMBA and demanded that a deputation of 13 rank and filers and union officials be received. They were refused admittance.

Mr Jones of the QMBA once again assured The Courier Mail of the bosses' humanity. On July 31 the newspaper reported him as saying:

"Our attitude was to use the (stand-down down) order only in genuine and extreme cases... We think we would have been humane about it, but the men gave us no opportunity."

While the employers worried about their public image, the workers acted quickly to protect their rights. Hundreds of workers took part in the pickets and BWIU State president, Hugh Hamilton, was reported as saying that the strike was was carried out by more than 95 per cent cent of the workers. The disputes committee produced strike bulletins and a leaflet putting the workers' case. The leaflet read in part:

"The strike by building workers - the largest in the post-war period - resulted from a mass revolt of building workers against being treated worse than cattle.

"It resulted from workers expressing their anger against the so-called 'right' of building employers to determine if, when, and where building workers, who carry the building bosses on their backs and make huge profits for them, should

They are striking for the dignity of labor and for the right to be treated as human beings should, for the right to a full pay envelope each and every week of the year. .

"In their own way building workers are

striking for the right of all who work in and keep industry going to determine themselves, and in the interests of all workers, how and where their labor shall be usefully employed."

Within a few days the strike by the scaffolders and the massive solidarity action of the other construction workers scored a victory. On August 1 the Arbitration Commission decided to award award a \$5 a week rise to licensed scaffolders and increased rates of pay to all builders' laborers employed in the erection of scaffolding. The QMBA agreed to file an immediate application for the withdrawal of the stand-down clause and to enter into negotiations around the other demands of the building workers.

The following day another mass meeting of building workers voted to return to work. The meeting reflected a general confidence that the decisions of the Arbitration Commission and the QMBA were brought about by the mass pressure of of the united action of the workers, Another mass meeting will be held before before August 24 to discuss the progress of the negotiations.

However the decision to return to work does not conclude the action. The mass meeting resolved to "select some projects that worked in defiance of the mass decision of the workers and that these projects be left as monuments to the bosses' mistakes." Three projects have been selected and indefinite bans have been placed on all work on these

The strike has demonstrated in action the power of a united struggle by all workers in the industry. This was reflected at the August 2 mass meeting by the general feeling of the workers of the need for a single union uniting all workers employed in the building industry.

Defence Committee Organises Large Melbourne Meeting

BY DAVID DEUTSCHMANN & DAVE

On August 16 in Melbourne a meeting was held at the Assembly Hall to demand the lifting of the ban on the Ligue Communiste and the release of its two leaders, Alain Krivine and Pierre Rousset. Some 150 people attended.

Given the nature of the meeting it gained an absolutely unparalleled sponsorship from the city's left and labor organisations. The sponsors of the meeting were: the Communist League (CL), Communist Party of Australia (CPA), Plumbers and Gasfitters Union, Seamen's Union, Socialist Labour League (SLL), Socialist Party of Australia (SPA), Socialist Workers Action Group (SWAG), Socialist Workers League (SWL) and Socialist Youth Alliance (the Australian Fourth International groups), Spartacist League, Worker Student Alliance (WSA). and the Young Labor Association of Victoria (YLA). In addition several prominent labor movement figures sponsored the meeting: Senator Bill Brown; Dr Jim Cairns, Federal Minister for Overseas Trade and Secondary Industry and the third most senior minister in Federal Cabinet; Bob Hawke, Federal president of the Australian Labor Party and president of the Australian Council of Trade Unions (ACTU); and Senator George Poyser.

Bob Hawke was unable to attend on the night due to an overseas trip and sent his formal apologies to the meeting,

The platform speakers at the meeting were: Nick Beams (SLL), Ruth Champion

(CL), George Crawford (Plumbers Union), of the Ligue Communiste) Ron Hearn (SPA), Bill Logan (Spartacist League), Jim McIlroy (SWL), Tom O'Lincoln (SWAC), Ken Penaluna (YLA), Dr Alan Roberts (a member of the International group), John Cummings (WSA), and Bernie Taft (CPA).

The meeting was opened by the chairperson, Peter Conrick of the SWL, who pointed out the significance of the event - not for a long time had a defence effort gained such a breadth of support from left and labor organisations in Melbourne,

One of the most well-known speakers was George Crawford, general secretary of the Plumbers Union and immediate past chairman of the Victorian branch of the Labor Party. Crawford, while pointing out that he might not agree with the policies of the Ligue Communiste, said that the militant spirit shown by the Ligue in their activities was a reason for the ban. He went on to say that the attack on the Ligue was an attack on the whole French labor movement.

Alan Roberts, recently returned from France, gave details of the Ordre Nouveau and the French fascist movement, (The Ordre Nouveau's racist meeting in Paris on June 21 was at the centre of the events leading to the outlawing of the French Trotskyists.)

During the meeting an appeal for funds for the defence of the Ligue Communiste was made by the chairperson and over \$170 was collected. (So far some \$650 has been collected in Australia to be sent to the international fund for the defence

At the conclusion of the meeting the chairman put a motion on behalf of the organising committee in support of the democratic rights of the Ligue Communiste for occurred when Cummings, the WSA and its imprisoned leaders. The motion was carried as well as an amendment calling for the repeal of the reactionary legislation under which the Ligue was outlawed.

GRIFFIN CENTRE 2 pm Sun Aug 26,

Before the motion was put to the vote the Maoist WSA attempted to disrupt the meeting. They insisted that the motion also call for the lifting of the ban on the Maoist Communist Party of France (Marxist-Leninist) (PCF (M-L)). However, this was outside the basis on which the meeting had been organised and the sponsorhips gained. Also, factually the Maoists were in error - the PCF (M-L) has reconstituted itself after the 1968 ban under another name.

A leading member of the WSA, Fergus Robinson, stated, while speaking from the floor, that the meeting's refusal to accept the WSA amendment amounted, by default, to supporting the ban on the PCF (M-L)(').

While the logic of this accusation is hard to follow the reason for the WSA's disruption is more obvious. Robinson obviously considered this an opportunity to disrupt a meeting which he and the

WSA had done nothing to build and which, moreover, had been largely built by the efforts of the SWL and SYA through the organising committee. Another illustration of the Maoists' disruptive behavspeaker on the platform went to the front of the stage and refused to stop speaking or return to his seat. Cummings was supported in his hooligan antics by the interjections of his colleagues from the floor. The audience overwhelmingly rejected the views of the Maoists and rejected their amendment.

This meeting and the activities reported in DIRECT ACTION 45 indicate the very successful defence effort carried out in this country for the outlawed French Trotskyists. We briefly mention three other demonstrations of support for the Ligue here, On August 4 Tariq Ali addressed a meeting of the Queensland State committee of the CPA. The committee donated \$50 to the international defence fund and said they would urge CPA members in Queensland to

The Canberra Trades and Labor Council recently passed a motion in support of the rights of the Ligue - "Council opposes the undemocratic action of the Pompidou Government of France in banning the Ligue Communiste, a French working-class organisation. It considers actions against such groups as a denial of basic democratic liberties and pose a threat to the labor movement as a whole," The Macquarie University Students' Council recently donated \$50 to the international fund for the defence of the Ligue Communiste.



Speakers; L. to R. George Crawford, Bernie Taft, Jim McIlroy, and Nick Beams

International Defence Actions

BY DAVE HOLMES

International solidarity is a very important aspect of the campaign to regain the legality of the Ligue Communiste and free its imprisoned leaders (we understand that Alain Krivine is now free on bail and only Pierre Rousset remains in gaol). Below we summarise some of the defence activities outside of France (excluding Australia).

Antilles. Support for the Ligue is growing fast on the Caribbean island through the activities of the Groupe Revolution Socialiste (GRS - Socialist Revolution Group) and due to the fact that Alain Krivine toured the island last year. On July 3 a solidarity meeting was held in Fort-au-France. The journal Le Progressive, edited by Aime Cesaire, deputy from Martinique and a signer of the call of the French national committee to abolish the ban, published a strong

lustria. On June 29 the French Embassy in Vienna was the scene of a protest action sponsored by the Austrian Trotsky-1st organisation and several other leftwing groups. The embassy personnel refused to receive the delegation and physically removed them from the building. The sponsoring groups issued a statement in support of the Ligue.

Iguim. The Groupe Marxiste Interationaliste (GMI - International Marxist Group), a group composed mainly of ormer members of the Belgian Fourth International group, issued a statement condemning the ban and expressing solidarity with the Ligue.

tain. On June 30 seventy members of the International Marxist Group (IMG), the British section of the Fourth International, occupied the offices of the French State tourist board in Picadilly, London and leaflets were distributed to customers and staff. The demonstrators later linked up with more IMG militants and they marched down the Strand led

by a banner calling for the lifting of the ban, etc. On July 4 about 125 independent radicals and members of left-wing organisations attended a meeting in London to protest the ban. The main speaker was Tariq Ali of the IMG. There was general agreement on the need to build a broad-based campaign involving all socialist and labor organisations. Monty Johnstone, a leader of the Communist Party, spoke from the floor indicating that the Communist Party supported a broad united defence while not identifying with the policies and tactics of the Ligue Communiste. Several British left-wing papers have prominently featured the issue - Red Weekly (of the IMC), Workers Press (Socialist Labour League), Socialist Worker (International Socialists) and Tribune, a paper of the Labour Party's left wing. A petition and an open letter to President Pompidou are being circulated in Britain.

Denmark. The Revolutionaere Social-Isters Forbund (Revolutionary Socialist League), the Danish section of the Fourth International, initiated a united front meeting in front of the French Embassy in Copenhagen on June 30; there were demonstrations at French consulates in the main provincial cities; a broad propaganda campaign is being waged around the slogans "Lift the ban on the Ligue Communiste!" and "United front against repression!"

The national assembly of the Italy. Inc national II Manifesto (which Italian far-left group II Manifesto (which publishes the daily newspaper of the same name) approved a message of solidarity to the Ligue Communiste, which was published in the July 3 issue of their paper. Also, a petition is being circulated in Italy and has already gained the endorsement of a broad range of political figures.

The militants of the Japan Revolutionary Communist League, the Japanese Trotskyist organisation, occupied the French Embassy in Tokyo and

sent a message pledging full solidarity with the Ligue.

Lebanon. The Lebanese Revolutionary Communist Group distributed a leaflet the day after the ban came down. The leaflet said in part: "...this Government (of Pompidou), while it looks favorably on Arab capital and Arab oil wells, does not hestiate to openly show its claws to Arab workers and their defenders... Solidarity with those who have shown their solidarity with our brother workers!"

Mexico. The French Embassy in Mexico City was occupied by militants of the Mexican section of the Fourth International. They stayed for nearly two hours to protest the ban on the Ligue,

New Zealand. In Wellington about twenty people picketed the French Embassy on July 2 to denounce the ban on the Ligue Communiste and the arrest of Alain Krivine. Holding banners with the slogan "Ban the bomb, not French socialists", members of the Socialist Action League (the New Zealand Trotskyist organisation) called for the immediate lifting of the ban. The recently formed New Zealand Committee Against Repression in France is circulating an appeal for broad support to the international campaign to defend the Ligue.

Switzerland. A statement demanding abrogation of the ban and freedom for Krivine and Rousset was signed by the Geneva Socialist Party, the Valais Socialist Party and the Autonomous Socialist Party (Tessin). Joint leaflets were distributed in Berne, Lausanne, Geneva and Zurich. Demonstrations took place in front of French consulates in Zurich, Berne and Geneva. The paper of the Parti du Travail (Labor Party, the Swiss Stalinists) devoted three articles to the banning of the Ligue and the protest against it. On June 30 a special issue of Breche-Rouge, combining the newspaper of the Swiss Trotsky Trotskyists and Rouge was sold massive-

ly by members of the Trotskyist Ligue Marxiste Revolutionaire (Revolutionary Marxist League) in the French-speaking section of Switzerland and in the Franche-Comte region of France.

Sweden. When the ban was issued the Revolutionara Marxisters Forbund (League of Revolutionary Marxists, the Swedish Trotskyists) issued a call to all workers organisations to support the Ligue. Demonstrations were organised at the French Embassy in Stockholm and at the consulate in Gotesberg. A petition against the ban is being circulated in factories.

United States. On July 6 nearly 200 persons picketed the French consulate in New York City. Groups attending were the Socialist Workers Party, the Young Socialist Alliance, the Spartacist League and Youth Against War and Fascism. A statement of protest was delivered to the consulate. Actions took place also in Boston, Philadelphia, and Minneapolis which gained television coverage. Other actions occurred in Detroit, Chicago, Denver, Seattle, Los Angeles and San Francisco.

The August 6 issue of the revolutionary socialist newsmagazine Intercontinental Press carried an interview with Gerard Filoche, a former member of the political bureau of the dissolved Ligue Communiste, Filoche explained what could be done in the way of international protests: "Everything! Delegations to French embassies, telegrams to Pompidou and the French Government, posters, meetings, getting international personalities

"One very crucial need is money. When the cops sacked our headquarters on the morning of June 22, they did about \$10,000 worth of damage . . . Financial aid is badly needed in order to replace all this (damaged) material, (Money and cheques, etc. for the defence of the Ligue Communiste can be sent to D. Helmes, P.O. Box 160, Glebe, 2037.)

to sign the committee's appeal,

ZIONISM AND THE PALESTINIAN

An Interview With George Novack

The following interview with the American Marxist George Novack is reprinted from Palestine Forum. The interview was taken by Palestine Forum editor Anthony Maron during Novack's recent Australian tour and is reprinted

PALESTINE FORUM: Mr Novack how do you see the Middle East situation today?

Novack: The Middle East is one of the most explosive centres of world politics, because of the aggressive character of Zionist Israel regarding the Palestinian and Arab people, because of the reactionary character of the bourgeois Arab States and because of the machinations of the US imperialists in that area who thrive upon setting one force against another for their benefit and for the protection of their strategic military interests and the oil profiteers. There is in addition the influence of the Soviet Union which is not in favor of the development of a genuinely revolutionary and popular movement in that area.

PALESTINE FORUM: How do you see the Palestinian resistance movement?

Novack: As your readers know better than anyone else, despite a militant and progressive thrust, the resistance has suffered very severe repressions and setbacks since the military showdown with King Hussein in Jordan. Any illusions that the Palestinian resistance movement might have had about the benevolence of the rulers in that region should have been dispelled by now by virtue of the bloody encounters that have been experienced. The latest is of course the conflict between the Palestinians and the Government of Lebanon, Exactly what pressures have been exerted upon the Lebanese Government to try to dislodge the Palestinian guerrillas is unclear. But the intent of their action is perfectly clear. It is a sequel - although not so brutal and bloody a one - to what Hussein started.

PALESTINE FORUM: Considering the recent events in Lebanon and the events of September 1970 in Jordan, do you think that the effectiveness of the resistance movement could be improved by the the resistance going underground?

Novack: The main goal of the resistance has to be to strengthen its links with the Palestinian and Arab masses, to enlighten them about the real aims of the contending forces in the area. Not only the Zionists, the imperialists and the Soviet bureaucracy, but also the existing Arab regimes. For various reasons, the last talk has been very inadequately performed. And so the masses continue to have illusions about their rulers.

Whether or not one goes underground is not so much dependent; upon the will of the different forces in the resistance, but upon the relationship of forces between them and the respective regimes. When this is unfavorable, presumably the resistance movement has no alternative but to go underground. But illegality is designed by reactionary lorces to try to weaken and cut off the links between the freedom fighters and the masses. So that one should try as much as possible to find an arena of legal activity precisely for the purpose of once again connecting with the

PALESTINE FORUM: Inside Israel there exist certain elements opposed to Zionism. Can you see these elements playing a role in the struggle of the people of Palestine for self-determination?

Novack: I think the anti-Zionist forces within Israel are very heroic and quite significant in the overall struggle for a socialist federation of all the people of the Middle East. They face at times almost overwhelming opposition, not only from Zionist officials but at certain times and in certain moods from the Israeli people themselves. But they are the only voice which speaks both for the long range interests of the Jewish inhabitants of that area as well as for the fundamental interests of a socialist revolution in the entire Middle East. The most consistent and correct of all the anti-Zionist currents is the Israeli Socialist Organisation which publishes Matzpen and is affiliated with the Fourth International. Its members, both Jewish and Arab, have been subject to frequent persecution, and several of them are still in prison. But they have carried on the fight very vigorously since the Six-Day War. They have tried to enlighten the people of Zionist Israel about the reactionary character of Zionism as such, and about the specific aggressive policies of the Zionist regime. And therefore, I think that they are worthy of the sympathetic consideration of all the revolutionary forces within the Arab

PALESTINE FORUM: Mr Novack, some circles in Israel are advocating the establishment of a seperate Palestinian State alongside the Jewish State. Do you think that this will solve the problem?

Novack: Well, speaking for myself and

for the Socialist Workers Party in the United States, we have never accepted the two-State idea as an effective and even a just solution in Palestine. The reason is clear and simple: as Leninists, we do not equate the conditions of the oppressed in any country with those of the their oppressors. In the Soviet Union where the Jews are discriminated against by the bureaucratic regime, we defend the Jews against this sort of injustice. But in Palestine, the shoe is on the other foot. There, it is the Zionist State which is the oppressive force and the Palestinians and the Arabs who support them are the oppressed. It is the oppressed, that is the dispossessed Palestinian people, who must exercise their right of self-determination, and the oppressors, that is the Zionist regime, must come to terms with them. We believe that a correct and just solution is the establishment of a democratic and secular State, which in our opinion should have a socialist character. But we would support the struggle for selfdetermination which fell short of that goal, on democratic grounds. Although we believe that the socialist solution is the only realistic and equitable one.

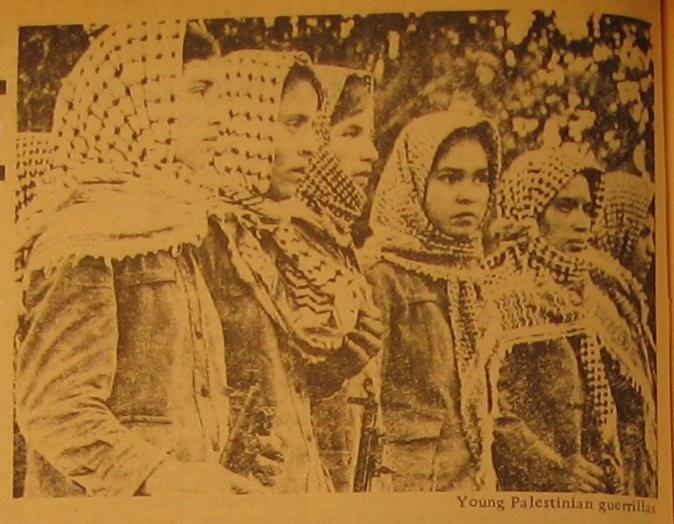
PALESTINE FORUM: As a Jew yourself Mr Novack, and probably aware more than most of what we have come to call

FORUM

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the Jewish Question, do you think that Israel is essential for the survival of the

Novack: I have never believed that Zionism was a correct solution for the plight of the Jews. I am not only of Jewish origin; I am above all a revolutionary Marxist. I was with Trotsky when he arrived in Mexico in 1937 and stated his views on what should be done about the Jewish Problem and he said at the time that while the Jews like any other people had a right to a homeland - and in fact he and Lenin were prepared to set aside part of the Soviet Union precisely for that purpose - he did not believe that under the given conditions Palestine offered such a solution. He thought that it would convert the Jews into a tool of imperialism and of reaction, and that in the end would turn out to be a bloody trap for the Jewish people who settle there. And I think despite the breathing space accorded to the Jewish population that Trotsky's prevision will unfortunately prove to be true. Trotsky further pointed out, and I agree with him, that the struggle for the liberation and self-determination of the Jews cannot be separated from the struggle for the overturn of capitalism, for the ousting of imperialism and the creation of a workers regime along socialist lines.

PALESTINE FORUM: It has been the Zionists' favorite weapon for a long time to brand as anti-Semitic any criticism of Israel. Do you think that this anti-Semite label has played a part in silencing some Western thinkers regarding repeated Israeli agression?

Novack: Such false accusations do have a certain effect, but I think this is minimal. Our movement at the present is the object of attack from such influential Zionist organisations as the Jewish Anti-defamation League. They call themselves an anti-defamation league while they defame people like ourselves who have at times been more vigorous in defending the Jews against anti-Semitism than the Zionists have eyer been. This is nothing but character assassination, and we have had to mount a strong counter campaign against the accusation that the Socialist Workers Party and Young Socialist Alliance are anti-Semitic, because we are anti-Zionist and we support the progressive forces among the Palestinians and Arabs in the Middle East, just as we do in other parts of the colonial world. Of course, it has to be remembered that what they mean by this is anti-Jewish, because the Arabs are Semites as well.

What we are fighting against is very clear and simple: we are against all oppressors and we side with all oppressed no matter what their national, religious or geographical characteristics might be,

PALESTINE FORUM: Can you see Israel surviving without the support of the Western world?

Novack: It would be exceedingly difficult for the State of Israel to maintain itself in the long run without the massive economic, military and diplomatic support from Washington, I also believe that it would be difficult for Israel to maintain itself in the face of a mounting and intense revolutionary movement in the Middle East. I believe that progressive Israelis should seek for their own security and salvation to arrive at an understanding with the genuinely revolutionary forces in the Arab world, And together they can proceed to reconstruct that area in a way that corresponds to the

welfare of both the Arab people and the Israeli population,

That also imposes a responsibility upon the genuinely revolutionary and socialin forces in the Arab camp. They must try to understand that Israel cannot all the time be a monolithic block arrayed against them. There are different interests among the Israeli population, different strata different political outloo ranging from extreme right to extreme left, and they cannot all be lumped together as enemies of the Arab people,

PALESTINE FORUM: To what extent do you see the Palestinian Resistance as part of the struggle of all oppressed people around the world?

Novack: The radical forces in the US have included the Palestinian freedom fighters among the front-line forces against imperialism in the third world, They constantly link them up with Vietnamese, with Angolans fighting against the Portuguese, with the South African blacks fighting Apartheid and white racism. I think that this is a fairly general attitude towards the Palestinian freedom fighters on the left in the United States. The only exception is of course the socialist Zionists...

PALESTINE FORUM: Which brit precisely to our next question. As far as you know the Zionists, how do you think they reconcile having a socialist and progressive outlook with their support for a racist, oppressive structure such as the Israeli regime? How can they be socialists and committed Zionists at the same time?

Novack: Well, they do this by subordinating their socialist principles to nationalist ones. And that in itself is not so bad, except that their nationalist considerations are reactionary ones. If the nationalism they identify with was a progressive nationalism as is the case with the Palestinians, or the Angolans or the black South Africans, it would be a different matter. But in this case their combined support of socialism in words and nationalism in actuality leads them to an alignment with what is both antinationalist and anti-socialist force in the Middle East,

PALESTINE FORUM: To sum up, Mr Novack, how do you see the future of the Middle East, and particularly Palestine?

Novack: There are very dark clouds over the whole of the Middle East as anyone who is familiar with the situation knows. And what the specific twist and turn of events will be is impossible for anyone to predict with any concreteness. One thing however can be said about the long-range perspectives for the area, The entire world is involved in a revol tionisation, of its relations, whether they are economic, political, cultural or whatever. The Middle East is an integral part of the world involved in these currents of revolutionisation, and I believe that these will continue to unfold in that area, whatever setbacks might be administered to them. For instance, I believe that what is happen ing in South Yemen is more a preview what will be the future of the Middle East than what has happened in Jordan o Lebanon. I have a confidence that soon or later the genuinely revolutionary an socialist forces in the different parts of the Middle East will assert themselves, will connect themselves with the popul masses and forge forward to bring the people of the entire Middle East abreas of the more advanced countries in the

Abortion Struggle

A small, but enthusiastic and influential number of women's liberationists on the University of New England in northern NSW have formed a group to agitate and educate people on campus and in Armidale itself about the necessity, of the repeal of all abortion laws. This group darted in May to collect signatures in apport of the McKenzie-Lamb bill and has been very successful in raising the issue of a woman's right to abortion. Since then there has been a backlash from the right-wing forces on UNE.

Abortion rights supporters in Armidale organised a march on June 30 in solidarity with the other nationally co-ordinated actions. They managed to get about 50 people to march and were supported by the UNE Students' Representative Council and the Gay Society. The SRC had in fact, taken a formal vote in support of the June 30

The effect that the march had was most encouraging. It won considerable support on and off campus, and several women who had had bad experiences contacted the group and expressed their support. Abortion thus became an important issue on campus and at the teachers' college. Speakers from the abortion campaign were given time to present their ideas at a couple of student discussions, and the group has written articles for the student papers taking advantage of any opportunity to express their point of view.

Another consequence of their activities has been the setting up of a referral service for women seeking abortions.

The right-wing forces have been stirred into activity as a result of these women'. campaign. A group on campus has begun organising meetings of students aimed at rescinding the SRC motion of support for the abortion campaign. Such activities, however, have angered and consolidated the supporters of the right to abortion who have so far, very

This was due to a four-day propaganda campaign conducted by the women on campus and in the residential colleges which emphasised abortion as a woman right and put up the slogan "If men became pregnant abortion would be During this campaign, the women used the opportunity to educate people about

the issues involved.

uccessfully defeated all attacks made by the right. A general meeting of

motions put up by the right wing were passed, failed to support a call for the

repeal of the SRC motion on abortion.

600-700 students, where all other

However, the "right to lifers" have not yet given up the fight. They have called for a student referendum to be held on October 31 which questions the right of the SRC to have policies on euthenasia, abortion, homosexuality and prostitution (!) because, they say, these are all matters of individual conscience. By taking this matter to a referendum, the right-wing forces have the advantages of the probable support of the conservative 3000 external student students of UNE as well as financial support from right-wing groups and the Church outside the university. By putting all four issues together, they try to rely in their campaign on people's ignorance, prejudices and emotionalism. These people do not consider these questions matters of individual "conscience" but actually uphold laws which deny people freedom of personal choice. People are in fact persecuted and legally prevented from exercising this right to choose. In the case of abortion, women frequently put their life and health at risk through being forced to resort to backyard abortions.

The campaign before the referendum will be of great significance for the abortion campaign. It will be a chance to raise the consciousness of the campus in general about the question of abortion and a woman's right to control her own body and about other women's liberation

BY ANDREW JAMIESON

Three well-known activists in the Labor movement in Melbourne were arrested recently for activities designed to highlight the reactionary and insidious role of the Australian Security Intelligence Organisation (Asio). They face heavy charges including possible imprisonment when they appear in the City Court on September 12.

Joan Coxsedge, Kevin Healy and Gerry Harrant were arrested by an allegedly "special squad" of the Victorian Police for publicising in the form of posters names and addresses of Asio staff. All are members of an organisation called the Committee for the Abolition of Political Police (CAPP) which opposes the existence of Asio for its activity in harassing and spying on radicals and the labor movement.

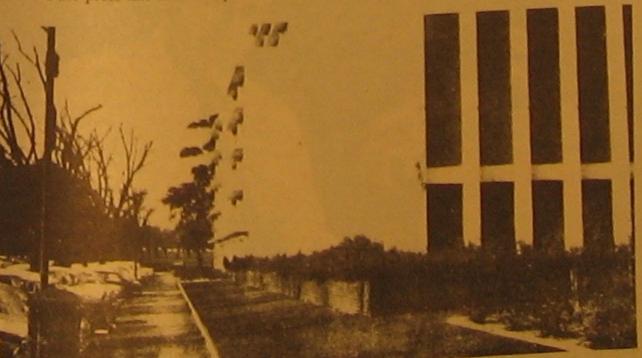
The charges are related to affixing a poster to the premises of an Asio employee, but it can be clearly seen that the charge against them has a political character. Coming at a time when the credibility of Asio is at a low level and the press has had to try to

retrieve what it can from the Senate select committee inquiry into Asio any form of opposition to the political police has had to be hidden.

To illustrate the alarm with which the authorities look to any attacks on an exposure of Asio, the "special squad" staked out the residences of six Asio staff homes for eight nights in a row, all night. When the CAPP members were arrested, four police cars appeared on the scene within minutes. Yet this is the time when Victorian Police Commissioner Carmichael is complaining of the shortage of police and the mounting crime rate.

Socialists have always pointed to the nature of political police such 's Asio, They have continually harassed the labor and radical movement while turning a blind eye to right-wing extremists such as the Croation Ustasha.

The trial of these three people, two of them prominent ALP members, will serve to further focus public attention on this spurious body and will be a test case for the attitude of the Labor Government towards it.



Asio Headquarters, St Kilda Rd.

Women in Revolt

Abortion in the US Today

The decision of the United States Supeme Court on January 22 of this year, naking substantial reforms of the aborion laws, based on the concept that bortion is a woman's right to choose. This ruling affected all fifty State laws, is well as abortion regulations in Washington D.C., and made the entire law in most States unconstitutional,

Abortion rights supporters are still working to ensure that State laws are really being brought into line with the Supreme abortions, the exemption of hospitals Court decision, that safe, low-cost abor- which receive public funds is clearly ion is actually becoming available to Il women wanting it and that the ontinuing efforts of the "right to life" orces to oppose these laws are being effectively combatted. The Women's lational Abortion Action Coalition WONAAC) is playing an important role n this campaign to ensure that the ful! enefits of the January 22 decision are seing realised by the mass of American omen. There has been considerably rogress made to date in achieving this

The old anti-abortion laws have been invalidated by the courts in twenty-three states since the Supreme Court decision of January 22. On February 26 eight states were ordered to bring their laws nto conformity with the Supreme Court uling. On March 13 a law was passed n Rhode Island which allowed abortio only to save the physical life of the woman. The law was ruled unconstitu- Thousands of women will be forced to tional by a US District Court on May 16. continue to travel to New York to obtain Rhode Island and many other States have an abortion until a full range of abortion attempted to circumvent the Supreme facilities are available in every area. Court decision by passing patently unconstitutional laws.

ssed a law on March 20 with the

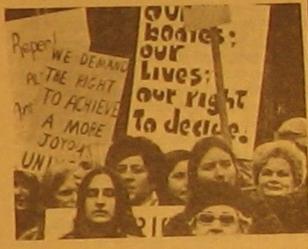
owing requirements A). With the first 90 days, a doctor must certify that focuses: Firstly, they are attempting to he abortion is necessary to preserve the reverse the Supreme Court decision by life or physical health or mental health of the woman. B). After 90 days, bortion is allowed only to preserve the ife or physical health of the woman, C). Sufficient medical reasons are required at all times. D). After 180 days, three doctors are needed to confirm the necessity of the abortion. E). At all times, written consent must be obtained from: the pregnant woman, introduced into the Senate a bill which the husband, even if the woman is divorced after she becomes pregnant, the from the moment of conception. Helm parents or guardian if the woman is under echoed the hypocrisy of Nixon's "sanctity 18, the father of the foetus (if unknown of life" statement when he said, "a or unlocatable, the woman must prove soldier, in fighting in defence of his n court that she has made all possible ttempts to locate or ascertain the "father" of the foetus. F). A mandatory the life of the enemy in battle. But no court hearing is required to verify that one has yet defined the unborn child as Il the necessary consents have been btained. The grandparents (!) of the oetus must also be informed of this learing. Only after the court approves it, can the abortion take place. This ncredible piece of legislation is one of The Women's National Abortion Action he many kinds of unconstitutional abortion legislation which has been passed or introduced in various States. These unconstitutional laws are being hallenged through the courts and while laws and WONAAC have held pickets to he courts have upheld the Supreme ourt decision in every case the process a long one and it will be some time efore the State laws are brought into informity with constitutional require-

as been a 15-20 per cent drop in the umber of abortions performed in New New York clinic has closed and others have cut down on their services. This y an indication that abortions are coming available in other States.

ree standing clinics have been estabare unwilling to provide abortion facili- implemented throughout the country.

ties and a number of States have legislated legal sanction which allows hospitals to refuse to provide abortion facilities, based on religious or "moral"

Both houses of Congress passed a bill which exempts facilities or individuals with religious or moral objections to abortions and sterilisation from the obligation to perform them. While no individual should be required to perform unconstitutional. Hospitals which receive Federal or State funds must provide a full range of health and medical facilities, and should not be allowed to refuse to perform a particular medical procedure because of so-called "religious or moral" objections.



Since the Supreme Court decision, the so-called "right to life" forces have continued their anti-abortion campaign Their activity appears to have two pushing for a variety of constitutional amendments, and secondly, on a local level, they are pressuring legislatures and hospitals not to comply with the Supreme Court decision.

There have been several reactionary amendments put forward. For example Senator Jesse Helms of North Carolina would guarantee the rights of foetuses country or in defence of freedom, has the right nay, the obligation - to take the enemy."

800 opponents of abortion attended a national convention of "right to life" committees held in Detroit on June 9-10. Coalition (WONAAC) organised a picket against it. The "right to lifers" have held various pickets throughout the country protesting the present abortion counterpose these reactionary forces.

Theoretically women now have the right to choose abortion when and for whateve reason they wish within the framework of the Supreme Court decision, But, as could be expected, there is consider able opposition to making this a reality ince the Supreme Court decision, there The Catholic Church hierarchy, and the "right to life" forces, who believe that women should remain slaves to their ork for women from other States. One uteruses, are organising a large scale propaganda and pressure campaign to block the Supreme Court decision, concentrating their efforts on trying to get a constitutional amendment passed,

The victory of the Supreme Court decisished in seventeen different cities. In ion on abortion was won through struggle everal States some hospitals are offering and this struggle will need to continue i bortion services but the cost is prohibit- American women are to make sure that ive: Other hospitals around the country they retain this basic right and that it is



THE HEALTH SERVICES. THE AMA, AND THE LABOR GOVERNMENT

By Gordon Adler

The following article is an abridged transcript of a talk given by Gordon Adler, a Sydney doctor and a socialist, at a recent DIRECT ACTION forum in

* * *

The foundations of modern medicine were first begun many centuries ago, but it was only with the rise of materialism in philosophy, and the industrial revolution of the eighteenth and nineteenth centuries that the great scientific progress in medicine became possible in the twentieth century. This scientific revolution was the product of the rise of capitalism in the advanced countries of Europe and America, and it is natural that the great achievements of modern scientific medicine have come to be identified, in the eyes of many people, with private enterprise in medical practice. Any attempt by governments to interfere with this system of private practice appears to many to risk destroying the basic incentives for scientific progress.

The ideals of this new capitalist society uring its formative stage were based on the concept that the self interest of the individual was the only realistic basis for all human progress, in sharp contrast with the view of socialists that the greatest progress results from the co-operation of people working together for the common good.

Medical practice is very much an association between one individual, a patient, and another individual, the physician. It is in the very nature of medicine that this must be so. A sick human being cannot be treated effectively by a machine, a computer, a panel of experts, or an institution. A sick person can only be treated by another individual who accepts personal responsibility for the consequences of the treatment given.

It is this personal acceptance of responsibility that constitutes the doctorpatient relationship that is, and must always be, in any society, the foundation of sound medical practice. This relationship, however, has nothing whatever to do with the payment of a fee by the patient to his physician. The physician is bound, by all the traditions of medicine, once having accepted a patient, to bear full responsibility for all the consequences of his treatment whether he is paid or not, whether the patient is public or private, and irrespective of the person's color or status. He is not obliged to accept any case, but once having done so he has no choice but to use his knowledge and skill to the best of his ability, to the advantage of the patient so long as the patient is under his care.

It is the contention of the Australian Medical Association (AMA) that this relationship can operate satisfactorily only if the doctor becomes bound, by self-interest, to his patient through the payment of a fee for each and every individual service carried out. This system of payment has become known as the fee-for-service system. It is further contended that few individuals will work conscientiously if deprived of such an incentive, and that if paid a flat salary the great majority of human beings, and certainly all doctors, will become lazy and inefficient, and will in time lose all sense of responsibility ards those entrusted to their care.

The case of the AMA against socialised medicine depends heavily on this contention. The AMA makes no secret of the fact that its purpose is to secure the best material rewards for doctors, but it claims that this is not the reason for its opposition to socialised medicine. The AMA would have us think that it is purely on account of the harmful consequences to the patient, and the decline in medical standards that must inevitably follow, that it fights against a salaried health service; its motives are entirely altruistic, its concern is only for the best possible service to the sick.

The second major reason given by the AMA for its opposition to socialised medicine is the claim that socialised medicine must necessarily involve government control of the way doctors run their practices. Again the AMA does not attempt to hide the fact that its chief concern is for the freedom of action of its members, but it argues that any intervention of medical practice can only be to the detriment of patients. Government control is equated with bureaucratic tyranny and inefficiency, rigid restraint on the independence and initiative of the individual doctor, control by a mindless, inhuman machine centralised in Canberra, untold waste of human resources, and inordinate delays in treatment.

The third argument is that under a completely free health service large numbers of people who do not at present consult doctors, for what are considered relatively unimportant complaints, will seek medical attention. Patients with trivial or non-existent illnesses will flood the waiting rooms and hospital outpatient departments, the services will become hopelessly overloaded, and the whole system will grind to a halt.

It is assumed that hypochondriacs will be discouraged from consulting their doctors if they have to pay for these services whereas people who are genuinely ill will somehow realise the seriousness of their symptoms and will insist on seeing the doctor despite the deterrent of the fee. for their patients.

The payment of some part of the consultation fee by the patient is considered to eliminate frivolous use of the doctor's services. It goes without saying, of course, that the illnesses of the wealthy are always genuine. No private doctor ever complained about his rich patients. If he ever did feel resentful about being summoned for what seemed to him an insufficient cause he was careful to keep his complaint to himself. It is only the poor who are ever accused of over-use of the doctor's services.

But it is not merely the inconvenience to the doctor that is of concern to the AMA. It is the total cost to the nation of the provision of a free health service. It is assumed that if everyone is free to consult a doctor whenever he or she feels ill, the cost of the health services will rise to astronomical heights, all at a charge to the taxpayer.

The fourth argument is that socialised medicine will deny patients the right of free choice of their own doctor. Patients will be regimented, and if they become dissatisfied or lose confidence in their doctor they will have no way of transferring to another doctor of their choice. Only a system of free competition among doctors jealous of their reputations will guarantee the right of free choice to the patient, according to the AMA.

It denies that there is any need for a radical change in the organisation of the health services. It admits that many defects exist in the current system, but claims that these can all be corrected within the framework of private practice.

Let us consider each of these arguments.

Firstly, there is the claim that doctors will work conscientiously only under a fee-for-service system. We have only to look at the services provided in the numerous hospital departments already in existence, in which a great many highly qualified specialists work for long hours, well beyond the strict limits of their official obligations, for salaries well below what many of their colleagues are earning in private practice. This is not because of any altruism on their part, but merely a reflection of the advantages to be gained from working in circumstances in which the tasks of running a business have been removed.

Why should the incentive argument apply only to doctors? Does anyone ever suggest that a supreme court judge will become lazy and incompetent merely ecause he is paid a salary? Do even the most reactionary militarists ever suggest that soldiers will fight only if paid a commission on the number of people they kill? By contrast, taxi drivers are paid on an incentive system, and they are among the most exploited sections of the working class.

The real question at issue is simply one of money. Behind all this veneer of concern for professional standards there is one issue at stake, and one issue only. and that is simply the question of whether doctors generally will make more or less money under socialised medicine than under the present system of private practice. The spokespeople of the AMA have no doubt at all on that score. They are quite certain that for the AMA indicates that the general level the great majority of doctors socialised medicine would mean a fall in income. Most doctors, of course, will not admit this in public. Their only concern is

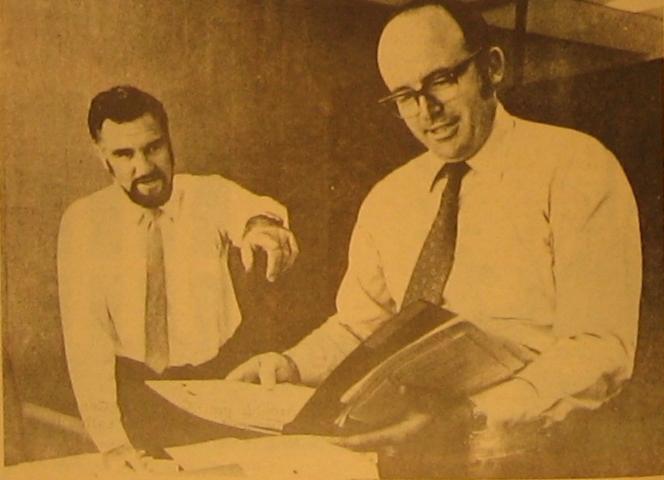
It must be realised that none of the figures declared by irate general practitioners in letters to newspapers mean very much. Gross incomes are rarely

stated, and when they are they are invariably false, practice expenses are exaggerated, and the net incomes quoted would make the taxation commissioner's heart bleed. There is really no way of making an accurate assessment from pull ished figures, but it is possible to form some estimate from indirect indications, and from calculations based on the most common fee for various procedures, and from the general living standards enjoyed by most doctors.

The figures submitted to the Federal tribunal on doctors' fees this month, based on information from the taxation department, were quoted as an average net income for general practitioners of \$19,000 for general practitioners, and \$30,000 for specialists. It was pointed out that since only a minority of doctors at present observe the "most common fee", these figures may not be accurate, and could well be somewhat higher in reality. Since these figures are net, after allowance for tax deductions for car, premises and travelling expenses for foreign tours, much of which would be considered as personal expenditure for those not engaged in business, the real income of these practitioners would be substantially higher than these figures

The lowest incomes begin at around \$5500 for hospital resident medical officers, through registrar grades : (trainee specialists) at \$6000 to \$8000, ranging up to \$18,000 maximum for senior hospital specialists, some of whom earn an additional \$5000 to \$6000 from private practice. None of these hospital specialists would earn anything even approaching that of their colleagues in full time private practice, and the fact the figure of \$30,000 offered to senior specialists in Bill Hayden's health proposals has been flatly rejected by the prevailing in private practice is well above this figure.

The next matter concerns bureaucratic organisation of medical practice. Let us consider the present situation in hospitals organised under the private enterprise system. Hospitals are necessarily very large organisations, and a great many people are involved in the



Dr John Deeble and Dr Dick Scotton.

Radical Forum Series Presents Alternative View

In March of this year a regular series of DIRECT ACTION forums was established, These forums in Melbourne and Sydney are sponsored by the fortnightly newspaper DIRECT ACTION. The forums series aims to present the radical and socialist alternative to capitalism on all the major political and social questions of

A look at some of the topics dealt with shows how well the series has met this obligation - the Palestinian struggle for self-determination, the Vietnam "peace" accords, the revolutionary dynamics of women's liberation, the way forward for the high school movement, the internationalist significance of May Day, an assessment of Labor in power, gay liberation, revolutionary change in latin America, a strategy for the student movement, the socialist case for a Labor victory in the Victorian elections, the abortion struggle and its perspectives, the impact of the Russian Revolution on the Australian labor movement, the confrontation between the AMA and the Labor Government, the Soviet-American detente, behind the Watergate scandal ...

Future forums will deal with the question of workers control, the Palestinian revolution and the struggle for socialism in the Arab East, and the crisis in Argentina and the coming socialist revolution there.

The speakers at these forums are all supporters or activists of the various struggles to change this society. Many of the speakers are regular contributors to DIRECT ACTION and will have been familiar to our regular readers - staff journalists Nita Keig, Chris Graham, Sol Salby, Jim McIlroy, etc. have been among the featured speakers.

One of the most successful forums was held in Melbourne on July 12. Brian McKinlay, a noted labor historian and author, spoke to some fifty people on the repercussions of the 1917 October

Revolution on the working-class move-ment in Australia. He explained that two of the major immediate effects of the Russian Revolution here were the formation of the Communist Party from the Industrial Workers of the World and Socialist parties in 1920 and adoption of the socialisation of industry objective by the Labor Party at its 1921 conference. DIRECT ACTION hopes to carry a transcript of this excellent talk in an issue in the near future.

Another very successful and well-attended forum was held in Sydney on July 20. About forty-five people heard Gordon Adler, a doctor and revolutionary socialist, explain the conflict between the AMA and the Federal Government over Labor's proposed new health scheme.

He concluded by explaining what a full socialist health scheme would involve but stressed the need to support the Labor Government against the reactionary AMA. Part of his talk is reproduced in this issue of DIRECT ACTION.

Several ingredients make a good forum. DIRECT ACTION has made available some of the most informative and stimulating speakers on the left. We urge our readers to do their part by coming along - you won't regret it. Willy Sutton, a famous American bank robber of yesteryear, was once asked why he robbed banks. Willy, being a thinking person's thief, replied straight away: "Because that's where the money is." Come to the DIRECT ACTION forums - that's where the ideas are.

Cairns and Foreign Trade

Two recent actions of the Minister for Overseas Trade, Dr Jim Cairns, have demonstrated just how "radical" the Labor Government's trade policy is. Most of the publicity has been reserved for the coming trade mission from Portugal and Dr Cairns' earlier defence of the visit and refusal to cancel it.

A lesser-known aspect has been the encouragements given by the minister to trade with Israel. According to The Australian Jewish Times of August 2 Jim Cairns has expressed support for efforts to promote trade with Israel. Writing in the Australia-Israel Trade Guide published in Sydney last month Dr Cairns said that trade between the two nations has developed over recent years.

"There is a growing awareness and interest in Australia of the potential in the Israeli market as, I understand, there is interest in Israel about the possibilities in Australia", he said. "No more is

Europe the magnet for Australian products. Australian exporters aim at the world and it is for this reason that I am pleased to support the Australia-Israel Trade

On this occasion Dr Cairns finds himself in company with his Israeli counter-part, the Israeli Minister of Commerce and Industry Haim Bar-Lev who also contributed an article. Bar-Lev's name is familiar to anyone who has studied the Middle East, He is a former Army Chief-Of-Staff and the architect of the Bar-Ley "defence" line along the Suez Canal. Jim Caims is allying himself with leading Israeli militarists in endorsing the Zionist State's current trade offensive.

Political pressure has already had some impact on the minister's intentions with regard to the Portuguese trade mission. Previously Dr Cairns hadrefused to take any action against the mission claiming that there were no representatives from the Portuguese territories in Africa in the far,

mission. Cairns also stated that the Australian Government is not going to cease trading with any government just because it disagreed with that government's policy. He claimed that if the Australian Government followed this policy then we could only trade "with Sweden and Switzerland".

Under mass pressure Cairns has now backtracked on his previous stand. The Sydney Morning Herald of August 15 reported that "Dr Cairns has directed his department not to help a Portuguese trade mission due in Australia next month. Pressure was mounted from within the ALP and outside it. Even the Australian Council of Churches called for the cancellation of the mission.

The policy of non-co-operation is a step in the right direction. It is however an insufficient step. The Australian Government must cease trading with Portugal and Israel now and not hide behind yague statements as they have used so

THE HEALTH SERVICES

treatment of a patient. Centralisation of facilities has been considered a desirable end in order to avoid wasteful duplication of elaborate and expensive equipment. But in some of the largest institutions this process of centralisation of facilities has been accompanied by a fragmentation of responsibility. Each step the patient's care is carried out by a different practitioner, sometimes without any clear understanding of who has the overall responsibility for the treatment.

It is not at all unusual, in some of the leading institutes in this country, for the patient to be referred to one doctor for diagnosis, another for the selection of the best form of treatment, another for the prescription and planning of this treatment, and still other doctors for each and every stage in the follow up of the results of this treatment. This fragmentation of responsibility occurs not as the result of any accidental oversight on the part of the administrators of such institutions, but because these institutions are organised and run to serve the private interests of the doctors who sit on the hospital boards and exert a decisive influence on the policies of these institutions. Where bureaucratic organisation exists, it occurs precisely because these institutions are based on private enterprise in medical practice, and are administered in the interests of doctors engaged in private practice.

Thus bureaucratic administration can be eliminated only by the abolition of private practice. It is not the inevitable product of socialised medicine. It can be eradicated only by the full development of socialised health services, with the control of hospitals and other institutions in the hands of the workers, the people who use these facilities. Socialused medicine would involve workers' control of the hospitals, and all the major policy decisions concerning the allocation of beds, the determination of priorities in treatment and research, the appointment of staff, the size and location of convalescent hospitals, the organisation of ambulance services, and all other decisions concerning administration including prevention of disease, would be made by workers' representatives.

All present hospital boards would have to be replaced, and the business men, the real estate agents, the lawyers would be displaced by genuine representatives

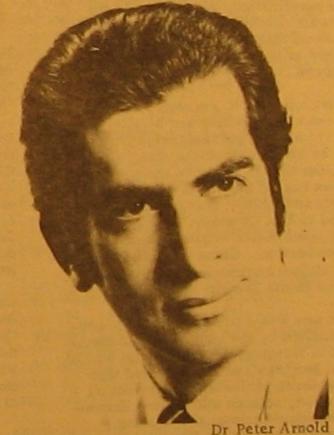
of the workers. The bureaucracy so much feared by the AMA under socialised medicine already exists, and it exists private medical practice. It can only be eliminated with the abolition of private practice.

I now wish to refer to the history of the AMA in its opposition to socialised medicine. The AMA is not the only organisation of doctors opposed to socialised medicine, but it is the largest and the most important of these organisations. In 1949, the Chifley Labor Government attempted to introduce a nationalised health scheme. The AMA conducted a vigorous campaign against the Labor Government, and was considerably more effective in undermining support for the Labor Government than it has been in its recent campaign against the health scheme. Widespread publicity was given to the claim that the reelection of Labor would mean the end of freedom of people to choose their own doctor, and the end of their freedom in general.

In 1949 it was only necessary to raise the cry of socialism in order to frighten people. Socialised medicine was the system in Russia, and the anti-communist atmosphere prevailing at the time rendered this propaganda an effective means of combating social change. Now, however, the red bogey is no longer sufficient to frighten people away from the benefits of a free health scheme, and the AMA has failed in its efforts. Many doctors have become concerned about the declining reputation of the medical profession, and critical of the AMA for its poor public relations work, When the AMA last recommended fee increases in 1971, doctors in Tamworth and Coff's Harbour expressed public criticism of the AMA and announced that they would not increase their fees.

The AMA also came under criticism from from a section of its members who considered that it was not doing enough to oppose socialised medicine and to uphold the interests of general practitioners. The group split from the AMA and formed

Dr Arnold, president of the General Practitioners' Society, has called for a boycott of the pensioner medical service by general practitioners. In a television interview he stated that the call of the GPS resulted not from a concern for fees



but only from opposition to government interference with private practice. In a letter to pensioners explaining the reason reasons for this action, the GPS letter stated "The socialist believes that the state should exert complete control over land, labor and capital: control over YOU and all YOUR possessions ... If you care little about your own personal liberty and wish to live in a slave state that is YOUR choice, But I believe that most people, given the true facts, would not willingly throw away their personal liberty."..."This practice will undergo certain changes in the next few months not because I wish it that way, but because I value my freedom and I intend to fight to preserve it. Are YOU prepared taxation system favoring the rich, and it to fight for YOUR freedom?"

The changes, not mentioned in the letter, are that instead of being treated free, at the expense of the Federal Government, pensioners will have to pay for visits to their doctor. Dr Arnold's campaign appears to have failed, since only one doctor in Australia has declared that he is prepared to follow the advice of the GPS, but the letter illustrates clearly formed the General Practitioners' Society. the propaganda being made against socialised medicine. The AMA has dissociated itself from this action of the GPS. It finds the method a little too crude, and too damaging to the reputation of the medical profession, but its basic aim is no different from that of the GPS.

The AMA wants complete freedom to determine fees. It does not want any limit to be placed on fees by the Government. It does not want to have to negotiate with anyone. It does not want a salaried service. It does not want any interference by the Government in the way medical practice is conducted.

The GPS wants the same incomes and conditions of work for general practitioners and specialists, it is opposed to any government control, and it is opposed to the pensioner medical scheme.

The Federal Government proposes to introduce the Deeble and Scotton health scheme, but insists that this is not socialised medicine. Bill Hayden has gone so far as to say that if socialised medicine is introduced he will resign. The purpose behind the scheme is to make medical care more readily available within the framework of private practice. In a certain sense, the Labor Government is a more reliable friend of private enterprise than many doctors suppose. In an interview in Sydney on August 3. Dr Deeble said "This is the best offer the doctors are likely to get, If the medical profession rejects the Deeble and Scotton scheme, the Labor Government may find it difficult to resist the demand for much more radical solutions, now being heard from some trade unions and from sections of the Labor Party.

The Deeble and Scotton scheme is not socialised medicine. It preserves the fee-for-service system, it preserves the present control of hospitals by private interests, it is financed by a regressive projects no control over doctor's fees. It leaves a considerable proportion of the costs of illness uninsured. It falls far short of what is necessary for adequate health care, which can only be achieved through a socialist solution. It is Labor's response to widespread demands for change, and it does constitute an advance on the previous system. The AMA is a powerful organisation, but it represents only a small proportion of the population. It must not be allowed to impose its will on the great majority of workers. If sufficient numbers of workers unite in action to demand radical changes in the health services the AMA can be forced to accept even more fundamental reforms than the Labor Government has yet proposed.

JAMIE DOUGHNEY

The following article is based upon talks presented by Jim McIlroy, Melbourne organiser of the Socialist Workers League, and Jamie Doughney, national secretary of the Socialist Youth Alliance, during a recent national speaking tour. This is the first of two articles dealing with wider questions raised by the detente; the second which will appear in the next DIRECT ACTION is entitled The Detente and Australian Politics.

The Australian Prime Minister, Gough Whitlam, in his recent visit to Washington put his finger on something very fundamental that is changing the face of international politics today.

In a National Press Club luncheon in the American capital he was quoted as paying tribute to President Nixon for "grasping the nettle" and discarding the Dulles containment policy which he said did so much harm to America and Australia. In discussing the South East Asia Treaty Organisation (Seato) and its future he said: "Seato's genesis was containment of China. The US has now dismantled the genesis.

"That policy has been the genesis of all that has gone wrong in South East Asia and East Asia in the 'fifties and 'sixties

Whitlam continued: "For 20 years I have been appalled at the damage we of the West have done to ourselves and other peoples by our ideological preoccupations.

"We have been given a second chance. It must not be thrown away.

"This would be an unforgivable crime against humanity."

This speech is indeed very revealing. The "damage" Whitlam refers to is the blatant aggression perpetrated against the world's colonial peoples which culminated in the war in Indo-China - the central question around which world politics pivoted for almost a decade. The "second chance" is, of offered by the leaders of the Stalinist bureaucracies in the two largest workers' states - the Soviet Union and China for assistance in the international class

They offered their help in imperialism's hour of need, when a rising tide of revolutionary struggles in the colonial world is threatening the hold of capitalism in a whole series of countries, most particularly in Indo-China.

A New Historical Period

struggle.

Despite Whitlam's way of putting things the meaning of his statement is clear. He has articulated a basic reality of our

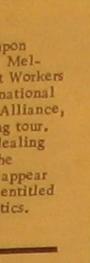
period is emerging from the recent detente between Washington and Moscow, and Washington and Peking. This is a period qualitatively different from the period of the "cold war", which prevailed from the end of World War II until recently. It represents a shift in strategy by world imperialism in general, and by US imperialism in particular.

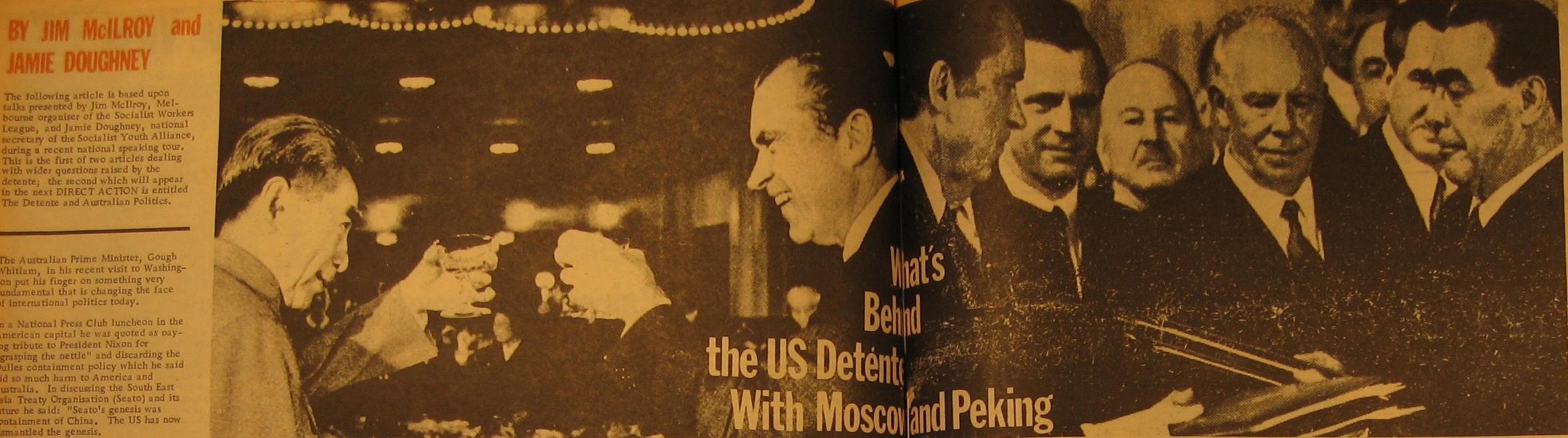
At the same time it does not represent a shift in strategy by the governments in the Kremlin and Peking, since they have consistently followed in practice, a policy of "peaceful coexistence", throughout the whole "cold war" era.

Now the imperialist powers have decided war. to take them up on their offer of accommo-

A New Wave of Diplomacy

As early as 1967 the initial feelers for the accommodation went out and with some hindsight we can observe the embryonic emergence of the politics of the detente. About one year prior to his election as President in 1968 Nixon, nce a member of the red-scare "China by", wrote in the influential organ of US ruling class opinion, Foreign Affairs
Quarterly, that "We simply cannot
afford to leave China outside the family





The Chinese bureaucracy responded quickly after Nixon was elected, speaking of the possibility of "peaceful coexistence" with the United States, and opening the way for the subsequent diplomacy.

Moreover they again practically demonstrated their willingness to assist the US in its efforts to obtain a "second chance". With their displays in Ceylon and Bangladesh as examples of their ability to sellout revolutionary movements in the colonial world, the credentials of the inists were as well established as those of their counterparts in

What followed is now well known. Nixon visited Peking and Moscow at what was then the most intensive period of the entire Indo-China war, Others besides the US got in on the act as Japan healed the "state of war" between itself and China; Brandt extended the hand to East Germany; and even North and South Korea began to mumble about reunification. China was admitted to the the United Nations and took Taiwan's place in the Security Council,

The new world situation was then consummated by the visit of Leonid Brezhney to Washington between June 18 and 26. Brezhnev and Nixon signed nine agreements including agreements on That reality is that a whole new historical transport, science and culture, disarmament negotiations, establishing a Soviet-American chamber of commerce and the "Accord on Avoiding Atomic

> As well Brezhnev was quite prepared to visit at a time when Nixon was being highly embarrassed by John Dean's revelations in the Watergate inquiry. Showing the lengths to which the Kremlin was prepared to go in supporting the discredited President of the US, Brezhnev helped provide an "international statesman", Richard Nixon, to replace Tricky Dicky, the dirty, corrupt, twotiming politician, whom no-one would buy a used car from - let alone a used

> But the meaning of the detente is much deeper than the announced results in terms of trade and other forms of cooperation. The agreements form part of a broader understanding which flows from a changed world situation - in essence, a new peak of class collaboration on a world scale. Socialists fully support the right of workers' states to make trade and other agreements with capitalist powers where they can gain advantages. But this must never be, as it is now, at the expense of the interests of revolutionary struggles around the

> Why has this new situation arisen? What are the reasons for the reversal of policy

by the US imperialists from the "containment" era, which had as its goal the actual overthrow in the short-term of the socialised economies of the Soviet Union, China, Eastern Europe and elsewhere? (This goal has not been dropped, merely postponed in the present period). Why do the US and other imperialist powers seek co-operation with the regimes in Moscow and Peking after reviling them for so long?

After World War 2

In answer it is important to analyse some of the major themes of recent history to explain the present turn in the world

During World War II, the meetings of the "big three", Stalin, Roosevelt and Churchill, at Teheran, Potsdam and Yalta laid the ground plan for division of spheres of influence between world capitalism and the bureaucracy of the Soviet Union. Stalin hoped that these deals would succeed in taking imperialist pressure off the Soviet Union.

But imperialism developed other plans: summed up in the term "cold war". Confronted with the results of the war the framework of post-war development with its policy of "containment" of communism on a world scale, was laid down in three gatherings of historic importance.

1. Bretton Woods 1944: Here representatives of 44 governments met to ratify a new plan for the international monetary system and the shaping of international economic relations. The US dollar was established as the unique basis of the new world monetary system upon which other currencies would fix their rates of exchange, reflecting the absolutely supreme position of US capitalism as it emerged from the war.

2. Winston Churchill's Infamous "Iron Curtain" Speech at Fulton, Missouri formally opened the "cold war". Imperialism was not satisfied with Stalin's attempts to hold back revolutionary developments, and sought to "roll back", by force if necessary, any extension of the "socialist camp" (and hopefully to smash the Soviet state

3. In 1947 the Marshall Plan was announced: US capitalism decided to shore up and rebuild the shattered capitalist economies of Western Europe and Japan as the lesser of two evils. It was a calculated strategy, in full realisation that European and Japanese capital would one day compete with US capital. The step was necessary to prevent social revolution in the industrialised countries. It was an example of the interests of world capitalism being placed Then came the crunch. The protraction above any narrow national interests.

Under the Hegemony of the US

These results of these three key events, which weaved together the essential fabric of international politics after the war, were based on the total military and economic supremacy of the US. Only the US was capable of carrying out the roles of world financier, world policeman and dominant economic power.

This situation lasted for more than twenty years with the US in its hegemonic role within the capitalist world - it was the dominant force in Nato, Seato, the Japanese-American Security Treaty and many others including, for us in Australia, Anzus. It was involved in sending troops to attempt to put down revolutionary outbreaks, which throughout this period had shifted their centre of gravity to the colonial world - for example in Lebanon, Santo Domingo and, of course, Indo-China. It also supplied and trained counter-revolutionary forces of reactionary governments like those of Brazil, Bolivia, Israel and after engineering the coup of 1965, Indonesia,

US productivity allowed it to remain economically dominant as the world capitalist economy experienced its postwar boom. The US was the major exporter of capital, and of so-called "economic aid" to the colonial countries,

But as the world political situation evolved things began to change on a number of fronts and a number of longterm and short-term pressures forced the US imperialists to change their strategy.

In the early 'sixties a growing radicalisation of youth was beginning to sweep the world as students in particular, who were increasingly being destined for the labor market, responded to colonial struggles and translated this into opposition to the system at home. The year 1968 saw student struggles erupt in all sectors of the world, from Mexico to Yugoslavia, and with the May-June events in France the reassertion of the decisive role of the working class of the industrial countries,

Also the world economy was feeling the strain and the beginnings of the monetary crisis were discernably developing during the early 'sixties.

of the Indo-China war revealed the total

incapacity of the US to simultaneously act as world policeman, preponderant economic and military giant and retain its unchallenged economic supremacy vis a vis its principal competitors. All within the context of the massive outburst of social protest sparked by Indo-China and the anti-war movement which increasingly held the threat of taking in the American workers in growing numbers.

When the US decided in 1964-65 to intervene in Indo-China in a major way it was banking on two things. Firstly the military non-intervention of the Soviet Union and China on the side of the Vietnamese. The Pentagon Papers reveal that at every escalation of the war they carefully balanced their tactics against the expected reactions of the largest workers' states. From the Pleiku incident in February 1965 to the mining of the ports of North Vietnam in May last year this was the case. In fact the mining of the ports was a step they held off from undertaking earlier, considering that it would constitute a "flash-point" which would provoke a military reaction, however limited, by Peking, Moscow or

la this the US got what it was after as the bureaucracies of the Soviet Union and China backed down consistently in the face of the aggression.

Secondly they expected a quick job mash the rebellion in the South and prop up another palatable puppet regime. However the US underestimated the courageous resistance of the Vietnamese and other Indo-Chinese peoples, and this side of their thinking met with a resounding rebuff.

They ran into not only a stubborn defence but offensives like Tet in 1968 and the "Spring offensive" of 1972 which seemed close to toppling the Thieu regime. The massive bombing wasn't enough in and of itself to bring the liberation forces to

The Great Betrayal

The situation had reached the point where something had to be done. The Us needed to cut back their military involvement in Indo-China, which was becoming increasingly untenable economically, and also politically with the growing power of the international movement of opposition to the war. But they didn't want to lose. They had to get out without the collapse of their puppet

Even further, how could they prevent the need to involve themselves in other equally costly counter-revolutionary ventures (for example, having to send massive troop concentrations to the Middle East to suppress the Palestinian

and Arab revolutions, or troops to Latin America or elsewhere). This would undoubtedly cause a great eruption in the US with incalculable consequences.

They needed help, and they got it from the Stalinist rulers in Moscow and Pekin Following on Nixon's visit to Peking the decisive event was finally Nixon's trip to Moscow. He was to shake hands with Brezhnev, to conclude one of the greatest betrayals of a revolution in history. The betrayal of the Vietnamese by the Stalinist giants set the seal on the new period - and the forcing of a "peace" treaty" on the Vietnamese, extracting important concessions from them, including acceptance of the continued existence of the Thieu regime was not a great victory. Rather it represented a turning point in the history of Stalinist sell-outs. And there are more where this one came

In Indo-China itself we have not seen the end of this process. At present, the Soviet and Chinese rulers are willing to offer a "compromise" to the US war makers, i.e. a coalition government under Prime Norodom Sihanouk in Cambodia.

The Monetary Crisis

At the same time the cost of fighting a drawn-out war in economic terms fed inflationary pressures in the US and helped to undermine the dollar. The cost of remaining world policeman was too much, even for the greatest power in history.

The war fuelled inflation in the US had in turn exacerbated the crisis in the world monetary system, pointing to another root cause of the new US strategy toward the workers' states, i.e. the developments in the world economy toward the late 'sixties and early ' 'seventies,

It should be noted that from the beginning the monetary system devised at Bretton Woods had written into it the contradiction which would bode for its ultimate demise. This is contained in the fact that the dollar had to be stable in value for international transactions, being the basis of international exchange, and also be flexible (i.e. inflatable) for the purpose of state intervention in the economy at home.

Such intervention in the economy through deficit spending and issuing of credit was based on a reaction to the inherent contradiction of capitalist society for productive capacity to outstrip the purchasing power of the working class, and this was intended to avoid crises of the 1929-32 type. This intervention built into the system a tendency to permanent inflation.

As soon as this inflation ceased to be moderate and the inflation of the dollar exceeded that of its principal competitors the monetary system would break down, This, of course, is precisely what happened.

Interrelated with the war the US developed serious balance-of-payments crises and its goods became less competitive. The US is no longer in a position of unquestioned dominance and the rise of Western Europe and Japan as economic powers in their own right, has reopened an era of significant inter-imperialist rivalry as the differences in productivity between them are being evened out.

So on August 15, 1971 Nixon reacted with the imposition of a wage freeze, a devaluation of the dollar and an open declaration of trade war. No longer is the dollar the stable bedrock of world monetary exchange. No new stability can be found, for there is no medium of exchange available to replace the dollar.

Since the US economy is still the largest and strongest no ready solution is available. But the other major (and medium) capitalist powers seek a greater voice and weight internationally. They seek to maximise their room for manoeuvre. The new era of inter-imperialist competition is upon us.

Each capitalist class seeks to export its economic problems as much as possible. At the same time it is necessary to batter down working-class militancy at home and reduce living standards as a means of raising profit levels. This has led to the moves towards "prices and incomes" policies (that is, hold down incomes but not prices), and attacks on trade-union rights and democratic freedoms.

Soviet and Chinese

In addition, the onset of the 1969-72 recession spurred the competition for redividing old markets and finding new ones which has begun in earnest, as well as the struggle over resources. But while the US hung on with its cold-war freeze its main competitors were stealing a march in entering the enormous potential markets of the Soviet bloc and even China. The new policy of detente by the US rulers is aimed at gaining an advantage over the competition in the new frontier for trade and investment the Eastern bloc.

As Dick Roberts reports in the July 23 issue of Intercontinental Press referring to the initiation of giant projects involving natural gas and oil to the tune of billions of dollars being carried out

by US corporations in the USSR.

"These are the largest of more than 1000 joint manufacturing or production agreements now existing between the capitalist West and the workers' states of the East. New York's two largest banks, the First National City Bank and the Chase Manhattan Bank - two of the central pillars of world imperialism are opening branches in Moscow. This most illustrates the striking turn in economic relations between the United States and the Soviet Union that has developed in the last two years."

The Stalinists in Moscow and Peking have welcomed these overtures as a way out of their own domestic problems. For the creation of new material needs in the population of the workers' states, a consequence of industrialisation, and a tribute to the power of a collectivised economy, has created grave new threats to bureaucratic control. Trade and economic co-operation is a temporary answer to pressing aspirations for a better life among the working people of of these countries. (The explosive potential of the 1970 events in Poland are fresh in the mind.) But at the same time, the opening of the "iron curtain" presents new possibilities for the thorough-going internationalisation of the struggles of workers and the oppressed. The new situation of imperialist penetration actually strengthens possibilities for political revolution, and the establishment of workers' democracy in the Eastern bloc.

The Detente and the **World Revolution**

To the United States the interrelated dynamic of the military extrication from Vietnam and the position it found itself in economically was the motive force behind the turn in the international situation and the change in strategy toward the workers' states and of course the future developments in the world revolution. A retreat was called for, not the initiation of a more overt counter-revolutionary thrust. The attempt at establishing a new world order is designed to cut the losses and regroup the still very considerable forces at the disposal of US imperialism.

Although many of the details of the alignment of forces on a world scale are still in an embryonic stage, the main political themes of the period ahead are becoming quite clear.

The workers' states have been recognised as being here to stay, for the time ahead at least, and are to be looked at not only as collaborators in retarding the development of revolutionary movements the world over, but also as areas for economic penetration. Inter-imperialist competition will become more intense and the US will be more insistent about the countries of Western Europe and Japan particularly playing a more active policing role throughout the world. The divisions between the Soviet Union and China, which reflect the narrowly nationalistic and bureaucratic base of their respective politics, will become more manifest as each competes for more of the favors of world capitalism.

All of these factors, which are in themselves results of the detente, will react on the situation and help shape the future evolution of world politics, Of particular importance is the effect of these factors on the development of the world revolutionary process.

To this we do not have an immediate short-term answer and the effects will be of a highly contradictory nature in some areas providing an impetus to revolutionary struggles, and in others acting as a sharp brake.

However this detente unfolds in a period totally different from when deals of a similar magnitude have been concluded in the past. We are now in a period of general rise in the world revolution. A period where there will be no peace in the class struggle internationally. The essential dynamic of a rise in the level of the class struggle continues, for example, in Argentina, Chile, Uruguay and elsewhere in Latin America, in Europe (France, Britain, Spain), the Middle East, Africa, and in the US itself. There will be new Vietnams and still the Vietnam conflict itself is far from resolved. But US imperialism will not be able to intervene as effectively because of the results of Vietnam. Capitalism cannot resolve its contradictions - the question remains, as Trotsky phrased in 1940 - "Socialism or barbarism"?

FEDERAL ACTION PICKET LINE TO PREVENT

Cement Workers'

Y DOUG JORDAN

Since July 31, 650 cement-production orkers have been on strike. The trikers are members of the Australian Vorkers Union and have an average ncome of \$66- \$76 a week. Charlie Oliver, State secretary of the AWU lescribed these wages as forcing the workers "to live below the poverty lines The strikes are the latest in a series by lower-paid workers who have undertaken strike action in order to win pay increases which would give them a "living" wage. The strikers are demanding a \$20 a week pay increase.

The strike had initially involved workers at the cement works at South Portland, Portland, Berrima, Maldon, Charbon, Kandos, and Marulan. The strike was later extended to include cement workers at Kooragang Island and Newcastle and a ban was imposed on cement supplies from Tasmania. The Cement Manufacturers Association nd the Master Builders Association have ought to use an alleged shortage of ement to lay off other workers in the ndustry.

At this stage the strikers have been offered an increase of \$7,00 a week. Quite correctly this offer has been rejected as "paltry and unacceptable" There seems to be a clear indication of willingness on the part of the workers

The union leadership has now lodged rith the State Industrial Commission an pplication for an arbitrated hearing for he \$20 increase. The senior State onciliation commissioner H. Wells as said that until the strikers return to ork no hearing into the wage-demand vill take place.

The union leadership has shown itself inwilling or incapable of leading the strike to a successful conclusion. It is mportant that the rank and file take ontrol of the struggle and reject the plackmail of State Industrial Commission n trying to send them back to work. Only a confident campaign which eeks to enlist the support and sympathy of all sections of the industry can ensure the success of the strike.

To date about 3000 workers have been tood down and a further 30,000 workers are threatened with unemployment. So far this has met with little response from the unions. Employers have learnt to solate strikers in this fashion by playing one section of the work force against another. To counteract this there is need for a vigorous counter-attack to be launched by the unions with an effective publicity campaign to explain the issues of the strike to all other workers.

Bulli Brickworks Strike Continues

BY DOUG JORDAN

The strike at Bulli Brickworks on the South Coast of New South Wales has now entered its twelfth week. The vilitancy and determination of the trikers to win their demands is still very igh after one of the longest strikes in ecent years on the South Coast. The trike started on May 31 and involves 14 members of the Brick, Tile, and Pottery Workers Union. The three central demands that the strikers have been fighting for are 3 additional sick

days a year, 171 per cent annual leave loading and \$18,00 increase in wages.

To date the strikers have made a number of gains in negotiations with the employer. They have won the 3 extra sick days a year and the 172 per cent loading on annual leave. In addition they have been offered a 372 hour week and 10 per cent loading on overtime and award increases. However this reduction in the working-week has been tied to an increased production rate which will result in less bonuses being paid. On this basis, such a deal must be rejected. The fight for the shorter working week must not be allowed to be tied to productivity deals which actually worsen working conditions.

The central demand of the strike has now become the \$18,00 a week pay increase, With rapidly increasing inflation wage demands such as these merely enable workers to keep pace with the rising cost of living. In this period it is essential that union leaderships fight for cost-of-living adjustments to wages. This is the only way workers can preserve and later extend their living standards. The Bulli brickmakers were earning only \$68 - \$73 a week at the start of the strike. Their victory would give increased confidence to all lower-paid workers fighting for a living wage.

The strikers have received wide-spread support from Wollongong and surrounding districts. This support has not only come from fellow trade unionists but has come from such diverse sources such as shopSeveral union leaders and rank-and-file strikers spoke,

The one failing of the union leadership has been its unwillingness to call the other brickyards on the South Coast out.

By increasing the pressure on giant companies such as BHP whose demand for bricks is high, new forces can be brought in and the likelihood of a successful conclusion to the strike vastly increased. It is a victory that would flow on to other brickworkers so they are already directly concerned in the strike.

There is still a need for financial commitment to the strikers. Donations may be sent to Bulli Brickworks Disputes Committee, South Coast Trades and Labor Council, Station Street, Wollongong, 2500.

Vic. Tech. Teachers Plan Stop~Work

BY DARRYL HILLGROVE

At a special meeting of TTAV branch presidents, secretaries and deputies on August 11 a State-wide stop-work meeting of technical school teachers was planned to discuss the nearing education crisis.



Caterpillar workers

keepers, social clubs and various unions. Among those who have given support are the Miscellaneous Workers Union, Waterside Workers Federation, Coke Workers, 32 women cleaners at the university campus at Wollongong and the Helensburgh Workers Club.

This support in the form of food and money has flowed in on a regular basis. This has been an important factor in maintaining the confidence and morale of the strikers. The knowledge that they had this wide-spread community support has enabled the strikers to vigorously press forward with their demands. A number of marches have taken place to further publicise the demands of the strikers. The latest of these took place on August 15 when 70 strikers and their supporters marched from the Clarke kiln at Woonona to the Bulli brickyards.

Working conditions of teachers have been eroded by the extreme staff shortage this year. As a result there is a complete lack of relieving teachers and an ever-increasing number of extra periods being allotted to teachers. "Extras" are those periods taken by teachers on top of their set work load, when the normal teachers are absent, By modest figures there is a shortage of 100 maths and science teachers as well as desperate shortages in carpentary and electrical trades. At least 250 relieving teachers are required to make up for others on long-service leave and absences due to illness. This causes an increasing number of extra periods.

Almost as many technical teachers as resigned last year (186) have resigned up to July of this year (175). Also the teachers' tribunal has been evasive and

misleading over demands for a salary claims hearing. The relatively low wages of teachers compared to wages in industrial employment, have been a factor in the high resignation rate. Even if a salary hearing is granted soon and wage rises occur it will be too late for any teacher employment gains to be made before the beginning of the 1974 school year. For the last salary hearing, eight months elapsed between the setting

of a date and the actual hearing.

Steps have already been taken by teachers aggravated by their school situations. From July 23, teachers at Aspendale technical school have began an indefinite strike and Coburg and Preston East technical schools held stopwork meetings in early August.

Spurred on by these actions the TTAV is organising a campaign, beginning with the calling of the August 11 meeting at which advertisements, press releases and a picketing of the next tribunal meeting in September were proposed as a build-up to the stop-work meeting. An amendment suggesting an "afterhours meeting" instead of one during school time was soundly defeated.

Involving the other teacher unions (high and primary schools suffer from similar education department neglect) and students would build this campaign to alleviate the critical staffing situation which has led to despair and demoralisation of both teachers and students.

Caterpillar Strikers Stay Out

BY STEVE PAINTER

The strike by 300 workers at the Caterpillar heavy machinery plant at Tullamarine (Vic) is now in its eleventh week. The strike, for a \$5,00 a week pay rise, an improved superannuation scheme and an afternoon tea-break has closed the plant and has involved patient and determined picketing by the strikers over a long period of time,

Workers involved in the strike are members of the Amalgamated Metal Workers' Union, the Storemen and Packers Union, the Australasian Society of Engineers and the Federated Ironworkers Association. The Transport Workers Union is supporting the strikers in their refusal to allow supplies into the plant.

The company refuses even to discuss the strikers' demands until there is a return to work. The only comment that it has made is that if the workers want a tea-break in the afternoon then they can have it if they halve their morning tea-break, cutting it from ten minutes to five minutes, and take the other five minutes in the afternoon,

The company is able to be intransigent because of the fact that the Tullamarine plant does not have a great deal of importance in Caterpillar's world-wide network. In fact the Caterpillar management recently switched production of tractors to the company's Japanese plant, and at least some of the strikers suspect that the rest of Caterpillar's Australian operations might be wound up and shifted to some area where labor costs are lower. Nationalisation of the plant by the Australian Government might change Caterpillar's view of the importance of it.

The strikers have shown their determination not to be defeated for over eleven weeks now. Despite inadequate support from other workers and unions, the Caterpillar strikers intend to continue fighting. The Amalgamated Metal Workers! Union has opened a strike fund. Contributions can be sent to: Caterpillal strike fund, AMWU offices, 630 Swansto Street, Melbourne 3000.

Agnew Joins The Watergate Gang

CHRIS GRAHAM

August 15, Nixon delivered his awaited speech on Watergate. The Nixon's first since May 22, had billed as a detailed rebuttal to the ning charges against him. It no of came as a surprise to some when on's speech and the 3000-word stateent that accompanied it did not attempt pecifically answer the mountain of idence against him.

among the omissions were:

Nixon did not attempt to answer the darge by John Dean that he had been congratulated by Nixon for his part in the Watergate cover-up on September 13, or that Dean had discussed the cover-up with Nixon "about 35 or 40 times" this

Nixon did not answer the charge by former acting FBI head Patrick Gray that he had informed Nixon of the coverweek after the arrest of the Waterate seven on June 17 last year.

The bulk of Nixon's speech was devoted to an emotional appeal to the American sople to forgive and forget Watergate, dallow Nixon to get on with the job fadministering capitalism. Nixon said, We must not become so mired in Watergate that we fail to respond to challenges of surpassing importance to America and the world."

to doubt some of the "challenges of supassing importance" Nixon had in nied were the current situation in Cambodia, where the cessation of American bombing on August 15 has placed the puppet Lon Nol regime in a perilous position, or the continued tecline of American imperialism vis-1-vis its counterparts, which will require new attacks on the living standards of the working class.

Airon's ability to respond to these situations has been severely weakened by Watergate. Nixon's speech was an sttempt to slur over the Watergate revelations and try to restore the credibibility of the US ruling class.

According to the latest Gallup Poll, Nixon's approval rating is down to 31 per cent, A Harris Poll quoted in the August 6 issue of Newsweek put Nixon's redibility at 24 per cent. In either case, Nixon is the most unpopular resident since the Truman Administra-

RULING CLASS CLOSES RANKS

Republican Party national chairman George Bush felt that Nixon had done better that expected in his speech. He mid, "It's beyond what most of us thought he could do, given the facts."

Democratic national chairman Robert Strauss, while careful to maintain some amblance of disappointment in Nixon's speech, acknowleged that Nixon would finish his term as President.

Republicans and Democrats know we tave three more years of this Administration. They want the President to hold ome press conferences, release his upes, and then give his sins of commission or omission and get on with the business of the country."

Mauss wants Nixon to talk a bit more,

release his Watergate tapes and then

forgive and forget - irrespective of what Nixon's Watergate tapes may reveal,

These statements probably echo the overwhelming sentiments of the ruling class to defuse the Watergate scandal as quickly as possible. Watergate has had a tremendous effect on the credibility of the ruling class. It appears from these statements that - for the time being at least - there is to be no more talk of Nixon's impeachment or resignation. The ruling class hopes that by closing ranks around Nixon and holding out till 1976 - when Nixon will not, for constitutional reasons, be elligible for a third term - the Watergate crisis will abate and the credibility of the ruling class be restored.

It is unlikely that this will be the case, as the flood of Watergate revelations continues unabated. As a Republican politician told Newsweek on August 20:

"The damn thing just keeps growing.
That's the incredible thing. Every time you think there's nothing more that could possibly happen, we get hit with something new."

ENTER SPIRO.

On August 8, Vice President Spiro Agnew told a press conference that he had been under investigation by a Federal grand jury since November 1972 for possible corruption. Allegations a against Agnew include tax evasion, extortion, bribery and conspiracy, during his terms as county executive and governor of the State of Maryland, from 1962 to 1966 and from 1967 to 1968 respectively. It is further alleged that these practises continued after Agnew's election as Vice-President in

These allegations concern contracting firms in Maryland which payed "kick-

backs" on the prices of contracts awarded to them by government officials, in the form of secret campaign donations.

Such corruption had been, and still is, rife in Maryland. In 1963, Democratic Party Speaker for the House of Representatives Gordon Boone had been convicted of complicity in a savings loan scandal. In 1972, Democratic Senator Daniel Brewster was convicted on bribery charges. And during Agnew's own term as governor of Maryland, a group of ashphalt suppliers were convicted on similar charges.

The grand jury investigation, under Federal attorney Beall, a Nixon appointee, has questioned several governofficials and businessmen included, This led them to question two men who could implicate Agnew.

The men are Jerome Wolff, president of Greiner Environmental Systems, a large Maryland construction firm, who was appointed by Agnew as the chairmanof the Maryland roads commission, and then as his technical adviser when Agnew became Vice-President, and Lester Matz, a director of Matz, Childs and Associates another large construction firm. These men accuse Agnew of having extorted campaign donations from State and Federal contractors.

REVELATIONS ON INDO-CHINA

The Senate armed services committee investigating Nixon's secret bombing of Cambodia before 1970 has uncovered some revealing information on the war in Indo-China. As we reported in the last issue of DIRECT ACTION, 100,000 tons of bombs had been dropped on Cambodia in 3630 raids from 1969 to 1970.

The committee uncovered a memorandum on Cambodia initialled by former Defence Secretary Melvin Laird. The memorandum authorised bombings on Cambodia,

Laos and South Vietnam. The memorandum stated part:

"Strikes on the latter targets (f.e. Laos and South Vietnam) will create a semblance to normal operation, thereby providing a credible story for replies to newspaper inquiries."

When questioned by the committee, Laird replied that this did mean that he had authorised falsifying the reporting of the bombing of Cambodia - he claimed it was just "special" reporting procedure for the secret bombing of Cambodia.

New information came to light on the war in Indo-China. Former army intelligence specialist Allen Stevenson testified that North Vietnamese hospitals were routine targets for American bombing, and that they had third priority for US bombers after fixed installations and troop concentrations.

Former air force Captain George Moses told the committee that American raids into Cambodia continued after April 1970, when the American invasion of Cambodia was supposed to have ended. Sergeant Thomas Manzello testified that US ground troops were active in Laos and Cambodia since 1966, Nixon had previously denied this,

ATTACKS ON RADICALS

We have pointed out in previous issues of DIRECT ACTION that the Watergate bugging was part of a campaign by the Nixon Administration to suppress the burgeoning radical protest movements in America. Time magazine in its August August 20 issue brought to light a new example of this repression.

In 1969, a special services group was set up by the Internal Revenue Service. The purpose of the "group" was to spy on and harass radicals in this area. According to Time, it has files on 3000 organisations, and 8000 individuals.

The trial of the Gainsville Eight, eight leaders of the Vietnam Veterans Against the War, who were indicted last June on trumped up conspiracy charges, is currently in progress. The defendants' lawyers unsuccessfully moved for a mistrial following the discovery of two FBI agents outside their conference room, poised over telephone lines with electron ic bugging gear. Presiding Judge Arnow ruled against the motion on the grounds that the lines had not actually been bugged.

COVERING UP THE COVER-UP

The Senate committee investigating Watergate is now in recess. It will probably not re-convene until mid-September. Significantly, Newsweek noted in its August 20 issue that it was unlikely that the hearings would receive the same amount of publicity as before. "Whether the television networks will be back remains an open question,"

There is a strong likelihood that Watergate will be diverted into a legal battle in the Supreme Court for Nixon's tapes. Notwithstanding the implications of such a battle, it is clear that this would have the effect of making the victims of Watergate - the American working people - spectators in the Watergate scandal, and reduce the possibility for action around it or the issues which it has raised.



Why Israeli State Commits Air Piracy

BY SOL SALBY

World-wide condemnation has followed the recent hijacking of a civilian plane by the Israeli Air Force. The hi-jacking carried out under Israeli-Government orders even caused protests to emanate from the US Government and the Israeli Airline Pilots Union.

"We have been intercepted by Israeli planes and ordered to follow them. I am obeying instructions," The chartered Middle East Airlines Caravelle was only a few minutes out of Beirut airport when the radio message came. As the captain later explained he followed the orders carefully and did not even try to escape. The memory of the last act of mass murder committed by the Israelis when they shot a Libyan airliner and 108 people were killed was still fresh.

When the plane landed in a military airport in northern Israel, presumably Khatzor, Israeli soldiers stormed into the planes armed with guns. A passenger was quoted in The Australian on

August 13 as saying: "They ordered us to put our hands on our heads and took all the men out of the plane one by one."

John Bulloch reported in the same report in The Australian: "The passengers were each asked to prove their identity and give reasons for their flight. After the interrogation they were given refreshments and sent back to Beirut in the plane after a two-hour stay in the Israeli airfield."

The near universal condemnation of this kidnapping of 74 passengers and seven crew members (all Arabs) even reached Australia. The acting Prime Minister, Lance Barnard, deplored the "forced diversion of the civilian aircraft." He said, "The Australian Government deplores all acts of interference with civil aircraft."

Barnard said that there were "implications of the gravest kind for the safety of passengers and for the security of international air transport generally in the action by the Israelis." He finally added: "The Australian Government is

concerned that the incident should not lead to an escalation of tension in the Middle East."

The wide condemnation can be attributed to the failure of the Israelis to achieve their real aim. The admitted objective of the kidnapping was the execution of Dr George Habbash, leader of the Popular Front for the Liberation of Palestine (PFLP). If they had succeeded in capturing Dr George Habbash then world reaction to the incident would have been substantially

The PFLP several years ago was responsible for the hijacking of Israeli and other planes. The PFLP however gave up this tactic some time ago.

Evidently George Habbash and his followers were saved when they decided not to catch a plane. They were booked on Iraki Airways flight 006 from Beirut to Baghdad. But the Iraki plane was delayed three hours in London, so the airline chartered a Middle East Airlines Caravelle, called it flight 006A and put into service for the passengers waiting in Beirut.

> While no conclusive evidence exists it seems strange that the Israelis could strike so lucky as to have two "Arab attempted capture of Habbash. The close information available to them with regard to Habbash's movements the Lebanese Government.

As usual the protests to Israel indicated considerable hypocrisy. While the hijacking organised by Israel is a serious crime in most countries Israel was only censured in the lightest terms. Despite the fact that it is a particularly serious crime under the new amendments to Israel's criminal code The Australian referred to the passengers as being

While the Israelis were planning the

Habbash's regular practice of changing planes whenever anything unusual happens saved his life.

In their propaganda effort against Habbash the Israelis ascribed two recent events to the PFLP. One was the hijacking and destruction of a Japan Air Lines jumbo jet and the other was the recent attack on planes at Athens airport.

Some interesting questions are raised by these two incidents. Why have all known Palestinian organisations denied any responsibility for the attacks? After all they did not draw back from claiming responsibility for actions which have been classified by the capitalist press as being much more "savage" such as the attack on Lod airport in Israel. In fact all Palestinian sources claim the actions were carried out by "free lancers".

The strange coincidence between the two terrorist acts allegedly committed by the Palestinians, and the Israeli hijacking may represent a link which is more than tenuous. One is reminded of the earlier "coincidence" between the Israeli-inspired allegation that the Black September group was part of Al Fatah and the attack on Fatah leaders in Beirut last April.

suggests some possible co-operation from

"kidnapped" only in inverted commas.

execution of four passengers The Australian referred to Habbash as "master of murderers", "extremist" and suchlike.

Argentine Trotskyists Hold Congress

During the last week of July, the Partido Socialista de los Trabajadores (PST -Socialist Workers Party), Argentine sympathising group of the Fourth International, held an extraordinary national

The congress dealt with the problem of building a mass revolutionary party in Argentina today. It agreed that this could only be done from within the ranks of the Fourth International, the nucleus of the world mass revolutionary party founded in 1938 in response to a call initiated by Leon Trotsky.

The problems facing Argentine Trotskyists today were divided into three areas: party activities, international situation, and national situation.

The delegates unanimously elected as honorary presidium the Uruguayan and Chilean masses and the recently deceased revolutionary leaders Mateo Fossa and Luis Jaroslavsky. Effective presidency was held in rotation by Rene Casamiquela, Francisco J. Paez, Beatriz Ciapponi and Lidia Sierra.

The congress adopted a resolution condemning the French Government for its banning of the Ligue Communiste, French section of the Fourth International and calling for solidarity with all working-class organisations under attack from the ruling classes.

The following is a much abridged translation of Juan Carlos Coral's report on the national situation. Coral is the PST's presidential candidate in the coming elections. The translation is by DIRECT ACTION.

"Due to this (the working-class combativity since the Cordobazo) in this dialectic, to this combative and classconscious response of the workers, the bourgeoisie took the only way out that it had left: the broadest alliance of classes that the country has ever known, in which naturally the international financiers have hegemony, but in which the land-owning oligarchy and the national bourgeoisie are also integrated, This alliance has been concretised, of course, under the leadership of Peron, as the great bonapartist chief who is

given the task of arbitrating between sectors of the bourgeoisie and who counts on the support of the working

Habash at a rare press conference

"But the working class is also preparing its response, through our party, to the politics of the bourgeoisie; the revolutionary mobilisations of the masses; the conquest of power by the working class through our revolutionary programme,

"This response consists in disqualifying all utopian, reactionary illusions of national revolutions because this economy is nothing more than one aspect of the integrated whole that is the world capitalist economy, There is no possibility of liberating oneself from imperialism without breaking with the chains of the capitalist system. There is no possibility of saving oneself from exploitation by 'Third-Worldist' formulations or national revolutions but only by changing the relationships of production, that is to say, by initiating the socialist revolution via the permanent revolution as exemplified from Russia to Cuba, passing through Vietnam.

"Here it is not a matter of placing the party in an electoral function, but of placing the elections at the service of the growth of the party. During this period, as during any other, we will comply with the treble revolutionary task which Lenin explained when he said: agitate the masses, propagandise our positions and educate cadres. This must be the basis of our electoral intervention.

"What I want to stress, in finishing, is that at this stage the consciousness of the urgency with which we must educate our cadre must take prime place, because what is certain is that the instability of this latest attempt at an alliance of classes, the instability and the frailty of the bourgeoisie and the dominant classes in the Government, confronts us with a revolutionary perspective. And when that moment arrives, it will depend on the strength of organisation and on the capacity of the cadres whether this crisis will end in tragedy, like the Spanish Revolution, or in historic revolution, like the Russian Revolution of 1917."

Socialists and the Argentine Elections

fighteen years of direct military rule in Argentina ended on May 25 this year with the inauguration of President Hector Campora. Less than two months later, in early July, Campora resigned, osten-President Juan Domingo Peron to

Campora's election in March was one of he resultss of a new stage in Argentine history which began in May 1969. During that month the provincial city of Cordoba exploded in the first of a series of semi-insurrections that shook every major city in Argentina except Buenos
Aires. The Cordobazo, as the upsurge was called, and the similar occurences in Rosaris, Mendoza, Mardel Plata, Tucuman and again in Cordoba in 1971 led to important changes in the relationships of power in Argentina. Firstly, the military dictatorship was taken over by Alejandro Lanusse, long regarded as the grongest military figure in the country. Secondly, it meant the end of workingclass passivity in the face of repression, The militant workers, together with some other layers of Argentine society, began demanding a return to civilian



rule - or more specifically, a return to the rule of Peron.

Peron's previous period of rule was in 1945-1955. The fact of a general postwar economic boom coupled with the temporary lull in imperialist interest in Argentina due to the war meant that the Argentine economy was allowed a temporary buoyancy. Peron, an extremely popular figure during the war was able to win the support of masses of Argentine workers - something which the bosses are now counting on to placate the

In the political situation that prevailed in Argentina at the time of the elections the Partido Justicialista (Social Justice Party, Peron's party) with its social base exclusively in the ruling class, its bourgeois ideology and programme and the bureaucratic structure officially written into its constitution in the form of "verticalismo", posed a severe threat to the advancement of the Argentine working class. The crisis of Argentine society could not be resolved within the framework of Argentine capitalism, as this is inextricably linked to the world imperialist system and is entirely dependent on world imperialism.

Revolutionary socialists in Argentina realised this dilemma. They understood that the elections were only a manoeuvre and that Peronism would be the dominant force, so an effort had to be made to break the workers away from Peronism. Although one group put up the slogan, "Neither coup nor elections, revolution!" this was clearly not on the immediate agenda. The overwhelming majority of the workers either had faith in the elections or were willing to wait and see what they would bring.

Faced with this situation, socialists had to take a positive orientation towards the elections. They could not support the trap set by Peronism, so it was absolutely vital that a real working-class alternative be posed. The Partido Socialista de los Imbajadores (PST - Socialist Workers Party), Argentine sympathising group of the Fourth International, made use of the electoral openings it had and turned over per cent of its ballot slots to worker candidates from outside the party organised in the Workers' Front. They attempted to involve other left groups in this so as to broaden the class-alternative front as much as possible. In this they were unsuccessful. The Communist Party, the main left group in Argentina,

refused to participate in the Workers' Front and gave its support to the Alianza Popular de Centro Izquierda (Popluar Alliance of the Centre Left), a small group in some ways to the right of the

In the months immediately before the elections, the Workers' Front was constantly in the forefront of the workingclass struggles against the dictatorship and against the bureaucracy. Its relationship with Peronism and Peronists was clearly defined. It had nothing in common with Campora, (the Peronist candidate for President) or with the Peronist bureaucrats of the Confederacion General del Trabajo (CGT - General Confederation of Labor). The rank-andfile Peronists and Peronist sympathisers, the workers and students who make up the bulk of the Social Justice Party, were a different matter. While it could not bend to the ideology of Peronism, it made every attempt to work alongside the rank-and-file Peronists in their struggles against the bosses and the union bureaucrats. In posing an alternative to the Peronists, the revolutionary socialists in Argentina had to participate with the workers in their experiences, and that included their electoral experience.



As was to be expected, the Social Justice Party won the elections. The vote for the Workers' Front, however, was considerable, especially in the guberatorial elections. Many workers, while still willing to vote for the Peronists in the presidential seat and in Parliament, decided to register their disapproval of the way the Social Justice Party was acting by voting for the Workers' Front candidates for governors of different

Immediately Campora was elected President, the workers and students lost no time in demanding he take drastic measures to repair the damage done by the dictatorship. The three main demands raised were for substantial wage increases, the release of all political prisoners and the reinstatement of workers fired for political activities.

provinces.

During the time between the elections on March 11 and Campora's inauguration on May 25, the internal contradictions within the Social Justice movement came to a head. The Juventud Peronista (JP-Peronist Youth) the party's youth group, became increasingly active in the move-ment to free the political prisoners. Galimberti, the leader of the JP, was removed from office because of his left leanings. Workers would frequently take their demands to the Juventud Sindical Peronista USP - Trade-Union Peronist Youth) rather than to their own union leaders. This had its reflection in the party itself, where workers were already

becoming impatient with Campora.

During the period between March 11 and May 25, the Workers' Front, the PST a and the Juventud Socialista de Avanzada USA - Vanguard Socialist Youth, the PST's youth group) threw their weight behind the campaign for the release of the prisoners. The prisoners were mostly trade-union militants and guerrillas. They had been subjected to continual torture and privation. In August last year, 19 young members of the Ejercito Revolucionario del Pueblo (ERP - People's Revolutionary Army) who had attempted to escape from Rawson prison were lined up outside their cells and shot. Sixteen of them were killed and the other three were critically wounded.

Due to mass pressure, Campora was forced to declare amnesty for the prison ers as his first official act on May 25. However, he did not agree, and still has not agreed to the reinstatement of the expelled workers. This still remains a major campaign for socialists in Argen-

The continuing crisis in the Social Justice Party and in Argentine society as a whole forced Campora to resign in mid-July - two months after his inauguration. The circumstances of his resignation require a very careful examination. Ostensibly, he gave up his office to allow Peron to take over the presidency. (Peron had not been allowed by the military to participate in the March elections). Yet the fact that two "left" ministers were excluded from the otherwise unchanged caretaker cabinet indicates that a certain amount of pressure was being exerted from the right. Also, Peron aged 77, is in such a poor state of health it is unlikely that anything but a severe political crisis would have caused him to agree to taking office.

The new elections called to make Peron's assumption of power official have been set for September 23. It was strongly rumored that Peron would be contesting the elections with Ricardo Balbin as his vice-presidential candidate. Balbin is the leader of the Union Civica Radical (UCR - Radical Civic Union), the party ich received the second largest vote in March. Such a coalition would have meant a large concession to the interests which Balbin represents, i.e., the section of the bosses who did not go along with the Peronists in March and a very important section of the military.

The PST pointed out the closeness of the UCR and the Peronists even before the March elections. The February 14 edition of Avanzada Socialista, the PST's weekly, noted:

"Despite all the imposed conditions and the the recent prohibiting of Peron's return to the country, the main political forces of the, this front? the bosses have ratified their participation in the March elections and, further, their 'agreement' for the future Government.

"Peron said: 'We have a fundamental agreement with Balbin's radicals: we will govern jointly. This is our understanding. If the Radical Party wins they will govern with us, if it is us who wins - as we hope and believe - we will call them into the Government." And, like an echo, Balbin answered: 'Radicalism has already clearly demonstrated that it will govern not only with one party but with all parties.' And the presidential candidate of the UCR finished off: 'What Peron says is that any government of the parties that have

the responsibility to govern will do so with all sectors of national life. This idea is being expressed everywhere by Dr Balbin.'

"The Peronist companeros and all workers should consider whether this 'Agreement' realised from above is not, in the final count, the same as what the rmed forces were attempting. Remember that Balbin was one of the supporters of 'gorilismo' (the "gorilas" are the procoup generals - MJ), that the last Radical Government also starved the workers and put down their struggles ... We cannot, therefore, suppose that a Radical-Peronist government would win the demands for which we have struggled so much since the Cordobazo."

The latest news, however, is that Balbin will not be running as Peron's Vice-President. That position on the Peronist ticket has been given to Peron's wife, Isabel. If the original intent was to have Balbin on the slate to placate the bosses and the military, his removal and replacement by a popular figure such as Peron's wife is an indication that the Peronists are more worried about placating the workers than anybody else.

The coming elections will be even more critical for socialists than the first. The Peronists have shown clearly that they are completely incapable of avoiding the crisis of Argentine society and socialists cannot afford to forfeit on their responsibility to offer an alternative once again.

The PST has again taken the initiative and is standing Juan Carlos Coral and Jose Paez for the positions of President and Vice-President respectively. They defined their position in the July 25 -August 1 edition of Avanzada Socialista:

"This position is a continuation of the one we put forward on March 11, At that time also, via the Workers' Front, we called for a confrontation with the different bosses' tickets because they were all manifestations of the same Great National Agreement. At that time also we called on the workers and all the class-worker, revolutionary and socialist to put up an independent electoral option.

"As a consequence of this political position the union bureaucracy and the Peronist right considers us its political

In defining the class nature of their position, the PST said to the members of the Communist Party: "You call for the formation of 'a co-ordinating centre of all the democratic, progressive, antioligarchic and anti-imperialist forces'. Nevertheless, you don't declare where you stand on two crucial issues: what position will this co-ordinating centre take concerning Peron's candidacy? And what forces will have hegemony in

"We are categorical: Tosco, Salamanca (leaders of the anti-bureaucratic struggle in the Cordoba unions - MJ), 'clasismo' and the anti-boss and anti-bureaucratic workers - together with the worker, anti-imperialist and socialist parties and currents - must head a worker and socialist alternative which, in order to be such, must begin by opposing the ticket of the right and of imperialism, with its mask of 'national union, '"

The coming elections will be a real test for the ability of revolutionaries in Argentina to carry forward the struggle for a socialist Argentina.





nouk and the Future of Cambodia

BY RENFREY CLARKE

On August 15 the open military intervention by the United States in Indo-China supposedly ended when Nixon completed the six weeks of bombing of Cambodia that Congress had allowed him. The bombing halt coincided with a major offensive by the Cambodian liberation forces, the Khmer Rouge, which by August 15 had captured four towns and overrun many government outposts.

Despite these successes it is clear that the struggle against imperialism in Cambodia, and indeed the whole of Indo-China, is far from over. The threat of the direct use of military force is still present: Nixon has spoken of attempting to persuade Congress to renew the bombing, and in any case South Vietnamese forces or Thai mercenaries can be deployed if necessary.

Prior to the halt supporters of Nixon's in American ruling circles. It was felt by a significant section of the capitalist class that for imperialism to be preserved Nixon's action, in aiming to preserve Lon Nol and impose a Vietnam-style peace settlement, was ignoring the prospect that Prince Norodom Sihanouk, if his position was not weakened, could be relied upon to thwart any moves to bring about a revolutionary social and economic transformation of the country. And further that the leaders of the heterogeneous Khmer Rouge, who to a large degree are ideologically under the sway of the bureaucracies in Peking and Moscow, would accept this.

This viewpoint seems to have been heavily represented in the US Congress, which conceded that nothing short of full-scale intervention could save Lon Nol, whose popular base scarcely extended beyond the Pentagon. It was obvious that the sheer barbarity of the bombing helped change the attitudes of

those in the liberation forces who had earlier been willing to accomodate themselves to imperialism. The suffering caused by the raids, and the inability of the liberation forces to adequately resist them, were leading Sihanouk to make bitter criticisms of the failure of China, the Soviet Union and North Vietnam to supply the Cambodians with even the most basic fighting equipment, (Most of the Khmer Rouge are fighting with American weapons, which were easily bought.) In a number of interviews Sihanouk accused the USSR of colluding with the US imperialists to bring about a political settlement in Cambodia and stifle revolutionary movements throughout the world. It was clear to many US congressmen that provoking Sihanouk to make such statements could only discredit the type of deal made with Moscow and Peking

However, Sihanouk, who heads the government in exile (Royal Government As he stated in a recent interview: "For me the principle enemy is American imperialism and Lon Nol's fascism: the secondary enemies are the communists. So I choose to stay with the secondary enemy in order to defeat the principal

in the eyes of the liberation forces.

His intransigence towards imperialism appears more motivated by opportunism than principle. At the moment he rejects all offers of negotiations with the Lon Nol regime as "post-dated cheques drawn on a failing bank" while six months ago he was actively cultivating his contacts to secure such negotia-

As a former ruler of Cambodia Sihanouk has a certain following among the people which leaders of the Khmer Rouge lack. He is a political leader known to thousands of Cambodians and prided himself on his vigorous down-toearth contact with the peasants. This

would indicate a figurehead role for him in a future government, a status which he has anticipated in some of his voluble, self-dramatising interviews: "The Red Khmers don't like me at all. I understand very well they keep me with them because this is useful to them; because of me they wouldn't have the peasants and one cannot make a revolution in Cambodia without the peasants."

In matters of internal policy Sihanouk was saved from traumatic upheavals by the fact that landlordism has never been strong in Cambodia, except in one province which has always been a Khmer Rouge stronghold. His foreign policy consisted of a political balancing act, of checks and slights delivered against both imperialism and the left. In 1963 he refused American aid, and main tained a stagnant, overwhelmingly agricultural economy. For reasons of their own, the imperialists allowed this state to persist and Sihanouk placated them by intermittently persecuting the Khmer Rouge. With the American armed intervention in Indo-China the pressures on Sihanouk increased dramatically. The CIA became a part of his life; in a book written in exile in Peking he described himself as being at war with it. Vietnam liberation forces had long used areas of eastern Cambodia for staging and regrouping and in 1969 the Americans began mounting B-52 raids against Cambodian territory, while professing to respect Cambodian neutrality. Sihanouk did not have anything to gain from imperialist victory

ated, areas of his country. But the Americans, ultimately, had different plans for Cambodia. Not even Sihanouk would allow them to invade his country without demanding reprisals from China and the USSR. So in March 1970 the CIA staged'a coup while Sihanouk was on a state visit to Peking, and a puppet government was installed

and economic domination, and he was

occupied large, though sparsely popul-

under pressure from the Vietnamese who

which did not object when the US invaded Cambodia in May to "clean out" the sanctuaries.

That Sihanouk should be acceptable to the Khmer Rouge in any capacity is a commentary on the politics of the Cambodian left. Indeed, Sihanouk does not seem out of place among his colleagues in the Royal Government, his suspicions of the "communists" aside. In yet another utterly contradictory interview he professed that "We are more united than ever before. When the coup took place and resistance began, you could say that Sihanouk took a step to the left and Khieu Samphan (the Khmer Rouge commander who is Vice-Premier in Sihanouk's Government) took a step to the centre. The result is unity.

"Khieu Samphan told me not to call him and his colleagues communists. He is a Cambodian nationalist and antiimperialist who fights for independence, neutrality, democracy and social revolution. You can say he is a socialist with the same basic ideology as the Swedish Prime Minister."

What the result of the bombing halt will be cannot be understood without taking into account such factors as the behindthe-scenes deals made over Cambodia between Nixon and Brezhnev. What was decided? How adaptable will the forces in the Khmer Rouge be in regard to a settlement like that imposed on the Vietnamese liberation forces? How will the military situation evolve in the immediate future? What role will Sihanouk play?

In the long term, however, it is clear that the nature of the leadership of the Cambodian liberation forces will be decisive in determining the future of the struggle. Nothing short of a complete break with Sihanouk and the politics he represents will be necessary if imperialism is to be defeated and even the most minimal solutions are to be found to the problems besetting the Cambodian people,

Rising Bengali Movement in Assam

zengali nationalism is on the rise in the Han State of Assam. Cachar district, hich is about 83 per cent Bengali, is geking separation from the State and

The movement for economic, social, of cultural freedom for Cachar does otyet seek separation from India, though the movement is opposed by the in Government, Cachar, which has a population of about 1,800,000, borders
Bangladesh.

is the interview that follows, Paritos d Chowdhury describes the present ional movement in Cachar. Chowmy is a leading member of the Cachar naparisad (People's Forum) Union Tenitory Demand Committee. The Temtery was obtained for Intercontinen- I have observed the miserable plight of Press by A. Haq.)

Question: Why do you call your organi-ation Cachar Ganaparisad Union Tenitory Demand Committee?

Answer: It is an organisation of the people. It is based on a programme and ertain demands. The major demands ato make Cachar a union territory. As oon as this major demand is realised, this organisation will be called only Cachar Ganaparisad. The remaining ant of the name will cease to have its lidity, and so will be dropped.

pestion: Is this a fight for the selfetermination of the people of Cachar?

inswer: Yes, it is a fight for the right self-determination of the people of Cachar. It is the genuine right of the people of Cachar.

Historically speaking, Cachar is not part of Assam. Geographically it is comeletely detached from the rest of Assam w the Surma Valley and by a mountainou region. This separation helped the people of Cachar to build up their own 3 per cent speak Bengali.

has, historically, geographically, durally, and from the linguistic andpoint, Cachar has built up everything on its own and has nothing to do

iconomically it is exploited by the Amm Government, Every year 14 core (one crore is 10 million) of rupees (about \$A 13 million) are collected by the Assam Government and hardly 12 gore of rupees are spent for Cachar. Since independence Cachar has been ruhlessly exploited by the Assam Government. And very little money has been ment (in Cachar) under the first four hve-year plans of the Indian Govern-

on the Assam Government has decided impose the Assamese language on the cople here. They were keen to impose this year, but because of pressure from people they were forced to defer it or one year.

All these basic causes are reasons that e people of Cachar are now desperate to realise their rights. It is true, of course, that a union territory does not ave the status of a State under the sdian constitution. But this is the first toward achieving our future demands.

Vestion: We have seen in the past me movements to make Cachar an dependent State within the Indian Where do you differ from those

Since 1948 many demands have en pressed upon the Indian Government give Cachar an independent status 2 State). Unfortunately, those demands were only on paper. Long disnegotiation, placing of lists of demands and memoranda in the usual ralled democratic forms - these were the characteristics of those move-

major upsurge or upheaval has been reganised before. Only in 1961 a tremlous upheaval took place in which eleven died, including one woman, in police firing. The crisis of leadership

People's tolerance has now come to its last leg. They are prepared to build mass movements to advance their demands. On the question of an independent Cachar, people are determined to take part in all forms of struggle. Under no circumstances will they allow themselves to be suppressed and exploited by the Government.

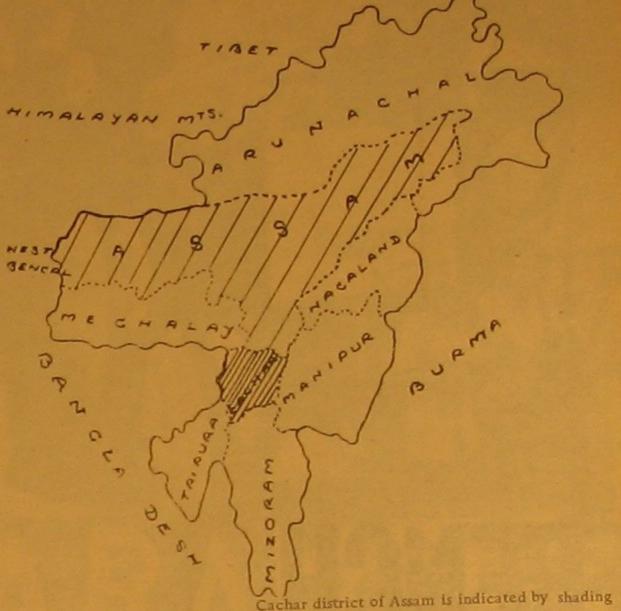
Question: Do you believe in a classless

Answer: I do believe in a classless society. I know that I am surrounded by class enemies and vested interest groups and people. I have to arrive at the classless society through struggle, this also I know.

some revolutionary forces in India. On the basis of silly pretences they usually try to remain outside the main current of the struggle. Now, if the revolutionary forces in India help me, if I get active support from the revolutionaries of the world, I am sure we can set up a classless society in Cachar.

Question: To what extent does your movement differ from the call for a Greater Bengal or a United Red Bengal?

Answer: For obvious reasons, I am not going to give a detailed reply to this question now. But if the Government of India goes on trifling with the life of the Bengalis, then whether the Government wants it or not - even whether the Bengalis want it or not - history will surely lead forward to that goal, that is, United Red or Greater Bengal.



Undoubtedly, Cachar is the weakest link in Assam's or India's chain. It has the resources to stand independently. People are now ready to go to any lengths.

Obstinacy and repression on the part of the Indian Government, I am stressing again, will give us the handle for giving hape to the slogan of United Red Bengal,

Indian CP and Trotskyism

(The following article was written for DIRECT ACTION by M. Rashid of Kerala, India.)

Comrade K. Damodaran is a top theore-(pro-Moscow). He is more popularly known among communists as "Marx of Kerala" due to his theoretical activities. Being one of the four founding members of the Communist Party of Kerala, comrade Damodaran was in the forefront to abuse and slander Trotsky and the Trotskyist movement.

Anyhow, Krushchev's revelations were an eye-opener to him. After the 20th Congress of the CPSU he waged a consistent fight against his Stalinist past. He was openly denounced the Russian invasion of Czechoslovakia. At that time he e was a member of the top hierarchy of the CPI and also in the Indian Parliamen The CPI central executive gave him fifteen days to rectify his position. He refused and so is now on the black list.

Recently, comrade Damodaran wrote an article in the theoretical journal (of which he was the editor) of the CPI urging a re-evaluation of Trotsky's theory of permanent revolution and also Stalin's theory of socialism in one country. In the same article he stated that the two-stage programme of revolution of the CPI and other Stalinist parties is contrary to the teachings of the Communist Manifesto. The CPI leadership immediately removed him from the editorship.

MEANSHURANIME

Afrique Asie, Paris; Abora!, Santo Domingo; Ananzada Socialista, Buenos Aires; Bandou Roja, Mexico City; Bandiou Rossa, Rome; sels; Himber, Hong Kong, Inprotor, Stuttgart; Izvestia, Moscow; Klassekampes, Aarhus, Challenge, Toronto; La Rai, Calcurta; Libera. and the language skill, you would still tion, Montreal; Marcha, Montevideo; Mayoria, miss the special quality that makes Santiago de Chile; Merario, Santiago de Chi- Interconfinental Press stand out from le, The Militant, New York; Le Monde, Paris; other weeklies - analyses of events by La Nacion, Buenos Aires; The New York Times: our staff of experienced political writ-Poking Raview; Permanente Revolution, Berlin, German Federal Republic, Preside, Moscow; le; The Red Mole, London; Road, Ghent, Bel- continental Press. Most of these are gium; Rouge Paris; Revolucion Penana, Lima; not easily obtainable elsewhere. Revolucion Socialista, New York; Rude Pravo, Prague; Sakai Kukuma, Tokyo; Socialist Ac-Caracas; Vrij Nederland, Amsterdam; Was Tien.

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Lip Factory Raided

BY SOL SALBY

A police raid on the Lip factory has ended the prolonged period of workers control in the plant. The factory has been run for several months now by the workers after the management threatened the closure of the factory. (For the complete story see: French Workers Take Over Watch Factory by Caroline Lund on page 20 in this DA)

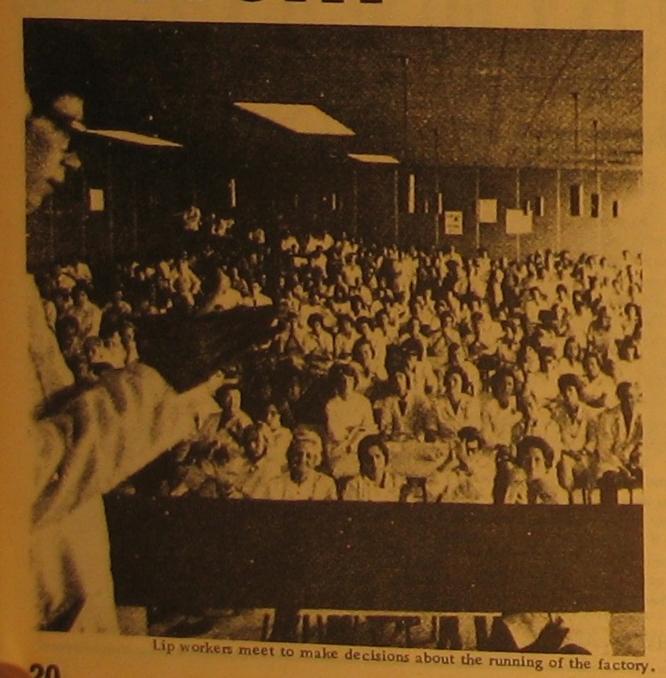
The police raid came at dawn on August 14. The workers were expelled by the police force which then took over complete control, 200 of the police, who outnumbered the defence guard by four to one surged inside while others cordoned off the factory. Soon after the raid thousands of workers and ownspeople rushed to the gates in. protest. Over 5000 people assembled

outside the factory gates by midafternoon.

The union movement also responded immediately with Georges Seguy, secretary of the CGT calling it a provocation and a challenge, with Francois Mitterand leader of the Socialist Party being even more critical. Mitterand, who is expected to be the left's presidential candidate in the next elections, charged that the raid showed the Gaullist Government's "scorn for the workers and for public opinion,"

The popular support for the Lip workers which delayed the French government intervention is goint to continue, Railway workers have already announced a one-hour stoppage to coincide with a mass rally and stoppages by other sections of the union movement are expected to follow.

IRIL UVLI



BY CAROLINE LUND

The long banner covering the fence at the entrance to the Lip watch factory in this town in eastern France reads: "It can be done - We are producing and selling, (Signed) The Workers."

The 1320 workers at Lip, France's largest, oldest, and best-known watch company, took over the enterprise on June 19 when faced by a company announcement of massive lay-offs and refusal to pay the workers salaries. Since then the workers have organised to continue production on their own, selling the watches they produce to the public at 40 per cent discount.

Popular support for the Lip workers is immense and has spread throughout France. Hundreds of workers - in delegations from factories all over France and from other European countries as well - have travelled to Lip to express their solidarity with the strikers, to buy watches, and to deliver collections for the support fund. Dozens of factories across the country have voted to launch unlimited strikes if the Government or the bosses move against the Lip workers by force.

In Besancon itself, a city of 140,000 the workers have received support from almost every local institution, from the trade unions to the masonic lodges to the Roman Catholic archbishop. On June 15, the archbishop of Besancon was one of the speakers at a regional demonstration of 15,000 held to support the Lip strike the largest demonstration in the city since its liberation from the Nazis in 1945.

To a visitor in Besancon, signs of support for the strikers are everywhere. One sees the red and white stickers on automobile windows: Support the Lip workers - No to lay-offs; No to dismantlement. Posters cover the walls, signed by the two unions at Lip, the CGT and the CFDT (Confederation Generale du Travail - General Confederation of Labor, and Confederation Française Democratique du Travail - French Democratic Confederation of Labor), the Lip Action Committee, the various far-left organisations. The main highways coming into the city are dotted with prominent red arrows pointing the way to Lip for the constant stream of factory delegations coming to visit the plant.

Reactions of the Capitalists

The French capitalist class is well aware of the implications of this new form of strike, unprecedented in France. For example, the Paris Chamber of Commerce and Industry warned: "Lip is the most distrubing social conflict ... because the continued operation of the factory, after a robbery, in essence, of the shareholders, calls into question the principles of authority, of property, of responsibility, of respect for contracts vis-a-vis suppliers and subcontractors, which are at the very base of our economic system and of our commercial law."

But despite their fears, the capitalist rulers are reluctant to move against the strikers because of the solid support they have received from the overwhelming majority of Lip workers and from the rest of the French working class. The basic issues generating the struggle at Lip - guaranteed employment for all and the sliding scale of wages - are issues touching all French workers.

The Lip Company is a subsidiary of Ebauches, S.A., a Swiss multinational corporation that also owns the Longines Company. Last April Ebauches announced plans for "restructuring" of the Lip enterprise in order to make it more profitable, resulting in lay-offs of 200 workers.

The workers responded with immediate protests. The CFDT and CGT unions at Lip initiated general assemblies of the workers to discuss what to do. Work stoppages and slow-downs were conducted. The workers covered the factory walls with leaflets and posters as part of an ongoing political discussion of how to assure employment for all. Objections from the foremen were overruled by the workers with the demand for "respect for freedom of expression."

Workers Rally Broad Support

The Lip workers turned to the population of Besancon for support to their demands for no lay-offs and no dismantlement of any sections of the factory. Workers passed out leaflets at entrances to the

city, engaging in dialogues with mor ists. One thousand of the 1300 Lin workers demonstrated on April 26 at the prefecture. On May 10 a rally of 5000 took place in Besancon in support of the workers' demands. On May 28 a delegation of 534 Lip workers travelled to Paris to demonstrate and appeal for support. Political discussions and meer. ings were taking place constantly in the factory on company time.

Since June 18 the struggle of the Linworkers has found an echo of solidarity across the border in Switzerland, where the problem of lay-offs in the watch industry affects thousands of workers. Many meetings have taken place in solidarity with the Lip struggle, and on June 23 there was a demonstration of 800 persons at the border town of Chamde-Fonds. Militants of the Ligue Mark. iste Revolutionnaire (LMR, Revolution, ary Marxist League, Swiss supporters of the Fourth International) were at the centre of the organising activities that built these support actions.

A turning point in the Lip struggle came on June 12, when the administrators of the factory announced to the workers representatives that the company was applying for bankruptcy, and the workers would no longer receive their salaries and also would not receive their vacation pay (vacations for all the workers were to start on June 29). Faced with this ultimatum, the workers representatives decided to hold the managers in their offices in order to find out more about the company's plans against the

Company Schemes Exposed

Going through the managers' portfolios, the workers found documents laying out plans for lay-offs of nearly half the work force at Lip, by dismantling whole sections of the plant. In a press conference held at the factory, the workers denounced the schemes and lies of the company that were exposed in the secret papers.

One of the documents described the company's plans to put aside 2 million new francs (about \$A 350, 000) for expenses from "social disturbances (foreseeable if this plan is put into effect)." Another revealed plans for a wage freeze, and the elimination of the sliding scale of wages and other benefits that the workers had won during the May 1968 general strike. Still another document detailed the methods of police surveillance used against trade-union militants

In the middle of the night of June 12-13, several hundred mobile guards and CRS (Compagnies Repubicaines de Securite-Republican Security Corps) descended upon the factory to "free" the two managers. Several strikers were injured in the brutal attack, which was obviously designed to intimidate the workers.

In face of these provocations, the Lip personnel voted in general assembly the following day for an unlimited occupation of the factory "to safeguard our tools." Their demands were for 1) guaranteed jobs; 2) continued payment of wages; and 3) the staggering of vacations. The workers foresaw that if all of them were to leave for vacations as usual, they would most likely face a lockout when they returned.

As security, the workers took over a store of 65,000 watches worth \$A 2 million and hid them in Besancon. "These watches are being kept as our guaranty of employment, " a spokesman for the workers told New York Times reporter Clyde Farnsworth. In a general assembly on June 18, the workers decided not to touch these watches, but to start up production again and sell the watches they produced to assure a living wage.

"They refuse to pay us our salaries? We're going to pay them ourselves," the workers declared. The decision was explained by union leaders as "self-defense, not self-mangagement,"

Six Organising Commissions

One assembly line was set in motion, and the Lip workers organised themselves into six commissions to carry out a long-term struggle. A production commission was responsible for producing the watches. A reception commission was set up to welcome and take care of visitors to the plant. A popularisation commission set out to spread word about the Lip struggle and to appeal for solidarity from other workers. A sales commission and a management commission were set up to organise the

af watches and the bookkeeping, red finally, a security and maintenance ommission was set up to organise a menty-four-hour defense guard for the actory and cleaning of the premises,

in response, the company accused the workers of theft and threatened to prosecute myone buying Lip watches for receiving olen goods. The workers answered: Nothing we are doing can be considered illegal. These watches are the fruit of

In 2 public statement denouncing "robben" and "unauthorised sales;" the company refused any negotiations until stop was put to "social agitation." The company attempted to justify its lans for massive lay-offs and dismantement on the grounds of increased mancial burdens due, among other things o losses resulting from the political develements of May 168 as well as obligations mposed on society in the social arena er the pressure of the same events.

a July 3 the capitalists of the province Doubs, where Besancon is situated, coclaimed indignantly that "the errors (management at Lip do not give the personnel authority to take the law into heir own hands."

the Lip workers answered this charge in the July 11 issue of Lip Unite, the inform. tion bulletin published by the popularisnion commission. The workers replied: But the right to order lay-offs, which gists right now, gives the bosses the right take the lar into their own hands. a fighting against dismantlement and w-offs, through effective forms of tion that are decided collectively and ere appropriate to the situation, we are sercising our legitimate right of defense.

lune 27 the women workers at Lip they are more than half the work force) ook to the streets in a special demonstraion together with their children to mphasise the meaning of the threat of memployment for their families.

Two days later, the company felt constrained to retreat a step. It agreed to my the workers their vacation pay and honus, hoping the strikers would leave the plant and the struggle would be diffused. But the workers decided to give port of their vacations and stagger them so that 600 workers would always be present to continue production and ule of watches.

Company Liquidates

leanwhile, after postponing a decision in week after week, the Besancon Inbunal of Commerce finally ruled by 13 on the company's application for bankruptcy. It declared liquidation of he enterprise, appointed a public trustee charged with taking an inventory, and athorised continued operation of the plant until December 31, 1973. The apitalist journal Les Echos publicly attacked the tribunal judge for "running may from his responsibilities" in legitimising operation of the plant under workers control if only until December.

a reality," wrote the weekly Politiquehebdo, "this decision seems to be an esact measure of the relationship of lorces established around the exemplary anggle of Lip."

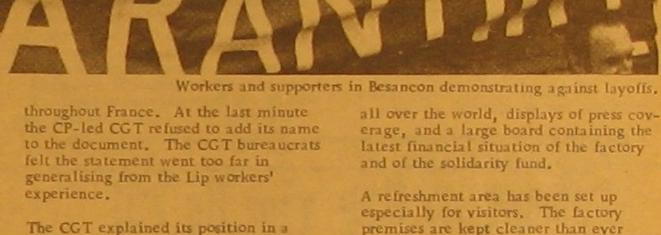
e Pompidou regime has also been steed to handle the Lip situation with od gloves. Edgar Faure, president of the tional Assembly, has made statements at the situation at Lip demonstrates that workers are capable of "participation" the running of a company.

wach President Georges Pompidou stated - July 19: "It is in the interests of everyincluding the workers, to arrive at agreement. To make a business run, it or not, you need money and you ted workers. Thus it is necessary that he two have an understanding."

be unions at Lip replied in a public tlement, pointing to the responsibility the Government "to make a rapid ecision that will assure the potentialities lip in its entirety. It is imperative at there be no dismantlement of Lip, that employment for all be

vanion delegate, quoted in the 1 20 issue of the Communist Party ly l'Humanite, noted that "the remment has to realise what the tatant threat of unemployment means a worker and his family."

solution that the Government has lorward as a way of diffusing the losive example set by the Lip workers



seperate statement, belittling the importance of the methods used at Lip. "It is strange," says the CGT document, "that those in power and so-called revolu- nine hours under the boss. tionary organisations join together in amazement that the workers of Lip prove the capacity of self-management...It is not a question of mindlessly copying forms of struggle which, while positive in a given situation, could prove to be not so good, and even detrimental, in

other cases."

Despite its wishes, however, the CP is powerless to keep the example of Lip from inspiring workers throughout France. The continued involvement of the rankand-file Lip workers, despite the many weeks of struggle, testifies to the depth of sentiment behind the workers' deman-

For example, one worker told a reporter from the revolutionary-socialist weekly Rouge about the long hours many workers put in for the struggle: "There are guys who work during the day and also take part in the night guard, in the weekend guard, etc. For example, last Saturday and Sunday I stayed about fifteen hours in in the factory. That doesn't keep me from coming back today.

"And then, you don't stay only in the shops; there are discussions. You have t keep on top of things. You go to meetings; you go to see the guys from the Action Committee, etc.

"This is why I am ready to do work that I would refuse to do in norma! times."

The struggle by the Lip workers for economic demands has taken on many aspects of a social movement. The workers have organised a whole program of social events to help maintain the solidarity and morale of the strikers, including presentation of theatre perform ances, singers, and films. General assemblies are held daily, where reports from the commissions are heard and important decisions made.

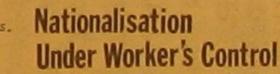
A child-care centre has been set up for hildren of the workers, and volunteers from Besancon are asked to help staff it.

The factory has been opened up to all visitors who solidarise with the struggle, and every care is taken to welcome then and inform them about the situation, The reception area contains photographi displays showing the course of the fight, long bulletin boards containing messages and telegrams of solidarity from workers s

all over the world, displays of press coverage, and a large board containing the latest financial situation of the factory and of the solidarity fund.

A refreshment area has been set up especially for visitors. The factory premises are kept cleaner than ever before. The production workers have found that they can produce in four hours under workers control what they did in

What will be the outcome of the Lip struggle? According to Daniel Montibelli, a CFDT member in charge of press relations for the popularisation commission, the workers would consider it a victory, and would turn over the factory, if a new capitalist would sign a written agreement to their demands: No dismantlement, guaranteed jobs for all 1300 workers, and maintenance of all other gains - such as the sliding scale of wages - won in the



Asked what he thought about the demand for nationalisation of the factory under workers control as a way to legitimatise the current situation, Montibelli felt that, of course, that would be best, but it was "only a hope, with not much chance of achievement." If Lip were nationalised under workers control, he said, "then all the workers of France would want the same thing."

The July 20 issue of Rouge, weekly newspaper put out by French Trotskyists, set forth the revolutionary-Marxist solution to the Lip "problem":

"In fact, there can be no good employer or good manager that will not raise the question of profits. Administrators can be changed and bankruptcy can be declared, but the financial problems of distribution and profitability remain. What's more, promises of guaranteeing employment can always be made, papers can be signed; it makes no difference.

"The capitalists will not hesitate to violate their own legality when their interests are at stake. So? Will the workers have to bear the costs of profitability, of the deficit? Not at all.

"Under the existing conditions, why won't the Government take over the Lip business, with the workers keeping charge of the management and of working conditions? Nationalisation of Lip under workers control is the only avenue that would allow for guaranteeing both employment and the other gains of the struggle. And what's more, it is the only realistic thing to do."

is a proposal that the workers take over the factory as shareholders in a cooperative. The workers have rejected this. A statement by the CFDT explains: "We are not going to fall into that trap... We would soon be stuck in the contradictions of the capitalist system and could easily be strangled in the economic

'We Don't Want to Become Capitalists"

Another statement by the unions states, "We are struggling against capitalism we don't want to become capitalists."

On July 18 the workers delegates announced their refusal to fill an order for 30,000 watches from a Kuwait businessman, even though it would have meant some \$4 50,000 in revenues. "We are not watch merchants and our aim is not to deal with businessmen who would retail our watches at a profit," stated the workers representatives, quoted in the July 19 Le Monde,

The Lip section of the CFDT and the Action Committee (a volunteer body made up of both unionised and nonunionised militants in the factory) drew up a manifesto which was approved by the workers in general assembly. Addressed to "all workers," it outlines the perspectives of the struggle:

"(The Lip workers) have shown that the bosses are not indispensable and that the workers are capable of organising themselves, on their own, even in the econon ic sphere (production and exchange of goods). It is not only the management of Lip that has been challenged, but the whole employer class ...

"Obviously at Lip we are in a priviliged branch of production: The watch is a finished product that is quite easily sold. The action carried out here is not transposable, across the board, to all enterprises. Nevertheless, the method we are using, adapted to local circumstances, can be utilised in hundreds of factories.

"It is up to you to think this over, to collectively take the initiatives necessary to enlarge the breach made in the 'system' that imprisons us...

"Our struggle can be an important gain for all workers, if tomorrow other attempts are made in the same direction if we collectively think out our methods of action to make them most effective.

Union Holds Back Support

A first run of 150,000 copies of these manifestos are now being distributed

400 Protest US Cambodia Involvement

BY STEVE PAINTER

On Friday August 10 around 400 people gathered in the Melbourne City Square to protest the continued United States intervention in the war in Cambodia. The rally was called around the demands that the United States end its intervention in Cambodia and that the Australian Government withdraw support including diplomatic recognition, from the Lon Nol dictatorship. Speakers of the rally included Margaret Holding from the ALP, Jean McLean, a leading figure in the Socialist Left of the ALP, John Lloyd from the congress for International Co-operation and Disarmament (CICD), Keith Langford from the Worker Student Alliance (WSA) and Steve Painter from the Socialist Workers League (SWL).

Support for the rally was indicated by the Minister for Overseas Trade and second ary industry Dr Jim Cairns. The minister called on Melbourne people to attend the demonstration and demanded the immediate cessation of the bombing.

Dr Cairns said Australia should never have recognised the Lon Nol regime in Cambodia and should acknowledge the exiled Prince Sihanouk as the head of

"The reason for the demonstration is to bring to notice the utter indefensibility of carrying on the war in Cambodia"

The rally was called to draw attention to the fact that the war in Indo-China is continuing and that the United States intervention in that war has not ended. Speakers emphasised the fact that although the United States bombing of Cambodia was due to end on August 15, continued US invervention was still probable through the medium of Thai and South Vietnamese troops and equipmilitary supplies to the Thieu and Lon Nol regimes would probably play an important role in holding back the Indo-Chinese liberation forces after August 15.

The rally was followed by a march through the city with stops in several places to address late-night shoppers Chants during the march included: US Out of Cambodia, US Out of Indo-China, and US Out Now. Unfortunately members of the Worker Student Alliance who controlled the public address system introduced a note of national chauvinism into the march with chants of Yankee Go Home and US Out of Australia.

The attendance at the demonstration was impressive considering that the action was only set 17 days earlier, on July 24, and that the Friends of Cambodia, the organisation which called the action, was only set up on that date. The short notice meant that some groups were not able to do much work for the action. But the success of August 10 indicates that potential exists for larger actions around the issue.

Parramatta By-election

The Maoist WSA showed that it has

The coming by-election in the Federal

seat of Parramatta is going to provide

the most serious test to the Labor Gov-

ernment since it assumed office. The

by-election was caused by the retirement

of the former Minister for Foreign Affairs,

While it has been commonly predicted in the capitalist press that the Liberals

ship is hoping to capture it. A change in the seat will not affect the working

of the Government as Labor already has

a comfortable majority in the House of

Representatives. But as a test of Labor's

rule and the actions of the Government

it will be watched with a great deal of

will retain the seat, the Labor lead-

BY SOL SALBY

learned nothing from recent events, both in Indo-China and in the Australian anti-war movement. It still wants to limit the scope of the anti-war movement by imposing upon it demands which are not designed to be comprehensible and to appear reasonable to large numbers of people. Instead the WSA insisted upon demands such as "an end to US economic, political and military domination of Australia", and called for support to Prince Sihanouk.

The complete support of the Maoists for Prince Norodom Sihanouk exemplifies their failure to comprehend this principle. To call upon the Australian Government to recognise the Sihanouk regime reflects a recognition of the real situation in Cambodia at the present time. Sihanouk apparently has the support of the majority of the people. However to march in the streets chanting "two, four, six, eight, Sihanouk must be Head of State", is to call for support for and confidence in Sihanouk, a feudal prince. No socialist participating in the anti-war movement could support such a demand and many non-socialist anti-war supporters would have grave doubts about supporting such

In building the anti-war movement the important thing is to secure agreement around the central issues. The anti-war movement brings together people who may have serious disagreements on issues other than the fact that the brutal intervention by the United States and its allies in Indo-China should end. Imposing broader demands as the basis around which the coalition works can only only exacerbate disagreements and serve to drive some elements out of the movement, thus limiting its potential.

If support is to be mobilised for the struggles of the peoples of Indo-China, then the aim is to formulate demands which will appeal to the maximum that the United States has no right to be interfering in the internal affairs of the people of Indo-China and that the US should withdraw and allow the Indo-Chinese people to determine their own



Sihanouk. . . Maoist choice for "head of

future. Around the demand that the Indo-Chinese people be allowed to their own affairs free from imperials interference, large numbers of peop can be mobilised while introducing issues such as US domination of Austral can only limit the potential of the more

The WSA, supposedly a socialist organ sation, also raised the slogans Yankee Go Home and US Out of Australia, Such demands have no place in the aptiwar movement and serve no purpose except perhaps to indicate the distance which the WSA has travelled along the road to collaboration with the Australia ruling class. Certainly no socialist who understands the role of bourgeois nationalism in dividing the working class on a world-wide scale would raise such demands. On top of that they introduce into the anti-war movement issues which can only divide it and which are not central to ending the war in Indo-China.

The aim of the anti-war movement is to achieve the withdrawal of the imperialist forces intervening in Indo-China in order to shape the future of that region to suit their own interests. Withdrawal of the United States and its allies will allow the Indo-Chinese people to run their own affairs. That is the position which can draw in large numbers of people to the anti-war movement - let the Indo-Chinese people decide for them selves. The WSA recognised the importance of the demand for withdrawal by making it the first point in the platform of the Friends of Cambodia, but they immediately counteracted that by adding a number of other demands including support for Sihanouk and an end to US "domination" of Australia, A sizeable anti-war movement can be rebuilt in Melbourne but it can only reach its maximum effectiveness if it is organised around the demand which strikes right at the imperialist intervention. That is the demand for complete and immediate withdrawal of all US troops, "advisers" and war materials

Two Socialists on Melbourne SRC

BY PETER CONRICK

In the recent general elections for the Student Representative Council at Melbourne University, the Socialist Youth Alliance ran three candidates, two of them being elected. The election was not fought along any particular issues by the majority of "moderate" candidates. Nonetheless, the elections received considerable interest this year as a focus of campus politics, despite the fact that the overall number of students voting had dropped from the previous year.

However, the presence of the two SYA SRC members, plus one or two leftleaning candidates who were successful will mean a qualitative change in the

In particular the by-election will be

watched closely by the leadership of the

three capitalist parties: the Liberal Party,

aspect of Labor's programme. A strong

swing against Labor on the other hand

ment to force a double dissolution of

both houses of Parliament by blocking

Commentators have predicted a Liberal

governments in past by-elections, On

the 18-year-old vote and the changing

the other hand Labor should benefit from

victory mainly on the trend against

the Country Party and the Democratic

Labor Party. A Labor victory will be

seen by them as a warning not to

role of the SRC at Melbourne.

One of the main reasons for the lower turnout was the nature of the election campaign itself. On Melbourne there are a series of electoral regulations which forbid the use of printed material in campaigns - as a result, the number of students actually knowing about the elections diminished. Of course this regulation effectively stifles the discussion of political issues around the elections, and favors the nonpolitical, "personalised" style of campaign utilised by the entrenched bureaucrats of campus politics. This

year was no different and the majority

nature of Sydney's outer suburbs, like Parramatta which reflected a strong trend towards Labor in the last Federal elections.

An important factor which could influence the election is the youth vote. While the final figures are not yet available the obstruct the implementation of any aspect electoral rolls show that only few of the newly enfranchised 18 year olds have enrolled. Labor's strongest support came will be seen by these parties as encourage- from younger voters last December.

Despite any disillusionment, which may important Labor legislation in the Senate. explain the lack of enthusiasm to enrol, it is important that Labor wins this byelection. No possible encouragement should be given to the capitalist parties, Only a vote for Labor can be seen as the complete rejection of the capitalist

The two successful SYA candidates were

of successful candidates were of the

apolitical; "moderate" variety.

Lorraine Huddle and Peter Conrick Huddle was elected unopposed as representative of the Architecture faculty. Conrick won a narrowly contested vacancy for Arts faculty representative by four votes.

In the elections for General Representative, a leftward swing was also eviden in the victory of current Farrago editor, Simon Marginson, Although Marginson maintains a reputation as a radical, the formulation of his platform was more concerned with welfare issues (such as the price of books) with a token acknowledgement of gay liberation thrown in at the end, Unlike the SYA programmes (which drew clear precise demands such as the creation of a women's studies course, staffed and controlled by women) Marginson simply used the women's and gay liberation movements as trendy vote-catches for the left.

Still, for the first time in almost three years, there is now a "left opposition" to the vacillating, fence-sitting policie of the Melbourne University SRC. Already there have been signs that this SRC will be more prepared to take a progressive stand on the mass moveme and struggles of the oppressed. Apart from sponsoring a petition in defence the outlawed Ligue Communiste (the French section of the Fourth Internation al), the SRC also provided finance for the demonstration held in Melbourne o August 10 against the bombing of Cambodia.

LETERS TO THE EDITOR

can't see how this squares with the

article by Penny Jackson in DA entitled

"Sexism defeated on Adelaide Campus,"

In this article, it tells how women's lib

stood against the strippers, Why? I

lining up with the Christians (!) How

blue movies (DA 39 and many others),

restriction of strippers. Only puritans

can say it is exploiting women, but

then what was wrong when they said

there would be both male and female

strippers? I notice the article didn't

say blue movies were opposed. Does

this mean you didn't oppose them? If

difference between strippers and blue

movies. You speak against the society

'backward". But isn't that what we are for? Similarly with the Coburg High

Quest. As a girl from Coburg-High; I

don't feel exploited, they just want to

want to go in quests in front of the

see who is the most beautiful. If girls

public, and women want to strip in front

of other people, why shouldn't they, and

why shouldn't people watch them? How

can the bourgeois not want people to

This is the way I see it. Maybe I am

watch pornography, but want us to

watch strippers, at the same time.

leaving something out, and if so I

would be grateful if someone there

could inform me what it is. By the

way, I don't think of this letter as an

attack on revolutionary ideas: I think

you have betrayed revolutionary ideas

DIRECT ACTION has always opposed all

forms of political and cultural censorship

because we do not think that there should

be any laws which restrict peoples' access

However, while supporting the right of

people to access to "pornography", for example, we recognise that most porn-

ography expresses the sexism and anti-

That is why we support struggles such as

those against strippers on Adelaide cam-

which attempt to explain the function of

pus and the "Miss Coburg High Quest"

such displays and parades in sexually

peoples' consciousness and ideas.

objectifying and dehumanising women

i.e., we support the struggle to change

woman prejudices of our society.

A student from Coburg High

in your article.

should know that the girls participating

for the total abolition of morals as

so, congratulations, but I can't see the

can go against strippers. Of course you

can you go against laws restricting

yet at the samt time support the

notice that by doing this they were

FORCED STERILISATION

In DA (July 19) you mention the case of forced sterilisation concerning the Relf

Well, women are again being pressured but this time in England by doctors who will only do a nationalised abortion if it ncludes sterilisation. Sometimes, they openly make it a condition of the abor-

Thousands of women have had to make a hasty decision on sterilisation in the anxious weeks that they also decide on

A leading medical magazine pointed out Even when age is allowed for (sterilisation is more common among older women) the increased MORTALITY for abortion with sterilisation is striking."

On a purely medical side, a combination operation is considerably more dangerous.

Overall, more than a third of abortions in National Health Scheme hospitals include sterilisation. Single women are prely sterilised. But, if the number of married women aborted is analysed, the proportion rises to a staggering high one in two. A quarter - approx. 3700 are under 30 years old. Approximately the same number have two or less

While 46 per cent of all married women lave an abortion with sterilisation, Liverpool and Birmingham (who don't like ike abortions) sterilise nearly two-thirds i married women who have abortions.

ne sterilisation unit at Birmingham terilised about 800 women a year and dmits that between 1 and 1.5 per cent romen change their minds.

So, are all those abortions that supposedly ause sterilisation caused by backyard abortionists or by "good thinking" doctors, again punishing women for trying to do a good turn for their family and have control of their own body?

Mrs L, of Lakemba

Dear Comrades,

The Socialist Youth Alliance and the women's liberation movement have always given full support to struggles for full sexual liberation. You support abortion on demand, freely available contraception, gay rights, pre-marital ex, etc, and you oppose pornography is (such as the one earlier this year). for always come into conflict with

Stripping and beauty contests have nothing to do with "sexual liberation" but merely reflect the distortion of sexuality and human relationships under capitalist society.

Cook, Western Australia, Tasmania and

Flinders University) we have quite a fee

DIRECT ACTION gets around to more

various colleges of advanced education

provide excellent sales. For example

a lunchtime visit to Wollongong's two

CAEs resulted in 48 DAs being sold.

(CAEs), teachers' and technical college

than just university students. The

DA GETS AROUND

ing DIRECT ACTION on the streets the most reliable and steady source of ales. But, the easiest sales can be made at workers' stop-work meetings and on the campuses.

th staggered holiday periods the ability of these sales is affected, so any students take subscriptions. We now of over a hundred subscriptions om the University of New South Wales one but exact figures are hard to me by because many students subs oscribe by mail or buy their subscripons down-town.

vertheless during university term les on campus are very good. In two three sessions during lunch time ighty to ninety copies can be sold by YA members on campus.

this way DIRECT ACTION gets sold gularly on eleven of Australia's uniensities. On the other four James

Sales would have been higher had it not been for our three sellers being ejected by the administration, Sales at colleges of advanced education are limited by their authoritarian

administration and it is particularly difficult for outsiders to sell in these colleges because of this. If you are a student in any of these colleges why don't you try and help us.

We can send you or anyone else a bundle of 10-20 DAs for sale.

() I would like to subscribe to DIRECT ACTION at 15 issues for \$1
() I would like to subscribe to DIRECT ACTION at 1/3 discount) I would like to take a bundle of DIRECT ACTION at 1/3 discount to sell

Send to DIRECT ACTION 139 St Johns Road, Glebe 203

DIRECT ACTION FORUMS

Sydney at 139 ST JOHNS

ROAD, GLEBE.

Friday, August 31, 8,00 pm
"THE PALESTINIAN REVOLUTION AND THE ARAB EAST" Sol Salby, Israeli-born socialist analyses the impact that the Palestinian revolution has had on the whole Arab East.

Friday, September 14, 8.00 pm
"BEHIND THE CRISIS IN ARGENTINA" Mike Jones analyses the present crisis in Argentina and the development of the coming revolution there.

at 140 QUEENSBERRY STREET, CARLTON.

Peter Conrick discusses various concepts of workers control and its revolution-

Thursday, September 13, 8,00 pm
"LABOR'S FOREIGN POLICY" Just how different is Labor's foreign policy from that of the Liberals? Has there been a radical break from the past? Speakers will discuss the development of Labor's foreign policy.

JOIN US!

olutionary organisation of high-school, university and working class youth. Our goal is socialism. We aim to establish society where the resources and industries are owned and democratically SYA supports the struggles for socialist controlled by those who use them instead of by a tiny handful of profiteers. Europe and China. A planned economy can translate the worlds resources and technology into a decent life for every human being.

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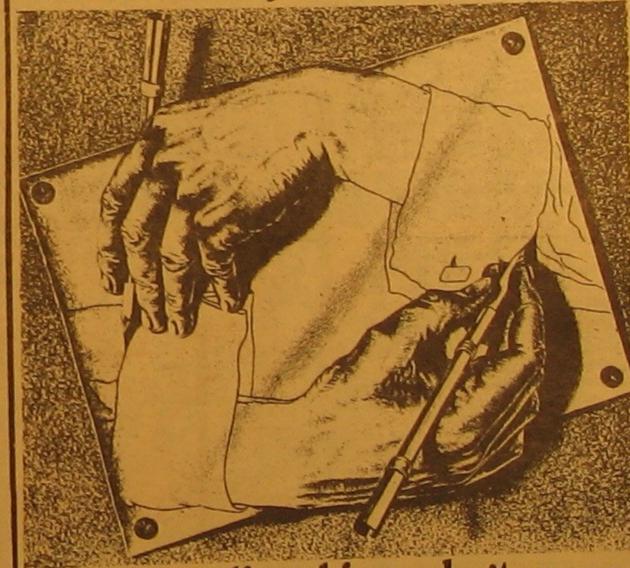
SYA is on the side of the Indo-Chinese, Palestinians and Irish and all other oppressed people fighting for their

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It's all very well on paper.



But in reality things don't come from nowhere. Money is no exception.

ur DIRECT ACTION fund drive for \$5000 continues. In order to acquire ome much-needed equipment, namely Donations have been coming in headliner and a new typesetting nachine we have to raise money from

A friend offered to donate a dollar for

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to contribute so that our plans don't stay on paper. I donate \$50.....\$20.....\$15.....\$10.....\$5.....\$2.....\$1..

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DIRECT ACTION

What the Discussion at Ottawa Meant

HE PM'S CONFERENCE

BY JIM McILROY

The Australian Prime Minister, Gough
Whitlam, continued to push forward the
new themes of his Government's foreign
policy at the Ottawa Commonwealth
Prime Ministers' conference which ended
on August 11. His attacls on the
British Prime Minister, Edward Heath,
and Singapore Prime Minister, Lee Kunn
Yew, as "the last of the conservatives"
were intended to dramatise his view of
the changing nature of the Commonwealth, and, of international relationships generally. Whitlam wanted, in
Ottawa, as in Washington and elsewhere,
to break from the cold war image of
Australian foreign policy characteristic
of the Liberals and adjust to the new
realities of the break from British and
US domination of the ex-British imperial
section of the capitalist world.

That Whitlam could be critised by Heath

That Whitlam could be critised by Heath for bringing "party politics" into a Commonwealth conference for the first time ever shows the nature of these conferences traditionally — a fireside chat for political leaders for mutual co-operation in maintaining themselves. None of the leaders present headed governments capable of tackling the vast problems of the working populations or the ethnic minorities of their countries.

Lee replied to Whitlam's charge about his being the last of the conservatives, along with Ted Heath, by a hot denial: "I don't know who's left or right", he said. And later, he said: "I don't know whether to be flattered that I'm not put together with "the generals in the bloc!", referring to the group of African military dictators. "The fact is that we have varying views on varying subjects. Being left or right, conservative or socialist, makes very little sense these days." It certainly makes no sense describing Commonwealth leaders as socialists. Lee's reputation as a 'socialist' is rather hard to credit—as a man who gaols real socialists in Singapore, suppresses the Press, and is a rabid and unrepentant cold war warrior from way back.

from way back.

The Commonwealth conference did however provide a reflection of the new complexities of the international situation during the beginning phase of the detente between Washington and the bureaucracies of Moscow and Peking. This front was made on August 11 by Robert Duffield, foreign editor of the Australian in discussing the Whitlam/Lee debate as representative of the continuing pro and anti detente forces in the capitalist world. He writes:

"We are not as free as developing countries might think to help them because of control of large sections of our economy by multi-national corporations, the Prime Minister said. "Australia is not fully master in its own house."

The Melbourne Age on August 14 reported: "On his speech to the conference on multi-national corporations, Mr Whitlam said Britain, through its

giant companies, was seeking to dominate Commonwealth countries.

"Corporation domination would replace the old dominations of sterling, imperial preferences and military and administra-tive arrangements,"

leading Tory and yachtsman Ted Heath immediately criticised this statement, He attacked what he called Australia's "new economic nationalism", and accused the Australian Labor Government of trying to create an international cartel of mineral producers.

Edward Heath made one valid point.
He refuted Whitlam's argument that
Australia had much in common with
developing nations because it depended
on primary products and mineral exports,
by pointing out that this was not
necessarily the key point in determining
who was gaining from multi-national
investment.

Heath pointed out that Australia, New Zealand and Canada had a higher per capita income than Britain's. The real standard of living and quality of life of a country depended on per capita income, not on gross national product.

The point is that Australia is a beneficiary of the international imperialist economy overall—not an oppressed nation, as Whitlam and others, would have us believe. To identify with the colonial countries in this way is politically useful for Whitlam, but hardly realistic. Australia is stuck with multinational corporations, its economy feeds off overseas investment. The only way to break with this situation is to sever links with the imperialist system completely and establish a nationalised economy under workers control.



The logic of this step, of course is right outside Whitlam's way of thinking. This contradiction in the Labor leadership's policy must be brought out more and more as the problems of the world economy deepen

Whitlam's duel with the "two conser-vatives". Lee and Heath has exposed two sides of the present world situa-tion and the Australian Labor Govern-ment's response to it.

One, the debate over the new detenter Can it be more successful in turning back revolution in the colonial world when the cold war failed? A forlorn hope indeed. Two, the new rivalry between large and small capitalist powers: where do the interests of Australian capitalism lie?

The Labor Prime Minister's tirade against multi-national corporations is a response to the growing feeling of hostility by Australian working people to the predatory activities of big business - to inflation, to speed-ups, corporate greed, to deteriorating condi-

A struggle within the Labor Party and outside it must be waged to pose correct alternatives to reject nationalist sideroads, to throw up demands which challenge the status quo at its basis. The Socialist Left, in particular, must not succumb to the nationalist illusion, which only falls into a trap laid by the Whitlam leadership. Rather, socialists should analyse the changing nature of the US-Australia alliance, perceive its more complex character today, and seek to challenge any attempt to shift the economic problem of this country onto the working people of other countries.

Duffield goes on to suggest Whitlam's purpose in his intervention at the Commowealth conference, particularly as far as developing an image with the colonial world is concerned. "Despite setbacks, other than Harry Lee's sarcasm, he (Whitlam) has established particularly with the African members of the Commonwealth, the image of a new, progressive, semi-socialist Australia no longer tied to anyone's apron strings,"

'Semi-socialist' is as far as it gos, co tainly. But which half of the new is it? Gough Whitlam's main coests in the solution of the problems of African liberation during the coests was to offer to contribute Australia police to help supervise a 'settlemer of the dispute in Zimbabwe (Rhoden) part of a multi-national scheme regated by Canadian Prime Ministr Trade

The Melbourne Age reported on Age 11: "Mr. Whitlam said such a pen could help reassure whites in Rhotis that they would not be subject to red in the wake of a settlement. This creduce their intransigence." Incomparing the subject of the words, Australian police are to be set to enforce a 'solution' on the black pele of Zimbabwe, which will be an able' to the white colonial minority.

Where is the 'socialism' in thi? A socialist solution is to assert the base right to full self-determination for the oppressed black majority of Zimbaba irrespective of the tender feeling of the white settlers. No capitalist police force is going to "supervise the solution., Australian police would be used in a similar role to their presence in the UN - sponsored 'solution' in Cyprus — a solution which meet helps to enforce the status quo in that country.

The fact that Whitlam also dealed the Australian troops would be used is a clear response to the strong feeling engendered in Australia against fortige military adventures after Vietnam, it is indicative of the emphasis on a were 'civilian', not' military' defece with Whitlam is seeking to promote that poice, not troops would be used, the function is quite similar.

Another reflection of the new interna-ional situation was the Whitlam/Hear confrontation at the conference over trole of multi-national corporations. Whitlam's strong speech condeming a role of the multi-nationals drew Hear fire, as the direct representative of capitalist interests in Britain,

Whitlam said that, like Canada, Aslia had the problem that its industrial
output was controlled by multi-miss
corporations. There was a tenders,
"blame or credit governments of may
developed countries on trade and most
tary matters" — but multi-miss
corporations are developing an exists
of their own. of their own.

