



Australian Marxist Review

Theoretical journal
of the Socialist
Party of Australia

- ★ *The Accord*
- ★ *Left Unity*
- ★ *Lessons from SEQEB dispute*
- ★ *Communist morality*
- ★ *More consequences of the Accord*
- ★ *Third World Debt*
- ★ *Global problems — global co-operation*
- ★ *Rizospastis: voice of the truth*

QUARTERLY
NEW SERIES No 14
MARCH 1986
Price 60¢

Australian Marxist Review

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**Published by New Age Publishers
for the Socialist Party of Australia
65 Campbell Street, Surry Hills 2010
Phone (02) 212 6855**

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There's nothing new about the Accord

by Jack McPhillips and Anna Pha

Although the wage restricting purposes and effects of the ACTU/ALP Accord are main features of that document and are widely known to workers, the concepts on which it is based are even more important and their implications wider.

These concepts include:

- ★ wage levels are the main and even the sole cause of price inflation;
- ★ as such they are responsible for economic instability and even economic crisis;
- ★ workers are responsible, at least to a substantial degree, for economic difficulties and consequently have a responsibility to assist overcome those difficulties;
- ★ workers (labour) and their employers (capital) share common interests in the development of a capitalist economy and in overcoming its difficulties;
- ★ capitalism is an acceptable social-economic formation and must be preserved;
- ★ there is need for collaboration between labour and capital.

There is really nothing new in those concepts. They are standard for representatives of capital, they have been frequently adopted and acted upon by governments of Social Democracy, such as the current Labor Government in Australia and have, upon occasions, been adopted by some of the leading bodies and persons in the trade unions.

They have always been opposed and resisted by genuine communists.

Those supporters of the ACTU/ALP Accord who claim uniqueness and exceptionalism for that document are unaware of or ignore certain facts of history.

As far back as 1927 the concepts of common interests and collaboration between employers and union organisation were advanced in a formal manner by employers in England and accepted and acted upon by the British Trade Union Congress.

In November 1927, Sir Alfred Mond — later Lord Melchett — acting on behalf of a group of employers, addressed a letter to the General Council of the TUC inviting representatives of that body to join him and his capitalist colleagues in discussing certain problems marking the then current conditions in the British economy.

His letter said: “The movement towards industrial cooperation has recently received a great accession of strength and there seems to be general agreement that a useful purpose would be served by a consideration of certain fundamental factors in industrial reorganisation and industrial relations . . . The necessity of every action being taken to achieve the fullest and speediest measures of industrial reconstruction, therefore, impels us to seek the immediate cooperation of those who are as vitally interested in the subject as ourselves. We believe that the common interests which bind us more powerful than the divergent interests which seem to separate.

“The prosperity of industry can in our view be fully attained only by full and frank recognition of facts as they exist and an equally full and frank determination to increase the competitive power of British industries in the world’s markets... That can be achieved most usefully by direct negotiation with the twin objects of the restoration of industrial prosperity and the corresponding improvement in the standard of living of the population”. (Trade Union Documents by W. Milne-Bailey published by G. Bell & Sons Ltd, London, 1929, pages 253-4.)

The address by the President to the Trade Union Congress in that same year (1927) contained the following:

“We all know — employers as well as Trade Unions — that the vexatious, toilsome and difficult period through which we are passing is a transitional period. Much fuller use can be made under these conditions of the machinery for joint consultation and negotiation between employers and employed. Discussion on these lines would bring both sides to face with the hard realities of the present economic situation, and might yield useful results in showing how

far and upon what terms cooperation is possible in a common endeavour to improve the efficiency of industry and to raise the workers' standard of life. We should not be deterred by allegations that in entering into such discussions we are surrendering some essential principle of Trade Unionism". (Ibid. page 252.)

Those discussions did take place over a period and were formalised at conferences which made decisions and issued documents.

On July 4, 1928, "The Conference on Industrial Reorganisation and Industrial Relations" adopted a "Scheme" and said:

"This Conference is convinced that the most valuable and helpful element towards seeking a means of preventing disputes lies in the main objective of the Conference — the strengthening of good relations between organisations on both sides and their recognition of joint industrial responsibility. This Conference believes that a broader acceptance of the responsibility of industry as a whole for the avoidance of stoppages of work should be developed". (Ibid. page 258)

The Annual Report of the General Council to the Congress in 1928 referred to what was called "The Mond-Turner Conferences". It referred to the difficult circumstances of the time and set out three courses which were available to the trade union movement. Two of those courses were based on concepts of the class obligation of the unions. The third course was stated as follows:

"The third course is for the Trade Union Movement to say boldly that not only is it concerned with the prosperity of industry, but that it is going to have a voice as to the way industry is carried on, so that it can influence the new developments that are taking place. The ultimate policy of the movement can find more use for an efficient industry than for a derelict one, and the unions can use their power to promote and guide the scientific reorganisation of industry as well as to obtain material advantages from that reorganisation. Faced with the situation that now prevails in this country, the Council has taken the view that the third course was the only one it was possible to take if the Trade Union Movement was to endure as a living, constructive force". (Ibid. page 427)

Two years after these noble (?) concepts were developed the workers of Britain were unemployed by the hundreds of thousands, impoverished and feeding from charity soup kitchens.

That was not the fate of Lord Melchett or the TUC leaders who developed the concepts of "common interests" and class collaboration.

But almost 60 years after "Mondism", the same concepts upon which that infamous scheme was based are enshrined in the ACTU/ALP Accord — Mark I and Mark II — and the same class collaboration proposals are being advanced and acted upon by sections of the employers and sections of the trade union leadership.

In fact, the very views enunciated by the British trade union leaders in 1927 and 1928 are being repeated today in Australia by union leaders supporting the Accord.

Attempts at this process of class collaboration were made, in the form of proposals for a "Industrial Peace Conference", by Prime Minister Chifley and subsequently by Prime Minister Menzies. Both attempts were rejected by the unions.

But "Mondism" did not die. It was revived in varying forms in several European countries and in Britain in the 1970s.

A widely used means of implementing the principles of "Mondism" is the so-called Social Contract. A symposium on trade union problems organised by the *World Marxist Review* in April 1982 and involving representatives from several forms of social contracts which had operated in Luxembourg, Denmark and Austria.

A report of that symposium contained in *World Marxist Review* No. 12 of 1982 contained this observation on the experience in Austria:

"They (Government, business and union leaders) take joint decisions on the main social and economic problems, bypassing the elective organs. In political terms, 'social partnership' binds the trade unions to participation in spreading the deliberate lie about there being some kind of community of interests between capital and labour. In economic terms, it serves capital, because it imposes on the trade union leadership a renunciation of the use of the militant potential of the working people in the struggle for their own economic interests. With the 'social partnership' policy is closely connected the limitation of democracy in every sphere of trade union activity. Its main principle is the cutting short of any mass action in order to provide the leadership with the conditions for conciliatory activity". (page 56.)

The *WMR* discussion revealed that the unions of Luxembourg allowed themselves to become involved in social partnership when the economic outlook was relatively favorable. They adopted "...an institutionalised system of trilateral cooperation enacted legislatively. They agreed to a collective contract, a so-called zero contract, which is (was) in force until the end of 1983 and which says (said) that until then the trade unions will (would) not demand any wage rises, provided wages are automatically adjusted to the growth of prices. But indexation has been abolished by the Government and the crisis has induced the employers to go back on these obligations... all these events have forced the trade union leadership to recognise the futility of the model based on 'social partnership' and to resort to measures of protest...". (*WMR*, No. 12, 1982, pp 57-8)

The *WMR* discussion revealed that Denmark had an incomes policy, in many respects similar to the ACTU/ALP Accord, which sought to improve international competitiveness and to create conditions necessary to attract more capital investment, and thus more new jobs. The outcome of their incomes

policy, according to the representatives of the Danish trade unions at the symposium, and based on government statistics was a fall of 12 per cent in real wages of workers who were members of the Central Association of the Trade Unions of Denmark and those of Government employees dropped by 24 per cent.

The Danish representative went on to say:

“Consequently the characteristic thing about Denmark is that the offensive by capital was being supported and encouraged by the social democratic government...”

“‘Higher wages or new jobs’ — that is how the employers’ union, the Central Association of the Trade Unions and the Government see (saw) the alternative on the eve of the 1983 wage-rate bargaining, but everyone knows that the restraint on wages did not create additional jobs and that on the contrary, the number of unemployed since 1979 has doubled. In 1981, of the 1.5 million unionised wage workers, 700,000 i.e. nearly one half, variously resorted to the unemployment aid in fund. The number of unemployed averaged almost 300,000, to which should be added 100,000 persons who have more or less voluntarily left the labour market”. (*WMR*, No. 12, 1982, pp 57-8)

The experience of workers in Britain with forms of social contracts is discussed and to some extent documented in a publication dealing with the ACTU/ALP Accord and published by the South Australian Institute of Teachers (SAIT). Titled *The Prices And Income Accord SAIT Kit* and dated July 1983 this publication reproduces material from British publications dealing with the period of a social contract under Labor Governments in the mid '70s. It also includes other sources of information dealing with the Accord and a commentary by a South Australian SAIT activist, Clare McCarty.

The material from the English publications and Ms McCarty's personal observations reveal a striking similarity between, and in some respects an identity between, the activities and statements of leading figures in the British labour movement and persons similarly placed in the Australian movement.

Ms McCarty points to the fact that in Britain the concept of “social contract” was developed by the Labour Party as far back as 1965 and observes:

“In fact the ideas and rhetoric from 1965 onwards are amazingly similar to what we are hearing in Australia now. The results were devastating to the British working class”.

She says: “It (the Social Contract) began officially with a statement of intent from George Brown, just after Harold Wilson (now Lord Wilson) had come to power in 1965. The statement of intent on ‘Productivity, Prices & Incomes’ was meant to ‘Ensure that the benefits of faster growth are distributed in a way that satisfies social need and justice’”.

Despite these noble intentions that plan was dead at the end of twelve months. It was followed, under the same Government, by other schemes said to be aimed at controlling wage levels and prices. Ms McCarty observes:

“It was in fact the lower paid workers who finally smashed the incomes policy in the Autumn of 1969. Five years of Tory rule saw a continuation of wage restraint called Phases 1 to 3. The Tories were decimated by the Miners’ strike. Labour was back again in 1974”.

The Labour Government’s scheme for restricting and controlling wages provided the basis and precedents for the Tory Government’s scheme. But the earlier experiences did not provide adequate lessons for the returned Labour Government in 1974.

McCarty goes on to observe:

“This time the policy had to be different. The difference was in the rhetoric not the scheme. It was described as an Incomes Policy not for economic growth but to avert ‘catastrophe’ — huge unemployment and inflation. Wages were not to be improved but rather living standards were to be ‘maintained’. Realising that some workers might be a trifle uneasy at this rehash of 1965 and might even think they were being tricked into paying for a crisis not of their own making, the Labour Manifesto of 1974 emphasised the real distribution of wealth aspect and added a paragraph to waylay any fears of being conned: ‘It will bring about a fundamental and inevitable shift in the balance of power and wealth in favour of working people and their families. Only practical action by the Government to create a much fairer distribution of the national wealth, can convince the worker and his family and his trade union that an incomes policy is not some kind of a trick to force him to bear the brunt of the national burden’”.

McCarty records the fact that “The Trade Union Congress endorsed the Social Contract agreeing to cost of living increases, and wage rises only at 12 monthly intervals”.

The extracts from British publications used in the *SAIT KIT* record the Government leaders — Wilson, Healy, Callaghan — enlisting the willing and enthusiastic assistance of Michael Foot and such leading allegedly left wing union leaders as Murray (TUC), Jones (Transport and General Workers), Scanlon (Amalgamated Union of Engineering Workers and a member of the Communist Party of Great Britain), in selling the Social Contract to the workers.

In that process the Labour Party and trade union leaders used many of the arguments used by their counterparts in Australia. Here are some examples of this taken from English publications and recorded in the *SAIT* publication:

- ★ Pay curb guidelines drawn up by the Trade Union Council economic committee is summarised as including “Priorities are to negotiate agreements which will have ‘beneficial effects on unit costs and efficiency’”.

- ★ The TUC Congress in early September (1974) took place in the shadow of the forthcoming general election. ‘We’re all for getting Labour’s re-election with a big majority and that’s what it’s all about this week’ commented Jack Jones of the giant Transport and General Workers Union.

Jim Callaghan as Labour Party Chairman spelt out the “consequences” of rejecting the social contract. “Rejection will make the task of a Labour Government in arresting inflation and preventing mass unemployment that much more difficult”.

★ Summing up at the end of the TUC conference Wilson, with the decisions under his belt could afford to be blunt. “The Labour Government wants to see industry prosper, and this means a Stock Market strong and confident enough to help industry raise the finance required for industrial investment... for this investors must have confidence in the viability of industry and that means its profitability”, he told the delegates after telling them that living standards would do well to stay the same over the next two years. Far from finding all this strange the delegates gave him a massive ovation and Jack Jones even went so far as to call it a vision of “a new Jerusalem”.

Less than ten years later those concepts and arguments were being echoed in Australia by leading members of the Labor Government — Hawke, Keating and Willis — and by leading officials of the trade unions such as Kelty and Crean (ACTU), Carmichael and Halfpenny (AMWU) and others.

Adding to this evidence of similarities between the period of social contracts in Britain and the ACTU/ALP in Australia Clare McCarty says:

“An agreement between the TUC and a Government had lead to the TUC and a Government had lead to the TUC defending the scheme or the agreement, rather than its members. TUC officials took on a ‘policing’ function of rank and file unionists which emasculated struggle over such a period of time that it paved the way for an acquiescence to the right, so much so that the Thatcher Government has since been able to grind the working class to the ground.

“Some examples of the ‘policing’ role of the TUC are: threatening the seamen with expulsion if they went on strike, threatening the Leyland tool room with the sack if they did, refusing to support maintenance workers at Heathrow airport and electricians at the Port Talbot Steel Works.

The Times not surprisingly celebrated this situation: “The trade union leadership has come to occupy the position the boss has occupied, that of the man who has the responsibility to say no”. All that too has since been echoed in Australia.

No, there is nothing new in the class collaboration concepts on which the ACTU/ALP *Accord* is based, neither Mark I, Mark II or the now heralded *Accord* Mark III.

The lessons of the detrimental experiences of Social Contracts have not been lost on the workers and their trade unions in Britain. Clare McCarty in her contribution to the South Australian Institute of Teachers quotes from a resolution of the British Trade Union Congress, October 8, 1982, as follows:

“Congress reaffirms its support for free collective bargaining and the right

of workers and their unions to negotiate wages and conditions without any interference of statutory control. Congress also reaffirms its decision to reject the theory that wage increases are the primary cause of inflation and unemployment. Therefore, to this end, Congress does not agree to any discussion on pay restraint with this or any other Government". (The Government then was the Thatcher government.)

McCarty comments: "This motion, put by the small Constructional Engineering Union and backed by the huge Transport and General Workers, was passed by a massive vote of 6 million to 4 million (a card vote). It succeeded despite attempts by TUC official to keep it off the agenda. It succeeded despite the all too familiar threats that such a motion would spell doom for an election of a Labour Government. Nor can it be seen as a right-wing move. The most powerful speech in favour of the motion came from the Vice-President of the National union of Miners and member of the Communist Party, Mick McGahey, who said, 'Social contracts have been the Achilles heel of this movement'".

On that McCarty comments: "British unionists should know, they've suffered the consequences for seventeen years". (They are still suffering).

"It hasn't worked in any other country. It won't work here".

Left Unity

by Alan Miller

The program of the Socialist Party of Australia (SPA) says:

“The Socialist Party will unite with political forces in the left-wing movement on the basis of serving the interests of the working class.

“Ideological differences should not be a barrier to left unity. Such differences, however, cannot be ignored and the SPA will struggle uncompromisingly for Marxism-Leninism. The handling of differences should serve both the ideological interests of the working class and strengthen unity of the working class on a principled basis.

“Left unity serves the wider purposes of the united front of the working class...

“The Socialist Party puts forward the united front as a political concept the essence of which is unity of those forces favouring a revolutionary change to socialism with those who, as yet, limit their political concepts to the struggle for reforms. In this regard, the Marxist-Leninist party is an essential element in the united front and has the responsibility to use the experiences of the united front to maximise the socialist consciousness of the working class”.

From this statement, the following important conclusions can be drawn.

1. That left unity is the core of the united front of the working class, although both left unity and the united front are part of an integrated process.
2. That a Marxist-Leninist party is the driving force in this integrated process.

With these concepts in mind, the Victorian State Committee of the SPA organised a seminar in Melbourne late August 1985 to celebrate the 50th Anniversary of the 7th Congress of the Communist International (CI) report by Georgi Dimitrov, dealing with the need for a working class united front against war and fascism.

The seminar was called on the question "What is the correct path to working class unity?" The State Committee set about to involve left-wing political forces in the seminar, i.e., those which had a firm commitment to class struggle in the workers' interests and a socialist-oriented approach to social change. Although the SPA was already involved in unity processes in Victoria, particularly in the trade union movement, there was an urgent need to do more about left unity at the highest possible political level because, as the party pointed out at the seminar, such unity "helps develop united activity at all levels, including the most basic bread and butter level."

The seminar revealed agreement around some very significant matters. They were:

1. That ideological differences should not bar the way to united left activity
2. That ideological differences should be handled in such a way as to serve the most advanced political interests of the working class.
3. That left unity, in the context of the working class movement, required a firm commitment to anti-imperialist, pro-socialist positions and to a rejection of class collaborationist concepts such as those associated with the Prices and Incomes Accord.
4. That certain former left representatives in the labour movement, although continuing to use left phrases, no longer take a left-wing approach but seek working class accommodation to capitalism and capitalist thinking.
5. That the building of left unity is an urgent matter to serve the purposes of working class united activity. This urgency is brought about by the serious nature of imperialism's threatened use of nuclear weapons, its attacks upon the living standards and democratic rights of the working people, and the role of the Australian ruling class in this regard. In the present situation, Labor Party right-wing policies are opening the way for a return to power by the conservative parties now in opposition.

Seminar contributions were presented in a forthright manner with no holding back in presenting an ideological position. But all this was done in the context of striving for a principled working class unity which involved action.

In no way did the seminar bury the SPA but, on the contrary, it enabled the party to come out boldly and present its case.

There were left forces which did not attend the seminar, although their participation would have added much of value. However, those who took part were pleased with its results while the SPA State Committee welcomed the

project's political content and expressed its support for an extension of this kind of activity.

A further Victorian experience in the building of left unity is of interest. Discussion have been held between the SPA and Greek-speaking members of the Labor Party. It would have been easy to reach agreement only on certain limited matters relating to the Greek community and that, in itself, would have been of value. However, the State Committee took the attitude that here was an opportunity to reach agreement with left-wing forces from the ALP and this would contribute towards a wider united front. The political content of any discussions, therefore, should be at the highest level possible. So the SPA, as a party, approached the Greek speaking ALP members with proposals for united activity around advanced political positions in relation to peace, higher living standards and democratic rights as well as certain questions related to the Greek community. The basis of agreement presented was clearly a rejection of the class collaborationist line which has done much harm to the labour movement. As a result of our political approach, a large area of agreement has been reached and this can have a very positive effect in the labour movement.

From other parts of Australia, it is possible to report rich and interesting experiences concerning the building of left unity. The overall picture is one offering great potential.

Yet, it must be said, there are serious weaknesses and shortcomings. Firstly, although the SPA, as a Marxist-Leninist organisation, strives to carry out its responsibilities concerning the unity process, there is much to be done to make the party a more effective force. It is an urgent task to strengthen the party in every way, particularly its ideological capacity and its vitality at branch level.

It must be said too that, taking the left forces as a whole, there is still a certain amount of difficulty, and even hesitancy, in putting into effect the sound principles of left unity which are generally supported. Sometimes relations are marred by a degree of suspicion. The effect of anti-communism and anti-Sovietism cannot be discounted. Yet, if the left is to be a force, it has to tackle these problems. The SPA is confident this can be done successfully. Certainly, the party is pledged to play its part in this work.

The statement issued by the SPA Central Committee Executive which met in Sydney, November 21 to 24, 1985 put the party's position firmly and clearly. The party is ready to meet other left forces at any time on equal terms to work on a principled basis for the building of the left.

The statement referred to past experiences in which the Communist Party of Australia (CPA) functioned as a Marxist-Leninist party and attracted to its side many forces, including those in the Labor Party. A viable left existed which was clearly committed to struggle in the interests of the working class and had a socialist orientation. The CPA, however, ceased to function as a communist party and the negative consequences of this were enormous and are still being felt today. The statement refers to those who joined the SPA for

a period but finally took the same basic ideological path as the CPA leadership. Despite all this, the statement expresses well placed confidence that a left can be built and once more play a key role in Australian political life. The statement makes clear that the SPA has replaced the CPA as the Marxist-Leninist party dedicated to left unity and united working class action for peace and social progress.

The Political Statement of the 5th National Congress of the Socialist Party of Australia which took place in Sydney in September-October 1984 declared:

“In the light of international communist experience, the party recognises the possibility of formal agreements, close working arrangements and alliances leading to the unification of political organisations on a Marxist-Leninist basis.

“In this respect the SPA does not accept the view that there are a number of ‘interpretations’ of Marxism-Leninism, that a revolutionary party can be successful if it attempts to proceed on the basis of ideological pluralism. Pluralism means, in fact, acceptance of bourgeois ideology side-by-side with Marxism-Leninism in the party. No lasting or effective unity can be built on pluralism inside the party.

“While being in favour of cooperation and joint action on issues with other organisations we will also maintain the Marxist-Leninist principle of the SPA.”

This statement raises an important aspect of left unity. Left unity serves the purpose of the united front of the working class, but the role of a Marxist-Leninist party is vital to the whole unity process. The building of the Marxist-Leninist Party, therefore, is a key matter. This involves the all-round strengthening of the party itself, but it also involves drawing other left forces closer to Marxist-Leninist positions with the possibility of organisational unity on the basis of communist principles.

A process leading to organisational unity cannot be rushed and stages cannot be skipped over. It is a complex task, but it is possible. Organisational unity on a party basis can only continue to exist if there is real adherence and dedication to Marxism-Leninism. It would be fatal if it was the result of a compromise or some flimsy arrangement.

It is becoming clearer to our party that left unity is a matter of profound political importance which requires more theoretical and practical attention.

As for the left generally, our party is optimistic that, despite all difficulties and problems, steps will be taken to bring this vital force together so it is more coordinated, articulated and effective.

Lessons from the SEQEB dispute

by Ray Ferguson

On August 20, 1985, the Premier of Queensland, Joh Bjelke Petersen and his Government were confronted with a state wide stoppage. For a period of four hours the State of Queensland was at a virtual stand-still. All forms of transport, mining, manufacturing and most service industries stopped.

As well as stopping work thousands of workers throughout the State attended mass rallies organised by the Queensland Trades & Labor Council (QT & LC) in solidarity with the 1000 SEQEB workers who had been sacked by the Queensland Government seven months before.

Although previously warned by Joh Bjelke Petersen and his Government that stiff penalties in the form of heavy fines and, for Government workers, sackings faced those workers who stopped work and who took any further action, the mass rallies of workers enthusiastically endorsed a campaign of industrial action to secure the reinstatement of the sacked SEQEB workers and the restoration of democratic rights.

As an act of defiance to the warnings and threats of Joh Bjelke Petersen and his Government, and in addition to endorsing the official resolution, thousands of workers at job level extended the stoppage for the remainder of the day.

Clearly the action and unity of the workers demonstrated that they were prepared to respond to the decisive and militant leadership in defence of the sacked SEQEB workers and democratic rights.

The workers were prepared to fight, to confront Bjelke and his fascist-like Government head on.

However, what was lacking was the militant and decisive leadership so badly needed.

The resolution so enthusiastically endorsed by the workers at the rallies was then totally ignored by the very same Trade Union leaders who called upon the workers for endorsement.

Not only did the leadership of the QT & LC desert the struggle of the sacked SEQEB workers and mislead the workers in general, but they also publicly disowned and condemned a mass rally outside Parliament House on the day of the stoppage where over a hundred demonstrators, workers and students, were brutally arrested by Bjelke's police.

Mr Ray Dempsey, General Secretary of the QT & LC condemned the demonstration and was reported in the Brisbane Daily Sun (August 21) as saying:

"The only thing the union movement was involved in was a peaceful rally at Lang Park. These fringe groups and crazy elements do nothing other than discredit the union movement and we must divorce ourselves from them completely. I've had them".

The reputation and leadership capacity of the trade union movement was at stake, not by the action of the demonstrators outside of Parliament House but by the lack of decisive action by the trade union leadership.

By their own actions the QT & LC leadership turned their backs on the workers and deserted the struggle of the sacked SEQEB workers for good.

With the leadership of the QT & LC abandoning the struggle, support for the struggle slowly diminished with workers becoming disillusioned and frustrated. The ACTU leadership finally threw the towel in by ignoring the September 1984 ACTU Congress decision which called on all unions to support an industrial campaign in support of the sacked SEQEB workers to be coordinated by the ACTU National Tactics Committee in conjunction with the QT & LC Disputes Committee.

One needs to understand that right from the commencement of the dispute the QT & LC and the ACTU leadership demonstrated either a total inability or lack of genuine will to win the dispute.

How else can it be explained that when confronted by the most reactionary Government in Australia with fascist-like legislation, the trade union leadership proceeded to find solutions consistent with the ALP/ACTU Accord.

Mass struggle, militant action, decisive leadership, confidence in the work-

ing class were abandoned in favour of consensus, non-confrontation, deals with the Federal Government and, at one stage, Mr Simon Crean, the now President of the ACTU, was seen on TV begging the Queensland Minister for Labour, Mr Vince Lester for one more chance, with the guarantee that Queensland's Power Industry would become strike free.

In stark contrast to this approach the Queensland Premier, being totally loyal to his class and consistent with his union bashing philosophy, took full advantage of the reformist trade union leadership and their Accord ideology.

Although publicly an opponent of the Accord, Joh Bjelke Petersen and his Government took full advantage of its class collaborationist policies.

While the QT & LC leadership was seeking solutions to the dispute through the process of consensus and legal advice, "Jack Boot" Joh was busy introducing even more anti-union legislation.

Furthermore, the Queensland Premier was well conversant with and encouraged by the fact that since the inception of the Accord, Labor Governments in other States had taken similar action against the workers.

In this connection, and well before the sackings of the SEQEB workers, the Wran Labor Government of NSW had sacked 500 Hunter Valley Coal Train Drivers and threatened to engage scabs to smash the train drivers who had been on strike in defence of their jobs. The Cain Government in Victoria had commenced proceedings to have the BLF deregistered in that State and the ACTU and the Hawke Federal Government had threatened the Food Preservers Union with extinction as a result of the actions of a group of their members seeking an increase in wages.

During the course of the SEQEB dispute the Queensland Government rushed through Parliament anti-working class legislation that imposed fines of up to \$50,000 for workers and \$250,000 for unions. Legislation was also adopted prohibiting secondary boycotts and providing the Government with the power to de-register unions in the power industry.

In the face of these vicious attacks upon the workers and their unions the union leadership remained almost silent and their participation was almost non-existent at the rallies, demonstrations and pickets that were organised by solidarity groups that sprung up in support of the sacked SEQEB workers.

Despite mass arrests and beatings from Petersen's police and heavy fines from his Courts, workers, students, wives of sacked SEQEB workers and concerned Christians continually gave active support to the struggle of the sacked SEQEB workers.

Throughout the dispute Socialist Party of Australia members through their activities gave total support to the sacked workers. In this connection members of the SPA played a leading role in setting up the Trade Union Support Groups in the Brisbane and Logan City areas.

Through the activities of the Support Groups, rallies and demonstrations were organised and much needed finance raised.

On two occasions members of the SPA helped to organise delegations of sacked workers to travel to Sydney for solidarity meetings and functions. One such delegation of 20, including the wives and children of the sacked workers, were guests of the Progressive Turkish Workers Association for four days and, as expressed in their own words, experienced the true meaning of solidarity.

Although the pages of working class history will record that the struggle of the sacked SEQEB workers and the workers in general suffered a serious defeat, no blame for that defeat can be directed at the workers themselves.

For any group of workers, particularly a large body like the SEQEB workers, to be able to maintain their resistance for nearly 12 months in defence of jobs and democratic rights and lacking the militant and decisive leadership that was so necessary can only be an inspiration for future struggles that will be inevitably waged by the workers.

The tremendous sacrifice of the SEQEB workers must not be in vain. We can learn from this experience.

Those who imagine that class struggle can be avoided and the interests of the working class served by consensus, reconciliation and non-confrontation when antagonistic classes exist should consider the lessons of the SEQEB dispute.

Communist morality

by Tom Gill

To call oneself a Marxist is to adopt a moral position for to do so means more than just recognising the accuracy of the Marxist analysis of capitalist society — it is to join with Marx and say “... the point, however, is to change it”.¹

It is essential that Marxist consciously consider the foundations of their moral code and in this article I will look at some of the principles which must form part of the basis of such a code.

The first of these principle is utilitarianism, a principle derived in part at least from the bourgeois democratic revolution and its fore-runners.² It states that our conduct should be such as to produce the greatest happiness for the greatest number. Its importance lies in its rejection of a belief in supernatural beings as the source of morality and as an attempt to find a rational alternative based on the interests of human beings. We can say that utilitarianism must contribute something to any rational moral code, since no moral principle is acceptable which leads to increased suffering for mankind, but it is by no means enough. We see one way in which utilitarianism falls down when we hear someone, in justifying some conduct, say that it doesn't actually hurt anyone else. Utilitarianism solves some moral problems but it cannot help us when the answer is not already quite clear, and, in fact it has been elaborate and modified by modern (bourgeois) philosophers to a great extent.

To this utilitarian principle we must add the demand that we should always act in conformity with the dignity and self respect of a human being.³ We find

when we look more closely that morality has a great deal in common with aesthetics — it goes beyond the material needs of the individual. So far, we have said nothing that would not be accepted by many opponents of Marxism, but our next principle brings us closer to a communist morality.

Our objective must be the liberation of mankind — and for Marxists this has the inescapable corollary that we are involved in class struggle, and in every political conflict we take sides in the light of this struggle.

The way in which our class outlook influences our morality can perhaps be seen most clearly when we consider our attitude to various kinds of weapons. For example, on the 'sixties a scientific worker at the US centre for biological warfare, Fort Detrick, was awarded the US Army's Distinguished Service Medal for a "contribution to development of a *rice blast fungus*".⁴ Research of this kind must be abhorrent to every working man or woman whose moral standards bear any relation to the working class. On the other side of the coin we can think more kindly of the invention of gunpowder. J. D. Bernal wrote:

"Only wealthy republics or kings backed by merchants could command sources of metal and the technical skill to fashion it into canon. This fact broke the independence of the land-based aristocracy as surely as their castles were battered down by canon balls. The triumph of gunpowder was the triumph of the national state and the beginning of the end of feudal order."⁵

When we go on to consider nuclear weapons, completely new considerations come in. We are no longer concerned with threats to a class or a nation but with threat to our whole species. We can see how strongly we differ from those pacifists who equally condemn each and every weapon or each and every war.

Moral problems raised by the use of weapons are one thing, we have moral questions raised every day in industry where the difference between our morality and that of the bourgeoisie as expressed by the courts and the governments should be clear enough for anyone. Perhaps the best examples today are the attacks on picketing and the principles of trade union solidarity.

It is on issues like this that we so often part company with many of those middle-class intellectuals from whom the labour movement derives so much of its ideology. We often hear such people telling us how complex are the situations facing us, how impossible it is to resolve them into clear-cut issues. A favourite phrase is "Things are not black or white, they various shades of grey". This may well, in occasion, be true but the conclusion they so often draw is not justified, that is, to act only when there is irrefutable proof of the correctness of a particular course of action, or when such action presents no risks. For us the situation may be grey but our actions must be black or white, we have to take sides and we have to take risks. We should remember here that moral dilemmas, where it is very difficult to decide what is right, are not as common as is sometimes supposed. Far more often it is easy to decide what is right, but very hard to carry out the decision and the temptation to represent the situation as a complex moral dilemma is very great. There may be situa-

tions where we should deceive others, but never where we should deceive ourselves.

Bertolt Brecht, who was deeply concerned with morals, makes an important point in his play, *The Life of Galileo*. Galileo, under threat of torture, recants, and denies the truth of his discoveries in astronomy. His pupil, Andrea, proclaims this as a real victory rather than a defeat, since Galileo can live on and continue his valuable scientific work. Galileo disillusioned him and with complete frankness shows us the mortal error of justifying a lack of courage with a false philosophy. He earns our respect by admitting his failure and not justifying it by sophisticated argument. In effect he goes beyond the utilitarian position.

Brecht says, in his notes to the play, "The fact is that Galileo enriched astronomy and physics by simultaneously robbing these sciences of a greater part of their social importance."

We are committed *not only to the present well-being of mankind but to its future*. Implicit in this is our dedication to socialism, and our resolute opposition to opportunism, that is, the sacrifice of permanent benefits for short term gains. Opportunism might well be described as the "original sin" of the working class movement. Lenin, for example, wrote to his Dutch comrade, David Wijnkoop in 1915:

"The whole struggle of our Party (and of the working class movement in Europe generally) must be directed against opportunism. The latter is not a current of opinion, not a tendency, it (opportunism) has now become the organised tool of the bourgeoisie within the working class movement."⁶

One of the most effective and dangerous ways in which the bourgeoisie corrupts the thinking of workers and *especially* young workers and intellectuals who might give ideological guidance to the working class, is by encouraging the cult of the individual. Bourgeois propaganda, sometimes openly, sometimes insidiously, stresses the divine right of the individual to "do his own thing", and often calls putting the interests and whims of one individual ahead of the interests of his fellow men, "the preservation of human rights". Such propaganda runs counter to the very essence of socialism and communism and plays a very important role in the attempts by capitalist "intelligence" organisations to undermine socialist society. The demands to free the artist and the intellectual from any of the restraints or responsibilities imposed by socialist society are soon transformed into demands for "economic freedom", the freedom for one man to exploit another. Propaganda of the type we are discussing played an important part in the attempted peaceful counter-revolution in Czechoslovakia. The steps taken to counter it in socialist countries are denounced as violations of human rights.

The Communist Party of the Soviet Union, in the draft of the proposed new Programme of the Party, which is to be presented to their 27th Congress sums up what is understood by Communist morality in three short paragraphs. These are well worth quoting in conclusion.

“The communist morality upheld by the CPSU is as follows:

— **a collective morality**, the fundamental principle of which is “One for all and all for one”. This morality is incompatible with egoism, self-love and self-interest; it harmoniously blends the common, collective and personal interests of the people:

— **a humanistic morality** which ennobles the working man, holds deep respect for him and is intolerant of infringements upon his dignity. It asserts truly humane relations between people — relations of comradely cooperation and mutual assistance, good will, honesty, simplicity and modesty in private and public life;

— **an active, vigorous morality** which stimulates one to ever new labour achievements and creative accomplishments, encourages one to take a personal interest and part in the affairs of one’s work collective and of the entire country, to be implacable in rejecting everything that contradicts the socialist way of life and persistent in the struggle for the communist ideals.”⁷

Notes

1. From Marx’s *Thesis on Feuerbach*. “The philosophers have only *interpreted* the world, the point, however, is to *change* it.” The step from understanding to action is the essence of morality.
2. The most important pioneers of Utilitarianism were Jeremy Bentham (1748-1832) and John Stuart Mill (1806-1873). As an ethical system it has appealed to both supporters of capitalism and Fabian socialists.
3. We can see an example of how this principle runs counter to utilitarianism if consider the use now being made of the results of some of the Nazi’s experiments on concentration camp inmates and prisoners of war. This is justified on the grounds that the information gained will be of benefit, incidentally the same justification used for the original experiments.
4. *Science*, 3rd March, 1967.
5. J. D. Bernal. *Science in History* (G. A. Watts and Co., London, 1965) p.238. Bernal does not, of course, suggest that the destruction of the feudal castles was the only or even the main factor in the downfall of feudalism. It was part of the necessary process in many cases; even when the castles were destroyed by other feudal lords.
6. Lenin *Collected Works*, Vol 35, p.197.
7. *The Programme of the Communist Party of the Soviet Union* (New Draft), Novosti Press Agency, p 74. This programme, when approved by Congress will be the fourth. The earlier programmes were adopted in 1903, 1919 and 1961.

Lenin makes some specific comments on morality in *The Tasks of the Youth Leagues*, a lecture given to a congress of the Youth League in 1920 (*Collected Works*, Vol 31, p 283).

A very valuable discussion of some questions of morality is contained in a collection of articles *Science and Morality* Progress Press, Moscow 1975. Two of the chapters in this book devote a considerable amount of space to the questions raised by Brecht in his play, *The Life of Galileo*.

More consequences of the Accord

by Anna Pha

Justice Ludeke in his public sector wage determination (May 1985) described an ACTU submission as “a remarkable document”. And so it was. When in the history of the Australian trade union movement has the ACTU tendered material to a wage claim that “concludes that no increase can be justified”! In reaching such a position the ACTU had applied its own criteria to fulfill the Arbitration Commission’s national wage guidelines. These included the following points:

“...rates of pay awarded must not lead to wage adjustments elsewhere.”

“There cannot be reliance on increases in wage rates elsewhere as the sole grounds for adjustment.”

These and other statements totally negate one of most basic means of arguing for wage increases and used repeatedly in the past. It not only rules out claims based on relativities but also comparable worth cases for equal pay. Traditionally, stronger, more militant unions have won wage increases. These have created a community standard which other unions could argue for, and have passed on through such means as relativity arguments. The ACTU wishes to end all of this. In opposing anomalies claims the ACTU expressed concern over such claims which could result in “a never ending wage round”.

The ACTU's unprecedented police role in restraining wages arises directly out of the Accord's "no extra claims" provisions and the subsequent National Wage Guidelines of September 1983. When the union movement accepted these guidelines very few had any idea of what was really intended. Many hold the view that they could get around them, or that they would apply to others but not to their particular trade union.

The 1983 decision contained penal provisions for unions not prepared to comply with the "no extra claims" principles. Any union failing to give the required undertaking or breaching its commitments would not have national wage increases inserted in its awards. Again many unions thought little of this. After all a strong militant union could get the increase by the usual industrial means. So they thought. It turned out to be not as simple as that. Such methods had worked in the past. But not any more.

Unions such as the Confectioners', Food Preservers' (FPU) and Builders' Labourers' (BLF) tried to avoid signing on the dotted line in the manner insisted. Unions such as the Furnishing Trades, BLF, FPU, Meat Employees, BWIU, AMWU and Miners have signed and then attempted to make claims. Others have tried to qualify their commitment because of special circumstances. They all discovered another set of unwritten rules.

The FPU, FFTS and BLF all persisted with claims, backed these with industrial action, and won extra payments for their members. The "sin" these unions committed was to pursue claims on behalf of their members, that had arisen through the democratic processes of each union, and totally within the ambit of ACTU policies (excluding the Accord). They were met with tripartite opposition, another concept promoted in the Accord. The employers, Labor Government and ACTU combined against each union, against the worker.

The FFTS was threatened with deregistration and legal costs well beyond its means. Its members, under considerable pressure from the ACTU and government, were forced into handing back an allowance agreed to by the employers.

The FPU felt the full force of tripartism and the Arbitration Commission. In this instance the ACTU and Government joined forces with Unilever, one of the largest transnationals in the world, against a small union. The government commenced proceedings to destroy the union, by the use of provisions in the Arbitration Act designed for a completely different purpose. Willis, Minister for Employment and Industrial Relations, set out to remove all the FPU's members and give coverage to other unions that know how to behave. To survive, the union had to give undertakings, and sign away one of its most vital rights — independence. At least its members were not left empty handed after their long heroic struggle against Unilever.

The BLF now has three pieces of deregistration legislation hanging over its head. The N.S.W., Victorian and Federal Governments, all "labor", are hell bent on wiping this union off the face of the earth. The union's "crime" has been to make claims on behalf of its members and back these up with indust-

rial action. The legislation is the most extreme. In addition to deregistration it denies individual workers the right of association, the union the right to represent its members, is retrospective and in the case of Victoria provides for government acquisition of the union's funds and assets. The Federal legislation permits the Minister to decide which unions would have coverage of BLF members.

The Federal and Victorian Governments have also introduced a code of conduct for the building industry. In addition to outlawing the BLF this code binds employers and unions to all Arbitration Commission decisions. (A blank cheque, and who knows what wage reduction and increased hours the Arbitration Commission might determine in the future!) Awards used to be a legally enforceable minimum, they are now being turned into the maximum payable. The code of conduct also binds both partners to site agreements endorsed by the Arbitration Commission.

In the case of the Portland Smelters, the BLF have an agreements that national wage decisions will be paid. The State Government and employers attempted to stop payment of the recent 3.8 per cent wage rise because the BLF had not given any undertakings before the Arbitration Commission that were repaired for the 3.8 per cent to be inserted in their award. The government, after legal advice, had to pull its embarrassed head in, and concede the validity of the payment.

One of the most disturbing features of all these developments is the position of the ACTU in policing wage restraint and in its failure to give the necessary support to the BLF, Confectioners, and other unions under attack.

Another very dangerous trend has emerged. The Accord, far from uniting workers, is proving very divisive on the shop floor. Unions are also policing other unions. When one group of workers seeks a wage increase, say through a reclassification, other groups are opposing it before the boss, crossing pickets and even criticizing fellow workers in the media.

The 1985 ACTU Congress, with its endorsement of the Accord Mark II, will take unions further down the path of wage restraint, to wage reduction. This agreement between the ACTU and the ALP Government was foisted on unions, without discussion in the trade union movement. Now unions must face the consequences.

The agreement provides for 2 per cent to be cut off the CPI figure when the April National Wage case is heard. In return workers in September will receive an equivalent reduction in taxation. This was a tax reduction already promised with no tradeoffs! The unions have also accepted a tradeoff, for the national productivity case. The original claim was for 4 percent to be taken in the form of a wage increase. The 4 percent was reduced to 3 per cent and to be taken in the form of superannuation.

The workers lose all round. The superannuation payment will rob them of their pension entitlement, already paid for in taxes. The 2 percent discounting

of wages means all future wage increases are calculated on a lower base wage. Those on low incomes, close to or below the tax threshold will not gain anything from the 2 percent tax cuts. Employers save, and government revenue is cut, eating into welfare, health, education and other badly needed areas of the social wage. On top of all this the employers think they have a right to control the superannuation funds — workers' money. The ACTU is going along with this.

Unions wishing to collect the 3.8 percent November 1985 wage increase have had to give an undertaking to not only abide by the 1983 guidelines, but by the Accord Mark II provisions. That is, they have had to agree to a wage reduction of 2 percent, and not to use industrial action in support of the superannuation claim.

It is worth noting that the employers and Arbitration Commission are in no way bound by any of the terms of the agreement between the ACTU and Federal Government. In fact, the Arbitration Commission warned on several occasions in its November 1985 decision that it had not endorsed the agreement. In reference to the forthcoming review of wage fixation guidelines it stated that:

“there should be no presumption at this stage that a centralised system based on national wage adjustments will necessarily emerge from that review.”

Justice Williams waved the big stick:

“the actions of the parties in the period leading up to the review of the Principles will be an important consideration for the commission in determining whether a centralised system based on national wage cases should continue”.

The ACTU must police its affiliates or else! The Commission also expressed concern that “weaknesses” are still apparent in some areas, and reiterated its 1983 statement:

“It is implicit in the undertakings given by the unions that decisions of the Commission in connection with the application of the Principles will be processed and *accepted without recourse to industrial action.*” (emphasis added)

The outcomes so far have been a reduction in the share of wealth going to wages, a reduction in unit labour costs, big profits, declining living standards, and a further reduction in wages to be pursued by the ACTU in April 1986.

Unions are being increasingly locked into the centralised system, with no rights of independent action. Any union attempting to go outside the system will be viciously attacked and destroyed, if possible. Unions are no longer allowed to consider policies, make decisions through their own democratic processes to determine their members' needs, to pursue these or take industrial action. Model legislation is being trialled on the BLF, and Hancock legislation will make this law for all unions, not just the BLF.

The “no extra claims” clause of the Accord, in practice, has created a police role for the ACTU, not a defender of the working class, but protector of big business. Tripartitism means the combined force of employer, government and ACTU against the worker.

The tying of unions into compulsory Arbitration with political appointees such as Liberal Party/Employer Representative, Maddern at the helm, alongside no right to strike is a crime. It will only result in even more decisions unfavourable for the working class.

Neither the Arbitration Commission nor the employers are bound by agreements between the ACTU and the ALP. The Government can promise what it likes. It does not do the delivering. The “independent”, “neutral” Commission will make the decisions.

Once unions have been locked in and their independence destroyed, the crunch will come. Hints of what lies ahead are contained in the national wage decision. The fact that the Arbitration Commission is going to consider the new wage fixation guidelines in conjunction with the productivity claim and April national wage case suggests unions will be faced with more trade-offs. The price asked for the next wage increase may be very high in terms of undertakings required of unions.

It's time unions looked at what is happening. There is no need to sell off basic trade union rights. The right to strike is not for sale. The right of an independent trade union movement is inviolable.

The Third World Debt and the need for a New International Economic Order

by Rollo Kiek

In March 1985, Fidel Castro granted an extensive interview to Regino Diaz, editor of the daily "Excelsior" of Mexico. This interview was later published as a pamphlet with the title "How Latin America's and the Third World's unpayable foreign debt can and should be cancelled, and the pressing need for New International Economic Order".

Castro builds a well-documented case to demonstrate that it is mathematically impossible for the Latin American countries to repay their combined foreign debt, despite all kinds of re-scheduling of loans that may be organised by the IMF and creditor nations.

In the recent past it was considered unthinkable for a country to repudiate its debts as a way of avoiding payments — considered so by the creditor nations of course.

Cheryl Payer in her book "The Debt Trap, the IMF and the Third World"

(p.15) says “in the contemporary world, the sanctions for international bankruptcy are severe; they almost certainly include the breaking of trading links upon which the nation normally relies, the denial of credits which are the lifeblood of trade, and in extreme cases (China after 1949, Cuba after 1960) a deliberate government-enforced trade boycott.”

Castro is advocating a cancellation of the debt which for Latin America at the time of his statement stood roughly at \$360,000 million. He says, “The amount wrenched away from our peoples in just the last few decades through unequal terms of trade, high interest rates, protectionism, dumping, monetary manipulations and the flight of capital is much greater than the total amount of the debt. The riches and well-being of which we have been deprived through the imposition of economic dependence and under-development cannot even be estimated, let alone measured. It is our peoples who, by right, are the creditors of the rich and industrialised Western world, both morally and materially...”

“It has been said that failure to pay the debt would destabilise and sink the international financial system. This isn’t necessarily so. I suggest that the industrialised creditor countries can and should make themselves responsible for the debts to their own banks.

“As a rule, the public debts of the industrialised countries increase... All that the industrialised states make themselves responsible for is the interest on their increasing public debts...”

“Where could they find the resources with which to pay the interest on the increases in their debts without affecting their countries economies? That’s easy: from military expenditures — and not all military expenditures, just a small percentage of them: 10 per cent, or, if interest rates remain as high as they now are, a maximum of 12 per cent.

“With this modest percentage of their military expenditures, the industrialised powers could make themselves, responsible to their own banks for the foreign debts of the Latin American and other Third World countries — and military spending would still be fabulously high and cause for concern.”

Contrast this constructive proposal to help solve the debt crisis of the underdeveloped nations with the proposals, the “new financing initiatives”, put forward by US Treasury Secretary Baker at the Seoul meetings of the World Bank and IMF in October ’85. In his formal address Mr Baker said:

“If the debt problem is to be solved, there must be a ‘program for sustained growth’ incorporating three essential and mutually reinforcing elements and foremost, the adoption by principal debtor countries of comprehensive macro-economic and structural policies, supported by the international financial institutions, to promote growth and balance of payments adjustment, and to reduce inflation.

‘Second, a continued central role for the IMF in conjunction with increased and more effective structural adjustment lending by the multilateral develop-

ment banks, both in support of the adoption by principal debtors of market oriented policies for growth.

‘Third, increased lending by the private banks in support of comprehensive economic adjustment programs.

‘The fund (IMF) should give higher priority to tax reform, market oriented pricing, the reduction of labour market rigidities, and to opening economies to foreign trade and investment.’ In other words Mr Baker wants the screws turned harder by the IMF and World Bank on the nations who are to be blessed with an increasing debt. Baker’s “new” formula has been basic to the IMF’s “Stand-by Arrangements” for decades, as Cheryl Payer outlined in “The Debt Trap” (written more than 10 years ago) (p.32).

‘A stand-by arrangement with the IMF is negotiated by the affected country’s top financial officials (usually the Minister for Finance and the Governor of the Central Bank) and a team of IMF staff members visiting that country...

Once negotiations are concluded, they assist the borrowing country’s officials to draft a Letter of Intent which sets forth the promises which have been made in order to qualify for the Fund’s assistance.

Although the details of each program will vary, the IMF standard of a desirable economic policy is uniform and predictable.

1. Abolition or liberalisation of foreign exchange and import controls.
2. Devaluation of the exchange rate.
3. Domestic anti-inflationary programs including:
 - (a) control of bank credit, higher interest rates and perhaps higher reserve requirements;
 - (b) control of the government deficit, curbs on spending, increases in taxes and in prices charged by public enterprises, abolition of consumer subsidies;
 - (c) control of wage rises, so far as within the government’s power;
 - (d) dismantling of price controls.
4. Greater hospitality to foreign investment.”

It looks like a formula for making the “developing” nations more dependent on international finance capital and future loans in order to overcome increasing foreign exchange problems brought about by continued balance of payments deficits, and that has proven to be the case with most of the Third World nations. Many of their economies are going backwards, they are becoming more “underdeveloped”, precisely because of the policies imposed on them by the IMF and the World Bank (ironically also known as the International Bank for Reconstruction and Development).

But would the cancellation of the Third World foreign debt solve the problems of those nations? Castro believes that solving the debt problem would

be only the beginning of solving the problems of development. There must be an end to unequal terms of trade so that fair prices are given and received for trade items, an end to protectionist measures by the creditor nations so that the products of the developing nations can compete on international markets and an end to dumping of produce on markets driving commodity prices of developing countries' exports down. There must also be an end to unjust, abusive monetary policies based on the economic clout of a few countries, and an end to excessive rates of interest on loans and to the overvaluation of the US dollar which artificially inflates the debts of developing nations year by year.

A New International Economic Order is necessary to spell the end of the unjust system of economic exploitation that is imposed on the countries of the Third World.

It is necessary, also, to all the economies of the world whose interdependence has become a feature of the modern global economy.

Global problems will require global co-operation

by Brian Rooney

It can be said that mankind, in all its history, has never been confronted with such crucial and dangerous situations as exist today.

Nuclear annihilation is threatening the very existence of life as we know it. The arms race is not only continuing unabated, but is increasing at a frantic, and ever new dangerous level. The world economy leaves a lot to be desired, and is presently experiencing extreme difficulties. Taken as a whole, the political, military and economic stability of the world is being constantly undermined.

In addition, global problems such as food, energy, raw materials, ecology, etc., are not only unresolved, but solutions to these problems have not even begun to be tackled. They have to be solved on an international level.

The necessity for global co-operation

Certainly that is the case in regards to war and peace. It is also the case in regards to many aspects of science and technology. There is no single country in the world that can itself provide for the development of all the branches of scientific research.

One can also mention the new industries that have emerged as a direct result of the scientific and technological revolution, and which in today's conditions require the construction of international frameworks. Other issues, such as the global utilisation and protection of the seas and oceans, the consequences of the wasteful management of the natural resources, and the use of space, all require and demand international co-operation.

Economic problems also require co-operation

Similarly, the many economic problems concerning people in various countries calls for an international pooling of efforts if they are to be solved. They require the co-ordination of national policies and a restructuring of the world economy on democratic principles. The need to turn the food, energy, and raw materials problem from a national into a universal problem clearly indicates the need for closer interaction of all states and nations.

It is generally recognised that economic life in today's world is more internationalised than in any other period of history. The necessity for this world economic co-operation is not just something dreamed up by some 'utopian' or 'great thinker'. It is an objective fact created by the development of the productive forces in the world, and the subsequent deepening of the international division of labour. The rate and scale of this development is so far-reaching that it poses problems of a new quality to all countries, problems that no country, regardless of its size, will be able to solve on its own.

Objectively, the future of every country is going to more and more be influenced by this internationalisation of economic life.

Despite the fact that the world economy is in crisis, nevertheless, one speaks of the world economy developing. The international division of labour, and stemming from that, the interdependence and mutually complementary character of relations between different countries is now playing an ever growing role in the socio-economic progress of mankind.

In one way or another, the capitalist economic crisis affects everyone

The capitalist economies still hold substantial positions in world production, international trade, financing, and in exchange of material and spiritual values. Yet they are in crisis. There is an intricate interconnection between a variety of acute crisis processes; the cyclical and the general, the structural, the internal and the international.

According to the Organisation of Economic Cooperation and Development (OECD), the growth rate of the GNP and industrial output of the OECD countries in 1980/82 was extremely low. Inflation and the general instability of the major capitalist countries had reached tremendous proportions. The number of unemployed in these countries reached 35 million. The already disrupted international currency system deteriorated further. For the future, the estimate is that the GNP and industrial output will remain low, unemployment will rise, inflation will remain high and so on.

The decline of economic activity in the leading capitalist countries has spread to international trade as well. The annual growth rate dropped from 6.5 per cent in 1976/79 to 1.5 per cent in 1980, and for some countries, even negative values were recorded.

The inflation process has spilled over national borders and engulfed the entire world trade. The changes in price proportions aggravated the crisis of the balance of payments of all the developing countries and increased the instability of the entire world monetary and credit systems.

The world economy which includes the socialist world market, the capitalist world market, and the developing countries has, since the 1980s, seen a sharp aggravation in the international situation because of the world capitalist economic crisis. The subsequent problems for normal international economic co-operation is affecting every country in the world, including the socialist countries.

The most acute problem within the world economy

The present capitalist economic crisis, the most acute in the post-war period, has had its effects upon the developing countries the most. Economic dependence has forced them to suffer this crisis.

Their economic growth rates have dropped sharply. One of the direct results of this is that the developing countries now have something like 550 million people either unemployed or partly employed.

While the basic benefits of modern civilisation and technological progress is shared by some of the leading capitalist countries, the actual costs are largely being borne by the developing countries. Also the present international financial mechanisms are working against them because, as they are presently constructed, they act as a lever for the redistribution of profits in the world economy in favour of the developed capitalist countries.

It is also necessary to mention the penetration of foreign capital. Foreign capital today controls a considerable portion of their industrial production and exports. Its scale and line of action is such that it not only affects the economies of the developing countries,, but in many cases, their internal political affairs and foreign policies as well.

The monopolies are making exorbitant profits. The USA monopolies alone between 1970/79 invested **11.4 billion** in these countries and received back **48.7 billion** in profits.

Their external debts amounted to the astronomical figure of **626 billion** at the end of 1982. In the same year, the servicing of these debts swallowed up to **45 per cent** of the entire income obtained from the exports of the developing countries.

In fact there has been an overall growth in the external debt of these countries by 170 per cent over the last seven years, and some of them, like the South East Asian countries, have seen their debts increase by 400 per cent.

At the present moment, most of the developing countries are responding to this state of affairs by taking a number of steps, including an attempt to reduce their internal consumption, restrict their imports and, at the same time, attempt to boost their own exports. But in today's conditions, because of their overall position in the world economy, falling prices and the general strengthening of protectionism, these moves will not achieve the desired results. By limiting their imports they not only adversely affect their economic growth, but also damage the possibilities to increase their export capacity.

Within the context of the world economy this state of affairs creates dangers for the creditor countries as well. If we consider that 40 per cent of all the exports of the developed capitalist countries go to the developing countries, it becomes obvious that they will not be able to import the products from the developed capitalist countries.

This is one of the reasons why the leading capitalist countries at the moment are trying to work out some kind of large scale 'rescue' operation for the debts of the developing countries. It is not because they have had a change of 'heart'. As can be expected, their thinking does not go beyond their class interests. The measures they are suggesting and taking, can at best, delay, but certainly not avert the inevitable crisis. In their scheme of things, there is no intention to open up the markets of the creditor countries for the products from the debtor countries, and there are no proposals for any re-arrangement of the mechanisms of the world economy which would put an end to the economic exploitation of these countries.

In relation to the conflict character of world economic development, mention must be made of the stepped up arms race. For the peoples of the developing countries the question of war and peace is not just a question of surviving such a war. For them it is also a question of surviving malnutrition and poverty. For them, the contradiction between the arms race and the normal functioning of the world economy has never before been so blatant. **The world military expenditures in 1982 amounted to over \$600 billion and their external debts amounted to approximately the same figure.** But it has to be recognised that the developing countries have also been drawn into this arms race. Last year, they spent over \$80 billion on armaments.

The deterioration of the external debts of the developing countries is an inevitable consequence of their long legacy of colonial exploitation, their present inequitable position in the world capitalist economy, and their neo-colonialist exploitation. **But it does not only represent a problem for the developing countries — it is a global problem**

The need for new economic relations

As a global problem the economic problems of the world economy have a decisive importance for the future of ALL mankind, and so they have to be examined, their solutions planned, and the actions co-ordinated on a world basis.

Obviously the call for new international economic relations will require new international organisations, and a new world market mechanism, perhaps even a new currency, and naturally a restructuring of the international division of labour.

Basically, the way to solution of the problem lies through a comprehensive and all-embracing restructuring of the system of international economic relations based on a democratic, just and equitable basis, banning all diktat and exploitation.

Also the call for a new international monetary-financial system can only be set up in the course of such a general reorganisation of international economic relations as one of its constituent elements.

We have to emphasise here that the achievement of a new progressive economic and political order in the world under the conditions of the existence of states and regions in the world with different social systems **will not be able to eradicate the contradictions between capitalism and socialism, between the old and the new in world socio-economic relations or within the capitalist countries themselves.**

Where does that leave us?

Shouting from the rooftops 'that socialism is the answer' will not achieve anything. The need for a restructuring of the international economic relations is an **immediate** problem, it cannot be put off until we achieve socialism.

The first contradiction we have to consider is that **the huge economic resources of the advanced capitalist countries are indispensable for the economic growth of the developing countries.**

Moreover, the small developing countries are not in a position to build up and maintain very large enterprises when they have to rely on their own resources, because they do not own the necessary capital. Nor do the socialist countries have the necessary capital to advance them.

The same applies to their processing industries, their means of transport and last, but not least, their inability to conquer and hold the necessary markets.

The conflict between the distribution of the population and that of the economic activities is at present getting worse by the hour under impact of the present world market mechanism. We can even speak of it being at crisis point.

We are not unaware that any call for a restructuring of the international economic relations is going to encounter powerful opposition. This is due to the tremendous technological, economic, military and political power of the developed capitalist countries whom the 'status quo' suits. These forces are not going to disappear over night.

With the present level of the world economy, and the subsequent level of

the world's productive forces and the associated level of the international division of labour, such calls as 'the restructuring of the manufacturing industry in Australia' and 'further protectionism in other areas of our industry' is 18th and 19th century thinking. Those days have gone forever.

The current stage of history points to the fact that mankind has to begin to walk on new and untrodden paths. There has never in our history been another age pregnant with so many difficult tasks.

I am not suggesting that we should go into a fit of despair or sit back and wait for the great day to arrive — on the contrary.

The main task confronting the progressive forces is to convince the social organisations in this country of the need to understand that the present world economic and political situation is untenable, and that there is an urgent necessity for accepting radically new concepts.

The progressive forces need to initiate well co-ordinated and circumspect political actions for the purpose of gaining public support in opposition to the monopolistic forces and to bring serious pressure upon them in this area. Our own future depends upon it.

The level of political activity and the struggle for a new world economic restructuring differs very little to that of the struggle for world peace. The opponents are the same and they will not accept change willingly. It has to be forced upon them. If the problems are not solved, the consequences will be catastrophic.

***Rizospastis:* voice of truth**

From the *World Marxist Review* No 11, 1985
by Vladimir Shelepin *WMR* Staff

One recent report said that *Rizospastis*, the printed organ of the CP Greece Central Committee, is the most popular of all the Greek morning and evening papers. Its weekday and Sunday editions are most widely circulated. That is a great achievement for a newspaper which has been published legally for only the last 11 years.

The way to success has been long and hard. *Rizospastis* means 'radical', and it has its beginnings at the turn of the century. It was started as a progressive newspaper before the founding of the CP Greece, and became the organ of the party's Central Committee 67 years ago; since then it has remained the Greek Communist's instrument of propaganda, agitation and organisation of the masses.

Over the decades in which the country was ruled by reactionary dictatorial regimes, *Rizospastis* was printed in a small format, with a very modest layout, and circulated in the underground, but it always reached the remotest parts of Greece to rouse the people to struggle.

One of its heroic pages was revealed to the public during the celebration of the 40th anniversary of the country's liberation from the Nazi occupation. Last autumn, the municipal council of the Athens district of Kalitea purchased a

small house in the sleepy street of Scra. A meeting was held here to tell its story: from 1942 to October 1944 its deep cellar housed the Communists' printing shop — literally their underground printing shop. Together with *Rizospastis*, it also printed the organ of the National Liberation Front, *Free Greece* and combat handbills.

Work was carried on under the very noses of the invaders and their local henchmen, with the printers not risking to come up for a breath of fresh air for weeks on end. A Victoria brand electric rotation machine was first converted to a foot-drive and then — to make even less noise — to a hand-drive. The few people who knew about the printing shop kept it a secret even from members of their families. None of the Communists who were caught and tortured by the Gestapo gave the paper away.

After the war, the party put the printing shop in mothballs and only recently, when the little old houses in Athens were actually threatened with demolition, it was decided to open up the old cellar and to set up in Scra Street a Museum of the Resistance Press, in gratitude to the heroes of the communist press, far from all of whom survived the fighting against the Nazis and the bands of local reaction.

The collapse of the Black Colonels dictatorship in 1974 opened up new horizons before the paper, which emerged from the underground with well-earned moral authority. It was no easy task to switch to the new way, I was told by Tanassis Karteros, CP of Greece CC member, and the paper's editor-in-chief. We needed a real printing works if we were to turn out a daily in a fairly large printing, by Greek standards, and we were short of skilled personnel. It took time to solve the problems that faced us. Only three years ago, *Rizospastis* got its own printing works and moved into its own editorial offices, which are staffed by men and women trained by the party and dedicated to it.

Donations and thousands of hours' work put in on "red subbotniks" (volunteer work days) helped to build the Party House in which the apparatus of the CP Greece CC is now housed. It is a large modern building next to the Perissos station of the Athens underground. The building stands on a thoroughfare with a steady stream of cars. On the other side, across the overland metro lines, stand the buildings of industrial plants. A group of young men are on duty at its gates round the clock —the time for vigilance is not yet past.

The editorial offices and the printing works are housed in one of the wings of the building. There is not all that much space, and the journalists do not have much elbow room, but they are able to file their stories and keep in constant touch with the paper's correspondents in various parts of the country. International information is provided by teletype from the Athens News Agency, TASS and the Associated Press. The paper has its foreign correspondents: in Moscow, in several other socialist capitals, and also in Paris, New York, Brussels and London.

I was highly impressed by the printing works, round which I was taken by Dimitrios Epikaridis, who is head of the printing shop and a veteran of the

party press. It is staffed by 170 persons, mostly Communists and Young Communists, who handle facilities that are among the most advanced in Greece: photo-setting and high-speed multicolour printing machines. The printing works not only turns out *Rizospastis* and other periodicals of the CP Greece, but also the youth weekly, *Odigitis* and fulfills other orders.

Rizospastis is now on sale at all the newspaper stalls in Greece, and its billboards will be seen in the central thoroughfares of the capital. The Sunday issue, which is tastefully got up, is delivered door-to-door by thousands of party activists in neighbourhoods inhabited by workers, employees and hand craftsmen. On weekdays, volunteer distributors will be seen at dawn by the factory gates. The voice of truth reaches the working people first thing in the morning.

“Are there any outstanding material-supply problems?” I asked the paper’s financial director, K. Nikoltsos.

“In contrast to the bourgeois press, we do not, of course, make a point of making a profit at any price. The price of the paper is always kept at the statutory minimum. The news-stand keepers, who work on a sales commission, are naturally interested in the glossier publications. What is more, not all of them sympathise with the Communist Party politically. That is why a fairly large number of unsold copies is still returned, and that amounts to a net loss. Nor do we overdo the paid advertisements. Besides, private entrepreneurs are not eager to let us have theirs either.

For all that, the financial deficit of *Rizospastis* which the party helps to cover, is relatively small, and here we must put in a good word for the Communists and sympathisers who are helping the paper. These are usually people of average means, who, for various reasons, mostly in memory of friends and relatives killed in the fighting or in the torture-chambers, send in short notices together with remittances of cash. Besides, despite the growing cost of newsprint, printer’s ink. etc., the paper’s costs are lower than those of bourgeois publications. Both journalists and printing workers receive small wages fixed by the party, often working without pay and devoting their leisure time to what has become their life’s work.

Rizospastis has been and continues to be a tocsin awakening people to conscious thought. It has united under the party’s banner many of the veteran fighters who were at one time misled by the revisionists’ splitting activities, and has helped the CP Greece to win influence in the trade union movement, and to develop the struggle of women and young people. *Rizospastis* has backed every class battle or action by the democratic forces, its active support often tipping the scales for success.

The newspaper acts both as agitator and organiser in the preparation of any large-scale political action. It carries articles on the subject of the forthcoming demonstrations, interviews with prominent public leaders and authoritative specialists who are often not Communists, progress reports on preparations in various parts of the country, and finally, a concrete plan of action itself, with

an indication of the exact place and time of the meeting of the participants.

That is how it was, for instance, on August 6 of this year when a double living chain of hand-holding children and adults ringed the venerable Acropolis during a 10-day peace action in Greece. *Rizospastis* carried wide all over the country the slogans of that 10-day action: 'No to Star Wars!', 'Turn the Balkans into a Nuclear-Free Zone!', 'The Mediterranean Must Be a Sea of Peace!'. On its pages, spokesmen for anti-war, women's and youth organisations united in the mass movement known as the 'Acropolis Appeal' welcomed the USSR's unilateral moratorium on all nuclear blasts.

The serious and well-argued articles in *Rizospastis* produce an active interest not only among working class readers, but also among the broadest strata of the working population, and command respect even among political opponents. Attempts to weaken the paper by means of court injunctions have repeatedly failed. I was told at the editorial office that not a single court case started against the paper has been won.

A year ago, as *Rizospastis* was marking ten years of its legal existence, a thousand people packed the auditorium at Party House for five successive nights to take part in a broad discussion which helped to show the great way traversed by the paper on a steady upgrade, and also to bring out its weaknesses and difficulties. Many constructive remarks and proposals were made. Summing up the debates, General Secretary of the CP Greece CC Charilaos Florakis, said:

"We want our *Rizospastis* to reflect, most responsibly, simply, vividly and convincingly, the character and policy of our party, to give the working people the fullest possible information, to shed light on the substance of their struggle, and the meaning of the genuine changes and objectives of socialism, on all that is progressive and democratic in our society."

He then addressed himself to all the Greek journalists who love their country and who cherish national independence and detente, and urged them to report the truth about the mortal danger of thermonuclear war, to help turn the Balkan Peninsula and the Mediterranean into nuclear-free zones and to fight for the triumph of peace and international co-operation on earth.

Rizospastis and its collective of editorial and printing workers are trying hard to fulfil the responsible tasks set by the party before the paper.