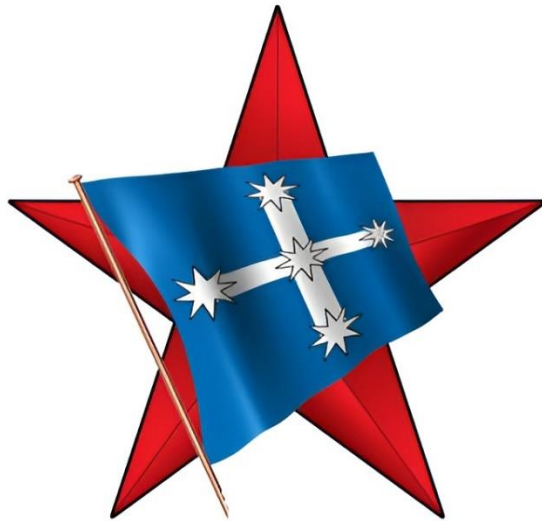


# Statements of the CPA (M-L)



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# Foreword

November 2024

*Statements of the CPA (M-L)* is a collection of works spanning many years that are endorsed by, or written for, the Communist Party of Australia (Marxist-Leninist). It aims to educate readers on various subjects such as our current political climate, Australian independence, capitalism, imperialism and socialism in a single basic course.

This project was made possible by volunteers from the CPA (M-L) as well as contributors who have written for the party over many decades. Please share this document.

*Communist Party of Australia (Marxist-Leninist)*

[www.cpaml.org](http://www.cpaml.org)

# General Program

This general program sets out the Party's ideological standpoint, basic aims, analysis and revolutionary strategy.

## 1. Serve the People - Our Party

The Communist Party of Australia (Marxist-Leninist) strives to build a revolutionary party worthy of the Australian working class; it aims to embody the needs and hopes of the working class.

The Party arises from and serves the struggles of the Australian people. It aims to embody the needs and hopes of the working class. Guided by Marxism-Leninism-Maoism, the scientific theory of the revolutionary proletariat, it examines reality, its material conditions and existing contradictions of Australia and the world. Its aim is to fundamentally change the capitalist reality through a socialist revolution.

The Party exists to assist the working class to lead the Australian people in their daily struggles, and in struggle toward revolution.

Only the united working class and the oppressed masses can overthrow the imperialist ruling class and begin the work of building a socialist Australia.

Only they can create a system which serves the people.

## 2. Marxist Philosophy and Ideology

Marxism shows that the material world is primary. Ideas and consciousness reflect this objective reality. But everyone's thinking is shaped by their own circumstances, their actions and the class they belong to. In time each person's outlook on life becomes a system of thinking, an ideology, which also influences their actions. How people make their living (what Marxists call their position in the class relations of production) is usually key to their class consciousness and ideological outlook.

Across the whole of the working class, and working people generally, there are different views and different levels of political consciousness. Communists know the real interests of the working class are only served by Marxism-Leninism. This includes the important theoretical and practical contributions of Marx, Engels, Lenin, Stalin, Mao Zedong and others. Workers can't be expected to immediately agree with us on this. Communists must find the best ways to help working people

understand capitalism and to realise socialism is the necessary next stage in human social development.

Marxism is a guide to action, based on practice.

It recognises all things in nature and society are constantly changing, coming into being and passing away. It recognises that contradiction (unity and struggle between opposites) is present in the process of development of all things. In the process of solving current fundamental contradictions, new and qualitatively different contradictions are created.

As Marxists, we seek to understand the contradictions in Australia and the world and use that knowledge to resolve problems in society. This approach is fundamental to Marxist philosophy. It's called dialectical materialism.

It openly serves the working class. It emphasises that theory grows out of practice and in turn helps guide and shape practice.

“The philosophers have only interpreted the world, in various ways. The point, however, is to change it.” Karl Marx

### **3. Capitalism**

Australia is a capitalist society characterised by expanded production for profit.

The profit cycle in capitalist society starts with labour power being purchased to produce commodities, goods and services, incorporating greater values than the total the capitalist invested on all the inputs, raw materials, power, etc. The worker doesn't have any ownership over the goods produced.

Profit comes from the unique quality of human labour power to produce value. Workers' labour power is a commodity bought by capitalists in a competitive labour market. In exchange workers receive a wage sufficient to cover the cost of maintaining themselves and their families. Set to work in a process of production, the worker's labour power produces more value than the worker receives as payment for working. This extra value, which the worker produces but is not paid for, is called surplus value and is the source of profit when the commodity is sold. Capitalists can exploit us without stealing from us. How is that possible? In a simplified model, Marx assumes capitalists pay us in full for all the costs we meet in reproducing the only commodity that our class has left to sell them. That commodity is our capacity to add value, a part of which is not covered by wages and constitutes, in Marx's terms, an “unpaid portion of labour”.

Surplus value was identified by Marx in his massive three-volume study “Capital”. By investigating numerous real-life situations, he showed that the way in which a worker receives a



wage conceals his/her exploitation. A worker receives a wage for a whole day's work. In fact, only a part of the value created in that day's work is paid for – enough to cover the worker's basic needs. The worker spends the remaining hours of the work day adding value to the commodities being produced without being paid for the value embedded in them. The wage may be \$100 per day. If the worker creates that much value in half a day and then adds another \$100 in value during the other half of the day, then that second amount is a surplus value and the worker is not paid for it. Thus, Marx exploded the myth that there could ever be a “fair day's work for a fair day's pay”. Even if workers are paid higher than average wages, they are still exploited by the capitalists who obtain profit from taking and selling the products which incorporate the surplus value created by the workers.

Other groups of workers not directly engaged in the production of commodities incorporating surplus value include publicly-employed educators, aged and health care and welfare workers, and others like them. If the provision of the service is for a company that is privately owned, then the service is sold as a commodity and has surplus value embedded in it. Workers in non-profit, state-run employment create services of value to both private industry and the public at large, but they do not directly create surplus value embedded in a commodity. Their mental and physical exertions contribute to the functioning of society and, by extension, to the conditions that allow the capitalist system to operate. The greater numbers of workers now employed by the state in service sectors requires further investigation from the viewpoint of political economy.

Similarly, the background labour necessary to sustain the current generation of workers and to produce the next one includes the birthing and raising of children, caring for elders and others with high needs, domestic housework, community building, volunteering and the emotional labour required to maintain social bonds. In other words, labour which sustains life and culture itself.

This labour is usually, but by no means always, performed by women. It does not produce surplus value when performed by a woman for herself or for her own family, but without it the capitalist class would not be able to continually accumulate capital.

When produced as a commodity in the private service industries in places like aged care facilities and childcare, or for commercial companies contracted to provide household cooking or cleaning, it is generally low paid and does produce surplus value.

Feminised labour is exploited in similar but different ways to masculinised labour whether either are performed by women or men.

Another feature of capitalism that became more obvious as it developed was that production is socialised. This means many different workers together in society produce any one particular product or service.

But the benefits of surplus value created by the labour of workers (including profits) don't go to the working class, the biggest class. They go to the tiny but powerful capitalist class which privately owns the means of production.

This contradiction between socialised production and the private ownership of the means of production is the key contradiction in capitalism.

Another major contradiction is between highly organised workplaces designed to increase productivity, and the anarchic, unplanned and competitive nature of the market in which those commodities are sold.

These and other contradictions within the system of capitalist production lead to the inevitable cycles of boom and bust, overproduction and periodical crises that characterise capitalism. Mostly, oversupply of labour enables helps the capitalist class to suppress workers' wages. At others, labour shortages assist workers to win better wages and conditions.

The extraordinary advances of technology over the recent period do not alter fundamental social laws. While capitalism's ability to delay crises has grown, it's clear the present technological revolution controlled by the capitalist class is sharpening the crises and those fundamental laws. Their effects on people's lives must be deeply investigated.

These economic and social conditions and contradictions of capitalism impel people to resist, organise and create conditions which give rise to the revolutionary Communist Party of the working class. But only correct strategies and tactics will allow that party to effectively serve the revolutionary needs of the working class.

The Communist Party of Australia (Marxist-Leninist) strives to guide the working class in its revolutionary and historical role to end capitalist exploitation and establish socialism. This can only be done by depriving the capitalist class of the right to private ownership of the means of production.

#### **4. Imperialism**

We live in the era of imperialism. Imperialism is the stage of capitalism when monopolies and finance capital (i.e. bank and industrial capital merged) dominate; when the export of capital rather than the export of commodities is most important; when the world's resources, markets, government assets, and territories have been divided among big banks, financial institutions and multinational corporations, when information technology including artificial intelligence, in the hands of corporate monopolies, dominates. Because there are no new territories for rival imperialisms to dominate, they are compelled to war. Proxy wars not only strengthen their rival strategic positions, but create a market for their weapons.

Through important struggles, Australian people have won some formal independence; but it's still limited. The US replaced Britain as the dominant imperialism in Australia after World War Two. The nation as a whole is trapped in a powerful net of economic, political, military, diplomatic and cultural domination by US imperialism. Australians must break free of all imperialism to gain genuine and lasting independence.

Imperialism concentrates the nation's wealth in the hands of a small number of monopolies, most of them foreign. They are driven by fierce capitalist competition to maximise profit. As a result, millions of ordinary Australians suffer intensified exploitation, growing debt and insecurity, greater costs of living, and increased repression and discrimination. Australia's natural wealth and heritage are looted for monopoly profit. Massive untaxed profit is shifted overseas. Struggles against this foreign imperialist domination at the heart of Australian capitalism are objectively struggles toward Australian independence and socialism.

US imperialism drags Australia into dangerous rivalry between different imperialist powers and groupings. US imperialism is declining economically and is in a political crisis, but is still the most dangerous military power. Contradictions between it and other imperialisms are growing, including European, Russian and Chinese. These contradictions and rivalries create constant international instability and wars of aggression. Imperialist expansionism and rivalry amongst the imperialist powers is the root cause of local and regional conflicts and wars, and the growing threat of a third world war.

Internationally, people's movements for peace, independence and opposition to US military bases and US wars of aggression, are growing stronger. Globally, US imperialism is more exposed and isolated.

The US-Australia military "alliance" embodies the dominance of US imperialism over Australia and its subservient ruling class. An expanding number of US bases, of a permanent presence of US marines, of Australian facilities made available to the US for use by its B-52 bombers and submarines (both of which can be carrying nuclear weapons), the use of Australian territory for US-led military exercises, and the storage of US fuel and equipment are symptomatic of that subservience.

The US-Australia military alliance ties Australia into US global imperialist agendas and wars of aggression. It locks Australia into the US military-industrial complex. The Party works in the people's movement opposing imperialist military domination of Australia and fights alongside the people to end the US military alliance. It struggles for genuine independence from any big power domination and control of Australia. It aims to develop political, ideological and organisational leadership within the working class.

In a world dominated by a handful of imperialist powers only a socialist Australia, active in solidarity with the world communist movement, can guarantee genuine and lasting independence.

## **5. State and Revolution**

To maintain the colonial dispossession of First Peoples and the imperialist domination of Australia, a powerful state machine has emerged. It consists of the bureaucracy, parliaments, police, courts and the judiciary, jails, armed forces, and intelligence agencies. It creates illusions that it stands independently over Australian society. In reality, it exists to uphold ruling class interests of imperialist monopoly capitalism and capitalist relations of production. Parliamentary “democracy”, with its limited formal rights, projecting illusions of democracy, operates within this context. No matter how democratic the bourgeois state may appear, in the final analysis, it is always the dictatorship of the bourgeoisie.

All workers’ and people’s democratic rights have been won from the ruling class in struggle. While they have positive aspects, the central feature of the capitalist state with its repressive, violent and deceptive character, is unchanged. Without this bourgeois state dictatorship, the capitalist ruling class could not maintain its power or its exploitation of the working class and the environment.

Australia’s ruling class uses the mass media, education system and culture, to push a system of ideas which disguises capitalist exploitation and imperialist domination. It presents the current system as the final and most superior stage of human social development, as both inevitable and as unchanging.

Capitalist class rule compels the erosion of democratic rights and more open repression, particularly in periods of deep economic difficulties, social unrest and working class resistance. There is always a danger that Australia's ruling class will dump its democratic mask and rule through systematic, open, ruthless violence – fascism.

This threat comes from both reactionary laws passed legally and non-violently by state and federal parliaments and intimidatory violence of Nazi and other far right organisations. These threats must be fought.

In the face of this likely ruthless and ultimately violent suppression by the capitalist state machine, the people must be prepared for all means of struggle. The imperialist ruling class and its local collaborators will never voluntarily give up their power to accumulate more capital by exploiting people. History shows that the only a revolutionary working class and its party can lead, mobilise and organise the people to overthrow the armed force of the capitalist state.

The Party must be able to function under any circumstances and continue its work through rapid changes of conditions. It must be ready to operate effectively despite hostile activities of the ruling class state.

## **6. Our Revolutionary Strategy**

The revolutionary strategy of the Communist Party of Australia (Marxist-Leninist) is the continuing struggle for socialism through anti-imperialist revolution. This strategy in the struggle for socialism is based in the concrete conditions of Australian domination by US imperialism. It can only be won through the organisation and mobilisation of a powerful anti-imperialist people's movement led by the working class. Through this struggle the foundations for socialism, and the eventual move towards communism, are laid. Anti-imperialist independence means the core of Australia's capitalist ruling class has been defeated. The assets of these foreign imperialists and their local collaborators, will be seized and used to benefit the majority of Australia's working class and the people. This gives a socialist character to this stage. It can only be successfully maintained under working class leadership using new revolutionary working class organs of state power.

This anti-imperialist struggle of Australia's socialist revolution will empower the working people through the establishment and expansion of people's own democratic mass organisations and structures based on participatory democracy.

The deepening of the socialist revolution and its extension to all economic sectors in which private capital operates means a base for building socialism has been established.

Independence and socialism are mutually dependent throughout the continuing revolutionary socialist strategy.

## **7. Methods of Party Work**

Mass work is key to the way the Communist Party of Australia (Marxist-Leninist) operates. Most importantly this means immersing ourselves among the masses in their struggles. It means respecting, listening to and learning from the people. It means deep and active involvement in their struggles. Only deep connections with people's lives and struggles allow us to understand and respect their level of political consciousness, how they think and feel. Collective lessons learned from mass work allow the Party to fully understand the overall objective concrete conditions.

Communists bring their experiences and lessons from people's struggles to the Party. Collectively, the Party uses Marxism-Leninism to analyse numerous struggles, people's experiences and different levels of consciousness. We take account of uneven developments and particular conditions in different areas of people's struggles and the country. This assists the Party to assess overall objective conditions and develop strategies and tactics that advance the immediate and longer-term interests of working people. When correctly carried out, mass work allows us to gain the trust and respect of the people and consult with them. In turn, it allows us to build leadership with the people and their struggles, and step-by-step raise our own and the people's revolutionary consciousness.

Mass work is central to all social investigation and class analysis of objective conditions by the Party. This is a key task for mapping the revolutionary road to an independent and socialist Australia. It's essential for building the mass movement and our party's strength and organisation.

Mass work, social investigation and involvement in people's struggles are the bedrock of the Party's ideology, practical and political work and organisation. It's the method our party uses to develop revolutionary theory and practice in Australian conditions.

The Party and its members do not stand above the people. We oppose arrogance, sectarianism and left blocism which divide people's movements and mass organisations.

## **8. Building people's unity**

The ruling class works systematically and skilfully to divide the people's progressive and revolutionary forces. Our Party seeks to inspire unity in all sections of society against imperialism and its Australian collaborators. We assist the people in building the united front, unite the many and isolate the handful of people's enemies – imperialism and comprador capitalist class.

The working class movement was born simultaneously in cities and rural areas before Australia became a nation. Many workers still live in rural and regional areas which lack many services available in major cities. Basics like food and fuel are more expensive.

Remote areas are home to significant numbers of First Peoples living in Country. Despite previous demonstrated better outcomes in health and education than those in some regional towns, they have been systematically tied up in red tape and robbed of funding for basic services.

Ten years ago, 400 remote WA Aboriginal communities were demolished. In the NT Intervention, compulsory Basics Cards could not be used at successful Aboriginal owned local shops. This ensured First Peoples, especially young people, were forced into regional towns to make exploitation of mineral or gas resources from their lands available to multinational resource companies.

Working farmers are important allies of the working class, but too often capitalist domination has meant their livelihoods have been sacrificed to major supermarket chains. Like workers, they labour increasingly long hours. They are squeezed by high overheads and low prices for products and by the rise of corporate-owned industrial-scale farms.

Small business people, small family farmers and subcontractors are squeezed by imperialism and burdened by high costs and insecure income streams. Many, like subcontractors, are simply workers in disguise to whom corporations outsource costs and risks. Faced with rising costs and market control by agri-businesses, many working farmers, men and women, take on contract work and increasingly live as members of the working class. Mental health issues, including suicide, reflect the hopelessness felt by these farmers.

These are just some of the groups the ruling class seeks to win to their side. But people's long-term real interests are diametrically opposed to ruling class aims.

Currently, unity in people's struggle is often based around important single issues, for example First Peoples, farmers and environmentalists' unity against fracking; local community struggles and campaigns for improvement in services and local environment. It can form lasting alliances and bonds.

The Party actively creates the widest possible and most deeply rooted people's movement against the ruling class.

## **9. Unity with First Peoples**

The Communist Party of Australia (Marxist-Leninist) recognises that Australia is built on the violent dispossession, oppression, and exploitation of First Peoples by British colonialism. For 150 years after 1788, a guerrilla war raged in every new area where settlement was attempted. Resistance, both then and now, takes many forms.

First Peoples are on the front line of struggle against the war industry and its military bases, against mining and resource multinationals and against property developers who want "crown" lands which are being returned to First Peoples. They are the most aggressive sections of the ruling class.

All sections of the ruling class attempt to divide, disillusion, disorganise and disempower First Peoples. They create, fund and organise capitalist collaborators among First Peoples and divert them to enrich themselves or choose reformist, parliamentary solutions that always fail them.

They continue to use force. Alongside staggering levels of imprisonment – including of ten-year-olds – imperialism imposes increasing systemic abuse and theft and of children, poverty, ill

health, shorter life expectancy, denial of basic services like safe drinking water. It creates economic and legal roadblocks to cultural practices on country and enables terrorist murders by police and jailers, through new laws, curfews, prison overcrowding and funding ever more police and police centres where First Peoples live.

For tens of thousands of years, First Peoples lived according to their lore. This lore and their custom, values, belief and practices have underpinned their survival and continue to do so in the face of attacks by multinational corporations.

The tap root of invasion is based on four principles, asserted to this day. It says to First Peoples:

“You are not who you say you are.”

“You don’t belong here.”

“This is not your land.”

“You must be like us.”

For First Peoples, decolonisation reaffirms who they are and where they belong. It places them in their Country. It affirms their identity.

First Peoples say, “Nothing about us without us.”

First Peoples are less than four percent Australia’s population. This means the working class and its communist party have a responsibility to assist First Peoples in their battles against our common enemies. This means we need to decolonise our minds and actions.

Our Party strives to respectfully listen to and learn from the lessons First Peoples have learned by struggle and huge sacrifices.

Without this, any struggle for a republic and the removal of colonial relics, including the Australian Constitution which places the British sovereign and their representatives at the head of government and military will fail.

We acknowledge that First Peoples have never ceded their lands, and that colonial oppression and attempted dispossession everywhere occurred through force and violence, or the threat of force and violence. Resistance to that force and violence is the inalienable right of First Peoples.

Land rights, self-determination, language and culture, come from their lore and are held in their Country. They are the heart of First Peoples’ struggles.

We support First Peoples to actively assert control over their own lives and lands, choosing their own strategies, tactics and demands.



## **10. Socialism and Communism**

Socialism will liberate huge productive forces and profits from imperialist control. The vast majority of people, led by the working class, will rule over the tiny minority of exploiters. Life for working people will be better, fairer, more secure and culturally and educationally richer.

Socialism will empower the working class as masters of their socialist society.

We saw this in the Soviet Union, we saw it in the Peoples Republic of China, and elsewhere. The forces of capitalism will try to reassert themselves over the newly established socialist society.

Under socialism, the major means of production, communication and distribution will be socially owned. This includes mines, corporate farms, energy, construction, technology and artificial intelligence industries, plus the banks and other financial corporations which fund them.

This social ownership is the new foundation of socialism. Surplus value will belong to the whole of society. Planning will end over-production, crises and market anarchy.

Workers will replace capitalists as the ruling class and will ensure that the benefits of a real democracy will extend to all but a small minority made up of the overthrown capitalist class.

The new socialist society will release enormous potential for innovation and creativity of working people in production, technology, culture, literature, art, environment, and education to serve the collective interests of people and socialist society, not the profit hungry, brutally exploiting capitalist class. The new socialist society will create a new collective culture of the people from all backgrounds, building on the positive cultural struggles against capitalism. They will embrace the positive in all past cultures, and educate about any negative aspects.

These are the goals of socialism we seek to achieve through a revolution in Australia led by the working class.

Socialism will continue for a long time. It will be a transitional society between capitalism and our ultimate goal – the classless and stateless society of communism.

After socialist revolution, classes will still exist and class struggle against the remnants of capitalism and in defence of the young socialist society will continue.

Because socialism emerges from capitalism, Marx warned that necessary hangovers from capitalism – like unequal wage payments, and distribution of commodities according to work performance – would continue to exist in some areas as “bourgeois right”.

Many people will also be influenced by over five hundred years of capitalist indoctrination and a culture of greed and self-serving individualism. Instead of serving the people, some will join the Communist Party and new socialist government to get power, privilege and wealth for themselves.

“Bourgeois right” could be exploited by them to expand, their privileged position.

They could become new bourgeois elements aiming to abandon socialism and restore capitalism.

This happened in both the Soviet Union and the People’s Republic of China. So, a victorious Party must restrict bourgeois right.

A new revolutionary state apparatus run by and for the working class is essential.

It will prevent the former exploiting class and foreign imperialists from destroying the newly-established socialist system.

It will prevent a new bourgeois class from arising.

The working class state will resist all attempts at counter-revolution and sabotage. It will resist any armed attacks, promotion of capitalist ideas that undermine socialist achievements or encourage capitalist relations of production.

The Marxist term describing this socialist period is the “dictatorship of the proletariat”.

It’s not a dictatorship over the big majority of the people. It’s a dictatorship by them over hostile minority class forces. Contradictions between the people will be dealt with by education.

Once the working class wins power, it must defend and strengthen it.

Just as the bourgeoisie uses their coercive state power to crush workers’ and people’s struggle, and stop revolutionary action, the workers must use their socialist state’s coercive power to stop the former capitalist ruling class undermining socialism.

This coercive state apparatus will gradually be dismantled as communism rises and class society fades. There’ll be no need for it.

We are confident in humanity’s path towards communism in the hands of politically conscious, united and mobilised people. This confidence is sustained by our understanding of Marxist laws of development. It will serve the people and empower them develop every aspect of their lives and culture. The specifics of that path depend on our mass work and understanding of the contradictions in society.

We know it will end war. We know it will end hunger. Everyone will be valued and cared for. Nature will be cherished, not destroyed. We know those who are sick will be given the best available treatment, and that all children, everywhere, will be richly educated in lifelong, respectful collective culture.

The division between city and country will no longer exist.

The contradiction between mental and practical work will be overcome.

No one will be terrorised by fear of homelessness, or poverty. Selfishness, greed and racism will be understood as ugly products of cruel past class societies, of slavery, feudalism, capitalism and imperialism.

## **11. The Struggle against Revisionism**

Our Party emerged in the struggle against the revisionism of former Soviet leader Khrushchev and his followers internationally and in the former Communist Party of Australia.

Revisionism exists today and will persist into the future as long as classes exist. It seeks to water down Marxism-Leninism, taking away its commitment to revolution in exchange for an attempt at reformist change and a peaceful transition to socialism.

Revisionism is the most powerful weapon for capitalism to destroy revolutionaries and their organisations from within the party and the revolutionary movement.

We are surrounded by the politics and culture of the dominant capitalist class. This constantly breeds revisionism and reformism within us as individuals, and as a party. The struggle against them is essential, ongoing, constant.

We must always remember the words of our founding Chairperson, E.F. Hill: “Nor must it be thought that the danger of return to revisionism has passed. It will never pass. It continually asserts itself in big things and small things.”

To combat revisionism, we immerse ourselves in the struggles of the working class. We use revolutionary reflection and self-reflection, what Mao called criticism and self-criticism.

## **12. Australia’s Revolution and Internationalism**

The struggle for revolution in Australia is part of the international struggle against imperialism and for socialism.

Imperialism exploits and keeps the people oppressed. The Party supports the broad masses of people around the world fighting back against exploitation and oppression. We learn from and support the right of all nations and peoples to self-determination, and the efforts to build revolutionary working class movements in countries around the world.

The Party recognises that the best way to assist the international working class and the oppressed people of the world is by building a strong anti-imperialist revolutionary movement here in Australia to overthrow imperialist dominated capitalism and establish socialism. This is the key task we set ourselves to fulfil our internationalist responsibility.

No country exists in isolation from other countries. An independent, socialist Australia led by the working class will determine the need for and nature of economic, political and cultural relations with other countries based on respect for national sovereignty and mutual benefit.

The Party recognises the uneven developments and conditions between countries. The workers and working people of each country must themselves determine their road to socialism.

### **13. Women and capitalism**

The struggles of women against their oppression by patriarchal capitalism are an integral part of the revolutionary movement towards socialism.

The Communist Party of Australia (Marxist-Leninist) fights alongside working women in the struggles for economic and social equality, respect and an end to violence, abuse and exploitation of women.

We are inspired and pay our respects to the courageous First Peoples' women in their long and resolute struggles for self-determination, communities, land and culture. We support their fight against colonial oppression and dispossession.

We uphold equality and respect for women in the Party and in people's struggles. We do not tolerate any form of discrimination, sexism and gender inequality, abuse and violence against women or children.

The exploitation and oppression of women emerged with private property and the division of society into two main classes thousands of years ago.

Patriarchy predates capitalism. Patriarchal capitalist economy and society treats women as inferior with fewer rights.

Capitalist relations of production create the dominant culture that commercialises and commodifies women as objects and possessions for sexual gratification and exploitation for profit. Domestic violence and abuse against women and children flow from this patriarchal ideology.

Pornography with violent and demeaning abuse of women is common and circulates widely, including among young people. It increasingly normalises demands for violent and demeaning sex. This robs both women and men of respectful, consensual relationships.

Capitalism exploits and oppresses women at work and in social relations. The capitalist class as a whole exploits and benefits from paid and unpaid family work done mostly by women at home. Without this work, the labour power of current and new generations of workers necessary for the

survival of capitalism could not be created or maintained. Capitalism relies on the continuing dominance of men for the double exploitation and oppression of women.

For the overwhelming majority of working women exploitation at work is multiplied by the added responsibility as main carers of families, children, the elderly, the sick and family members with disabilities – with little or no state support.

Many of the inequities and injustices of capitalism are visited more frequently and more intensively upon women of the working class than on men. Economic and social inequality, abuse and violence against women and children flows from the exploitative capitalist system and its culture.

Too many men have learned capitalist Australia allows them to stalk, terrorise and rape with impunity.

Women have learned not to report rape knowing they will be treated as liars by police and in courts where rapists are overwhelmingly found not guilty. United struggle against carnage has won new coercive control laws, but too often police and courts still fail to save women and children's lives.

In over 120 years of struggle since achieving the right to vote in Australia, women have won some important social and legislative improvements. But the continuing exploitation, discrimination, abuse and the burdens and stresses facing working women at work and at home are too often unchanged.

The era of financialised and globalised capitalism, of turbo-charged imperialism, has seen Australian women recruited into the workforce in very high numbers, perhaps not seen since the mass-exploitation of women and children in the mills and factories of 19th Century capitalism and before the advent of the post-war housewife. This has brought significant benefits to working class women both individually and for women's liberation at large. A wage-earning working class woman has greater potential for economic independence within the dominant patriarchal structures of the family and society. In addition to their involvement in class struggle at the forefront of social reproduction struggles in health, education, community and environment, it has brought working class women directly into the class struggle at the point of production.

Capitalism has entrusted a small handful of privileged women, alongside the much larger number of privileged men, to wield the powers of capital and imperialism against the oppressed and exploited.

The acceleration of the bourgeois feminist struggle for recognition and equal rights in the last 30 years has produced significant increases in female executives, middle-management, Parliamentary politicians and among other professionals.

The trend has successfully, for capitalism, dovetailed with the neoliberal era whereby the exploitation of working class women and men continues apace while the dominant ideology celebrates emancipation and diversity.

Contradictions of class continue to create distance and dissonance between the bourgeois feminist project and the conditions of working class women and their aspirations for liberation. As the bourgeois feminist revolution comes to its final stage the class divisions between women really sharpen, including the return of outsourcing domestic labour by ruling and middle-class women.

The double exploitation, inequality, abuse and violence against women cannot be eradicated under capitalism.

Socialism will create the necessary conditions that will empower working women to achieve their full potential, economic independence, equality and respect in all sectors of society. In a socialist system, working women will run the society as equals with men for the benefit of all working people.

## **14. Youth and capitalism**

The Communist Party of Australia (Marxist-Leninist) acknowledges the country's youth is crucial in the struggle for socialism and against imperialist rule. Young people have vast potential to inspire and lead social progress.

Older comrades must learn from and be guided by young people, in order to help mobilise them to be agents of revolutionary change. All comrades in our united party promote comprehensive examination of Australian conditions, literacy in class analysis, and revolutionary work among the young people in service of these goals.

As the rights of workers are increasingly violated, funds to vital social services are cut, and the prospect of affordable housing declines in a market dominated by multinational development firms and speculative private investors, the possibility of secure employment, comfortable retirement and "the Australian dream" of home ownership fade from view for many of the country's youth.

Meanwhile, environmental catastrophe and global war threaten us all. Capitalism offers almost nothing to a generation already disillusioned by its numerous cyclical crises, unemployment, mounting debt and the horrors of imperialist war. One young person turning to damaging behaviours, to self-harm and suicide, or being sucked in by fascist groups is one too many.

These problems are not exclusive to young people but they particularly impact on them, especially to young First Peoples. As conditions under capitalism deteriorate, illusions, deceptions and social

safeguards are eroded, young people will be more at risk than ever before and will be more open to embracing the revolutionary cause.

The Party seeks to learn from young people, including those young First Peoples who are embracing and asserting their collective culture and language to build strength and resilience in the face of attacks. Young First Peoples suffer the most extreme attacks by the state, and carry the trauma of inter-generational of ongoing invasion.

The Party has a significant role in tracing the origins of these social problems to their foundation – colonialism, capitalism and imperialism.

Our comrades of all ages concentrate the scattered and unsystematic ideas of the masses. They integrate these ideas into a cohesive Marxist analysis, to provide clear direction to the struggles of young working people.

This analysis also repels lies and scapegoating from far-right fanatics and who seek to divide the working class.

The Party must learn to channel young people's innate enthusiasm, optimism and energy toward revolutionary socialism, toward creating a new society which promises a life free of capitalist brutality and wage-slavery, a life of co-operative perseverance toward the common good of all, infinitely more fulfilling and abundant than what has gone before.

## **15. Climate Change, Environmental Crisis and Capitalism**

The only two sources of wealth are human labour power and nature. Capitalism attacks, devalues and destroys both. In the early stages of the 21st century, the damage to the environment as a result of capitalist plunder has reached potentially catastrophic proportions for humanity and the planet. The world's climate scientists agree that human induced climate change and global warming are approaching the point of no return.

Fighting climate change is essential to the working class. Renewable energy must replace fossil fuels, and sooner rather than later. Water must be a common good and not a tradeable commodity. Pollution and waste must be reduced and eliminated. The dangers in uranium mining and the problem of nuclear waste make nuclear energy unviable.

Biodiversity matters to the working class, working farmers, and all except a tiny handful of monopoly capitalists. It is central to the survival of all life and to the existence of the planet. The planet is experiencing catastrophic species extinctions. Habitats of other species must be rehabilitated and expanded. Research into the biology of other species must be ramped up in order to create programs for the restoration of their numbers.

The united struggle of the people can force short term advances under capitalism to reduce pollution, move to renewable energy and protect the environment.

However, capitalism and its current form imperialism have given rise to the irreversible destruction of the environment and global warming in particular. Imperialism is based on constant growth and expansion of profit at all costs before the needs of people and the environment. It must be overthrown and a socialist society established. Only this will make it possible for humans to be able to live in an environment that is sustainable long-term.

The Party and the working class must exercise leadership in protecting the environment and ensure that a socialist society works not to “conquer” nature, but to co-exist with it, restoring the balance between humanity and nature.

The First Peoples of this continent and its islands survived many tens of thousands of years prior to invasion. We must learn from them, as well as from scientists.

## **16. Membership**

Diversity of the working class is a great strength. The Party welcomes that diversity in its own ranks. It fights for a society where mutual respect exists between all races and genders, where divisive racism and gender inequalities are not tolerated, where gender identities and sexual preferences are respected. The Party upholds these standards amongst its membership. All party members are equals, respected and valued for their contributions to the life of the party and people’s struggles.

Members of the Communist Party of Australia (Marxist-Leninist) undertake disciplined and ongoing study of Marxism with the aim of developing revolutionary theory and practice in Australian conditions. We study, investigate and sum up collectively to guide us in struggle with the people connected to concrete reality.

Members of the Communist Party of Australia (Marxist-Leninist) accept a lifetime commitment to the welfare to the working class, to their struggles, interests and future liberation, that is to the great cause of communism. They struggle to remould themselves without ego or individualism. They aim to serve the people and will put the people’s interests before their own.



# Fighting Program

The Australian people are facing a crisis of rising cost of living, housing, healthcare, aged care, climate change, attacks on workers, unions and democratic rights and threat of a major war, and much more.

At the same time the enormous wealth created by working people of this country is taken by multinational corporations, the dominant section of the capitalist ruling class. The main contradiction in Australia is between the Australian people and US imperialism.

The Australian people demand, are entitled to and we fight for:

## **1. Australia to be free from all foreign and local corporate control**

We must take control of our national resources, industries, banks and institutions to run society in the interests of the people, not multinational corporations. Only then can people's needs and protection of the environment be met and communities flourish for the benefit of all.

## **2. An Australia that guarantees full, dignified and secure employment for all**

The immense wealth created by the labour of millions of Australia's working people must be put in their hands to build local, sustainable industries and secure employment for all. Australia's wealth belongs to the Australian people, not the multinational corporations.

## **3. The right of every Australian to have secure and dignified housing**

We fight for a society that guarantees access to decent and dignified housing for every Australian. Homelessness, housing insecurity and poverty have no place in a modern society.

## **4. Universal, properly funded public education that serves the wellbeing of all people and needs of society.**

We believe in a system of education that empowers the people, to build a society that benefits the people.

An education system must serve the peoples' needs as members of modern society. Through public education, the people must be able to fully develop their own intellectual capabilities and gain the practical skills necessary for each to live empowered and enriched social lives. The

Australian education system must be guided by the needs of its peoples' intellectual and practical development, not by the needs of private investment, private industry nor for the preservation of conservative and reactionary ideologies.

### **5. Free and high-quality health care of all Australians**

We fight for free, high quality public healthcare system for all based on public need, not private profit.

Health care should be a social service, not for private profit.

The Australian people deserve and require full access to a high-quality health system that allows them to lead physically and mentally healthy lives.

### **6. The rights of all working people to a decent standard of living**

Every worker has the right to a decent standard of living, safe working conditions and economic security.

In today's capitalist society the benefits of surplus value (including profits) created by the labour of workers don't go to the working class, the biggest class in our society. These huge profits are pocketed by a tiny but powerful capitalist class which privately owns the means of production.

The wealth created by working people needs to be taken out of the hands of this tiny corporate class and put in the hands of working people to ensure this wealth goes to the provision of decent and secure standards of living, free health care, education, childcare, proper housing, aged care and protection of the environment.

The advances in industry, technology, natural and medical sciences must be controlled and guided by working people, to provide full and secure employment, to lift the well-being of people and the environment, not enrich a handful of corporations.

### **7. We stand in struggle with the working class**

For the right to strike, to organise, for decent wages and conditions, for justice, peace, and solidarity with working people around the world. We fight for independent working class demands not tied to parliamentary parties.

## **8. End Australia's subservience to the USA.**

We fight for Australia's independence.

Close all US and foreign military and intelligence bases; expel all US troops.

Cancel AUKUS and the Force Posture Agreement and develop a foreign policy that stipulates the sovereignty and independence of Australia while respecting and upholding the sovereignty of all countries and peoples.

The US-Australia military "alliance" embodies the dominance of US imperialism over Australia and its subservient ruling class.

The subservient Australian government is spending hundreds of billions of people's taxes in turning Australia into a US base and a launching pad for US-led imperialist wars. The hundreds of billions of dollars of public funds must be used for the needs of the people, not for embedding the military industrial complex in Australia's industries, economy and education.

Build Australia's sovereign defence industries for the self - defence of Australia, not for US imperialist wars. The US-Australia alliance is the real and only threat to Australian people's peace, security and sovereignty.

The Australian people want no part in US-led imperialist wars of aggression.

## **9. Sovereignty and liberation of Australia's First People**

With the First Peoples we fight for the decolonisation and liberation of Indigenous Australians. This means economic and political self-determination, genuine land rights, reparations, the rights to autonomy and genuine and enforceable Treaties. Australia will never be genuinely independent without the First Peoples winning their sovereignty and self-determination.

## **10. We fight multinational fossil fuel corporations to protect the environment and biodiversity.**

The damage to the environment as a result of capitalist plunder has reached potentially catastrophic proportions for humanity and the planet.

The united struggle of the people can challenge and resist the domination of multinational fossil fuel corporations and hasten their demise.

## **11. Independent Socialist Australia**

End US imperialist domination of Australia economically, politically, militarily and culturally.

Establishment of an independent Australian socialist republic, run by and for working people of this country. Socialist Independence means also an end to foreign interference by sub-imperial ruling class at the behest of U.S Imperialism.

The Australian parliament serves the international corporations that robs the country and its people of its wealth and fails to invest this wealth back into public healthcare, education, housing and all other people's needs. We believe that the real democracy and people power will grow out of people's own grass roots mass organisations and movements based on participatory democracy under the leadership of the working class.

## **12. Independent people's mass organisations and struggle**

A people's united anti-imperialist mass movement will free Australia from foreign and local corporate control and build the country to meet the needs and

Australia's people have a rich and proud tradition of struggle against oppression and injustice. It began with the First People's armed resistance to brutal British colonisation of their people. It was taken up by the impoverished miners in the 1854 Eureka uprising against the oppressive British colonial authorities.

The rebels fought for justice, a decent standard of living and independence from Britain. Australian people's resistance to exploitation and the struggle for a better life and justice continues today.

The Australian people refuse to live in a system that concentrates obscene wealth to the apex of society while condemning ordinary Australians and workers to insecurity, poverty and oppression. The Australian people know what sort of society they want to live in.

We continue the fight for an independent socialist Australia.

# Who Owns Australia? Exposing the Multinationals

May 2018

## 1. Introduction

This pamphlet exposes the basic economic workings of Australian society and looks at the ownership of the key sectors of the Australian economy by foreign multinational corporations and financial institutions who control the power in this country. They are the imperialist ruling class in Australia. We hope that this new publication will help the Australian people in their struggles against the harmful effects of the multinationals' domination and plunder of our country and for an independent and socialist Australia.

We hope that this new publication will help the Australian people in their struggles against the harmful effects of the multinationals' domination and plunder of our country and for an independent and socialist Australia. The economic domination by multinational corporations and financial institutions penetrates into all levels of Australian society— politically, economically, industrially, culturally and militarily. For example, Australia's taxation system heavily favours big corporations avoiding paying taxes at the same time as wide- reaching cuts to community and welfare services are continuously rolled out. Big corporations like Glencore, Chevron, John Holland, and CIMIC are driving the oppressive anti-worker laws. Australia's indigenous people continue to be denied rights to ownership and control of their lands. Manufacturing industries are re-structured to accommodate multinational weapons corporations and Australia's "defence" policies and military are more deeply integrated into the US war machine. US stealth bombers and thousands of US troops rotate through Darwin and Australia continues to play host to US bases such as Pine Gap, which controls US spy satellites and is integral to its drone warfare program.

However, this small pamphlet will mainly concentrate on the economic domination. Key sections of Australia's economy such as banking and finance, mining and resources, construction, media, and agriculture are in the hands of foreign corporate interests, predominately US owned. They exercise great influence over compliant federal and state governments through organisations such as the Business Council of Australia.

## 2. Business Council of Australia

The Business Council of Australia (BCA) is the peak body of corporate power in Australia. Made up of the chief executives of over 120 of the largest companies operating in this country across

every sector of the economy, it can quite rightly be described as the “Central Committee of the Bourgeoisie” in Australia. Its purpose is to exert influence and pressure on government agendas and the formulation of public and legal policies. The BCA systematically uses its members’ vast corporate resources towards their realisation.

BCA’s policies and agendas penetrate into every economic, political and social aspect of society. There isn’t much that the BCA hasn’t demanded, interfered in or tried to influence since its formation in 1983. From calls for corporate tax cuts, privatisation of water resources, setting wages, changes to industrial relations laws that severely restrict the rights of workers and benefit big business. It has also through its mining interests, sought to oppose land rights claims by Australia’s indigenous people.

A quick analysis of the list of businesses that are members of the BCA provides an insightful snapshot in to the question of who owns Australia in 2018. Just over 50% are foreign owned companies, with approximately a further 10% being jointly Australian and foreign owned. The remaining 40% are Australian companies.

Furthermore, there is a noticeable qualitative difference between the foreign and Australian owned companies that sit on the BCA. For example, 10 of the 22 banks/ financial services providers on the list are Australian owned and includes the ‘Big 4’, Macquarie Group, and AMP, but also includes much smaller players such as Bendigo Bank, Suncorp, and Perpetual. On the other hand, the 12 foreign owned banks are a who’s who of US, European and Japanese finance capital including JP Morgan, Citigroup, HSBC, Mitsubishi UFG, Deutsche Bank, and Credit Suisse, just to name a few.

With the exception of a handful of local monopolies including Wesfarmers, Woolworths, Lendlease, and Incitec Pivot, the largest and most influential members of the BCA are some of the world’s largest multinational corporations including four of the six so called ‘oil super majors’ (BP, Shell, ExxonMobil, Chevron), General Electric, Siemens, Unilever, Google, Boeing, Engie - the list goes on.

It is primarily these large foreign multinationals that not only dominate the Australian economy, but influence and shape the direction of government economic, industrial relations and social policy through bodies like the BCA, for their own ends and to the detriment of the Australian working people.

### **3. Foreign Investment in Australia**

Foreign investment is generally categorised into four different forms: direct investment, portfolio investment, financial derivatives, and other investments. Foreign direct investment (FDI) is defined as foreign ownership of 10% or more of a company. In 2016, 25% of total foreign

investment in Australia was FDI. Foreign portfolio investment, generally defined as foreign ownership of less than 10% of a company, made up 52%. While 7% was comprised of financial derivatives, mostly foreign currency hedging, with the remaining 16% made up of other investments, a residual category that covers any items, such as trade credits or loans, that are not defined by the other categories.

Statistics show that the US continues to be the major source of foreign investment in Australia, accounting for 24.5% of total FDI stock in Australia at the end of 2016 (a sum of approximately \$195 billion). The total amount of FDI in the country reached \$796.1 billion, an increase of \$60.6 billion on the 2015 total.

The next highest source of FDI for 2016 was from Japan, making up some 11.4% (\$90.9 billion) of the 2016 total, bumping the usual second source of FDI, the U.K. into third place two years running. The U.K. accounted for 8.5% of the total FDI, (\$67.9 billion). China (not including Hong Kong) was the fifth largest source of FDI in 2016 investing some \$41.9 billion in Australia, 5.3% of all such investment.

Summarising the FDI trends over the twentieth century and up to the present, the Foreign Investment Review Board notes that in the first half of the twentieth century most investment originated from the U.K. After WWII, it was the US that was the pre-eminent source for FDI flowing into Australia, a role that continues up to the present.

In 2016, 39.0% (\$311 billion) of FDI stock was in the mining sector with 11.5% (\$91 billion) invested in manufacturing and 10.6% (\$84 billion) in real estate.

The FDI in Australian real estate was an increase of 31% on the previous year's figures. Compare this with figures from 2001 which showed that 16.8% (\$36.8 billion) of total FDI stock was in mining, while 30.2% (\$66.2 billion) was in manufacturing.

Real estate was not measured as a separate category until 2012 when it represented just 4.8% (\$28.4 billion). Note that this means there has been a 300% increase in FDI in Australian real estate in the last 5 years.

It is apparent that in the opening decades of the 21st century, mining and real estate have enhanced their positions as important destinations for overseas investment in Australia. On the other hand, manufacturing has seen a significant decline.

Looking at the statistical data from over the years, it is clear that the US has maintained its dominant position as the number one source for foreign investment coming into Australia, and has done so for decades now. What is also clear is that despite the relatively recent incursion of Chinese investment in Australia, it does not come close to the levels of investment sourced from the US.

Highlighting the importance of overall US investment for the so-called ‘development’ of Australia is a primary concern of a recent joint publication by the United States Study Centre (USSC), a think tank based at the University of Sydney, and the American Chamber of Commerce in Australia (ACCA). The challenge of Chinese investment for the US’s top dog status in the Australian economy, perceived or otherwise, has caused some concern to US lapdogs in Australia, hence the publication of the Indispensable Economic Partners: The US- Australia Investment Relationship report. The report is more than a PR exercise. It goes out of its way to show how deeply dependent the Australian economy is on US investment of all types.

Statistics lifted from the USSC report show that overall US investment in Australia at the end of 2016, was between \$800 and \$900 billion, substantially more than overall investment from the U.K. (approx. \$500 billion). The US maintains its position as the primary source for overall investment in Australia, giving a clear indication about who really owns Australia.

#### **4. Banking and Finance Capital**

Australia’s retail banking sector is dominated by the ‘Big Four’ local banks; Commonwealth Bank of Australia (CBA), Westpac Bank, National Australia Bank (NAB), and the Australia and New Zealand Banking Group (ANZ). The regulatory framework protects their dominance and encourages foreign banks to compete in merchant and wholesale banking rather than the retail sector. As a result, the Big Four have a combined market share of about 82% of all financial institutions in the market, and hold over 80% of all household mortgages. At the end of the financial year in 2017, the four major banks recorded a combined profit after tax of \$31.5 billion.

In the 2017 publication Indispensable Economic Partners: The US-Australia Investment Partnership produced jointly by the USSC and ACCA mentioned earlier, the dominating presence of US finance capital in Australia was clearly spelled out. The paper says:

US capital markets, especially debt markets, are a vital source of capital for Australian companies, especially the banking and financial services sector. Australia’s “Big 4” banks... are the four largest ASX- listed companies and account for nearly one- quarter of the total market capitalisation of the ASX 300. The Big 4 banks are heavily reliant on wholesale funding from US debt markets. Due to foreign exchange markets, the depth of US debt markets, and interest rate derivatives, the United States is the overwhelming source of that funding.

Thus, much of the finance capital issued by the Big Four banks is US capital which they have borrowed and which they must repay with interest. The paper later gives the example of the biggest of the Big Four, the Commonwealth Bank:



To get a sense of the size of wholesale funding used by Australia's banks, consider the largest player, CBA. In 2016, CBA relied on wholesale funding for 36.0 per cent of its total funding, a slight decrease from 36.9 per cent in 2015. Australian banks have a foreign funding ratio of 24 per cent, with 11.8 per cent of capital being foreign short term and "rolled over" on a regular basis. The one quarter of the Big 4's funding coming from offshore sources is largely sourced from the United States and is more than triple the amount that comes from shareholders.

The Big Four banks in Australia are not only very powerful and profitable here in Australia, they are intimately linked to and dependent on US finance capital.

Together with the dominant presence of US Foreign Direct Investment, the web of its finance capital continues to keep Australian local capitalists in a subservient, client-like position.

## **5. Mining, Energy and Resources**

Mining is the third largest sector of the Australian economy contributing 6.9% (A\$114.9b) of the nation's GDP in 2016. However, this figure, which seems small considering the constant chatter about "the mining boom", greatly understates the importance of the resources industry to Australia. In fact, in 2015 57.3% of all exports were fuels and mining products.

The importance of a nation owning and controlling its own resources for the benefit of its working people and the sovereignty of the country should be obvious. Sovereign control of natural resources is integral to the viability of an independent nation, allowing it to make long term plans for its future and as a source of investment for the other sectors of its economy.

With this in mind, the state of the mining and resources sector in Australia is outrageous. Nearly 80% of the mining industry is owned by multinational monopolies and foreign investors and makes up the single largest portion of foreign direct investment in Australia. It accounted for 39% (A\$310b) of total FDI stock in Australia in 2016.

Australia's natural gas industry is a perfect example of the impacts of foreign ownership. We are in the grips of an energy price crisis with the price of gas for households and small and medium businesses skyrocketing. However, this crisis is completely artificial as no shortage of gas exists. In fact, Australia became the world's second largest exporter of natural gas in 2017, and is expected to overtake Qatar to reach the top by 2020. Instead it is a result of the dominance of foreign multinationals who seek profits by exporting, mostly to Japan, South Korea and China.

At the end of 2017, there were eight natural gas projects operating around Australia, with a further two set for completion in the near future. All except one of these ten projects are overwhelmingly foreign owned.

An example is the recently completed Gorgon LNG Project off the coast of Western Australia. It is one of the world's largest natural gas projects and the single largest resource development in Australia's history. It is completely 100% foreign owned (Chevron 47.3%, ExxonMobil 25%, Shell 25%, Osaka Gas 1.25%, Tokyo Gas 1%, Chubu Electric Power 0.4%).

Another recently completed LNG project off the WA coast is the Wheatstone Project which is 87% foreign owned and 64% owned and operated by Chevron.

Ichthys LNG Project is soon to be completed and will pipe gas from the WA fields to a plant in Darwin. It is also 100% foreign owned with the major stake holders being Japan's INPEX (62.5%) and France's Total (30%).

In the past 10 years multinational oil giants ExxonMobil, Shell and BP who dominate Australia's oil refining industry have closed down most of the country's refineries. The majority of our crude oil is now exported to modernised refineries in Singapore and other overseas locations from where we then re-import 91% of that fuel back to Australia at a premium price. It's a practice that is hard to believe for a country like Australia which is the ninth largest energy producer in the world.

Reports suggest that if imports were interrupted by regional conflict Australia would run out of fuel in just three weeks. Australia has never been so energy insecure and will be completely dependent on overseas fuel by 2030.

It is clear that the people of Australia are suffering under the weight of the foreign domination of our resource sector. Nationalising our energy sources under the control of the working class and using them to meet the needs of the Australian people is necessary for our independence and sovereignty.

## **6. Building and Construction**

The construction industry contributed 8.1% (\$134.2 billion) to the nation's GDP in 2016, making it Australia's second largest sector of the economy after the broadly defined services sector.

Generally speaking, the building industry can be divided into two major sectors; residential (townhouses, flats, units etc.) and commercial (apartment complexes, office towers, hotels and entertainment facilities, infrastructure etc.).

Levels of foreign ownership and investment in the Australian building industry have traditionally been low across both sectors, particularly the residential sector which is comprised of tens of thousands of small and medium businesses and sole traders, as well as some large locally owned major building firms.

However, in the commercial sector there has been a noticeable shift over approximately the last 10–15 years with major builders being subject to foreign takeovers and an increased reliance on foreign capital to remain competitive.

In 2001, FDI in the construction industry amounted to just under \$3.5 billion. By 2007 it had increased over 600% to \$21.7 billion. A discernible decline occurred as a result of the Global Financial Crisis in 2008, but FDI stocks have steadily risen since with totals reaching just under \$20 billion in 2016.

A quick survey of some of the biggest builders in the country will paint a clearer picture.

Tier one builder Multiplex was bought out by major Canadian investment firm Brookfield in 2007.

Leighton Holdings, a former Australian global construction and infrastructure firm, was bought out by German company Hochtief in 2014, which in turn is owned by Spanish contracting giant Grupo ACS. Leighton was rebranded as CIMIC Group by the new owners in 2015. CIMIC also recently acquired major Australian engineering and maintenance contractor UGL Limited.

John Holland, another major Australian construction and infrastructure company, which had been purchased by Leighton Holdings in 2000, was wholly divested by the new Spanish owners in 2014 and sold to Chinese state-owned company China Communication Construction Company.

ProBuild, another top-tier builder, is majority owned by giant South African builder WBHO.

Belgium based international builder, Besix Group acquired a 15% share of second tier Watpac Group in 2013.

Kajima, one of Japan's 'big 4' construction companies, acquired controlling stakes in both Cockram and Icon Co. in the last few years, and plans to merge the two mid-tier companies in the near future.

Japan's largest builder, Obayashi, has recently entered into an agreement with second-tier company, Built, to undertake joint ventures in Australia.

While exceptions such as Australian owned global construction company Lendlease continue to profit, the main trend is clear. Major commercial construction firms in Australia are becoming increasingly bought out by foreign competitors and are increasingly dependent on foreign capital and investment to remain profitable.

It is these multinational construction companies that are driving the attacks on workers and unions in the construction industry through their government outfits, the ABCC and Fair Work Commission.

## 7. Manufacturing

In 2001, the manufacturing sector accounted for 13% of Australia's GDP. In 2016, it had declined to just 6%. This is down from a peak of 25% in the 1960s. Foreign investment figures reflect a similar trend with FDI stock in Australian manufacturing declining from 30.2% in 2001 to 11.5% in 2016. Manufacturing capacity is the life blood of any nation, and is central to the ability of a nation to be economically and politically independent, provide decent and secure jobs, and living standards for working people. Local manufacturing capability is the vital link for every endeavour of building the nation and integral to the growth and maintenance of all other sectors of the economy including construction, transport, mining and resources, food production, agribusiness, shipping, renewable energy, communication – the list is nearly endless.

Therefore, the decline in Australian manufacturing is a grave concern for all working people and anyone who desires to see an independent and secure Australia. The dramatic decline in Australian manufacturing in recent decades is not an accident or unforeseen consequence. The industry's decimation is the systematic, direct and absolutely deliberate result of foreign imperialist domination of Australia's economy.

Put simply, the overwhelming majority of Australia's manufacturing industry is not necessary to world imperialism. True to their subservient role to the imperialists, both Liberal and ALP governments have delivered up local manufacturing to be mauled by free trade agreements, deregulation and the wholesale removal of tariffs and protections.

The recent destruction of the automotive industry in Australia is a prime example. The industry was dominated by US and Japanese multinational corporations Ford, General Motors, Mitsubishi and Toyota. No longer able to make the massive profits they once had, the multinationals simply packed up and left en masse, destroying an industry that employed thousands of workers with a terrific history of class struggle and organisation.

The final nail in the coffin of the domestic auto industry was the withdrawal of government subsidies by the Abbott government leaving the industry 'to stand on its own two feet.' The cruel twist is that in January 2018, the Turnbull government announced a \$3.8 billion tax-payer funded handout to multinational weapons manufacturers under the smoke screen of creating jobs.

Undoubtedly the bulk of this massive government subsidy will go to the major weapons makers such as Lockheed Martin, Raytheon, BAE Systems, and Thales that already dominate the military industry in Australia. Imperialism is re-structuring Australia into an economy mainly dependent on a permanent state of global imperialist wars.

The Australian government's vision and ambition for the country is to serve the foreign imperialist interests, not for the future of working people. Rather than provide much needed jobs in local industries that could benefit the Australian people and our nation and invest our taxes in public health and education, it can only hope to turn us into arms dealers and merchants of death, as it integrates our country and military further into the interests of US imperialism to help prop up a decaying system.

A sustainable local manufacturing industry is possible, but only in an independent and socialist Australia no longer controlled by imperialist interests, but under the leadership of Australia's working class.

## **8. Agriculture and Water**

The 2015-16 annual report of the Foreign Investment Review Board showed that foreign investment in Australia's agricultural sector has hit \$4.6 billion, almost double the \$2.5 billion recorded in the previous year.

American investors spent \$1.3 billion in the Australian agricultural sector, followed by China with investments totalling \$996 million. Third was the UK with \$338 million, then Singapore with \$264 million. Fourth was Canada with \$240 million.

In terms of land area, the UK and China are the largest holders of foreign-owned land in Australia.

According to the most recent Register of Foreign Ownership of Agricultural Land report (2016-2017), UK interests make up 32.6% of Australia's foreign-owned farmland, while Chinese interests now hold 28.5%. This is a massive increase from the 2.8% recorded in the previous year, and is partially due to Chinese investment firm Shanghai CRED taking a 33% share in the joint venture acquisition of the massive S. Kidman and Co. cattle empire with Gina Rhinehart's Hancock Prospecting.

However, it is important to note that these figures still represent only a small amount of the total of Australia's farm land. The combined total of all foreign ownership in agricultural land amounted to 13.6% at the end of the 2017 financial year, with UK interests holding 2.6% and Chinese interests 2.5% respectively.

Water is vital to human life. Water scarcity is a world-wide problem due to climate change, demographic changes and widespread pollution.

According to the World Economic Forum, about US\$7.5 trillion will be spent globally on water infrastructure in the next 15 years.

Investors are making big profits by buying water rights, investing in water-rich farm land or investing in water utilities, infrastructure and equipment. Water as a tradeable commodity has been so profitable some have even been dubbed it ‘blue gold’ and the ‘oil of the 21st century’.

Agricultural reforms in Australia in the mid-2000s gave rise to a \$30 billion water trading market in Australia, one of the largest in the world. This allows investors to buy water rights previously owned by farmers.

ABS statistics show that by 2010, 8.1% of Australia’s fresh water was owned by foreign capital. This figure rose to 13.7% by 2013. A comparable figure of 12.5% was recorded in 2016.

Australia’s small and medium farmers are used to battling droughts, floods and other natural disasters. They also don’t back away from a fight against multinational exploiters. The success of the “Lock the Gate” campaign against the attempts of energy companies to destroy prime farmland in order to extract coal seam gas, is an excellent example of this.

Farmers are oppressed by many of the same enemies as workers, such as banks and agribusiness companies. They share the same concerns as workers over issues such as the foreign take-over of Australian land and businesses, and are suffering the effects of global warming through more extreme weather events.

Farmers are the natural allies of workers in the struggle against imperialism.

## **9. Media Ownership**

The Australian media is concentrated in just a few hands. The claim by the federal Shadow Minister for Communications, Michelle Rowland, that the Australian mainstream media has one of the highest concentrations of ownership among the advanced capitalist nations was unsurprisingly found to be factually correct when it was ‘Fact checked’ in December 2016.

The number of newspapers in Australia has declined markedly over the course of the last century and the trend continues. An IBISWorld market research report published in June 2016 summarised the situation:

In 1903, there were 21 daily newspapers across Australia’s eight capital cities, and 17 different owners. By the 1950s, there had been a gradual consolidation to 15 daily newspapers and ten owners. [As of] 2016, there are now ten metropolitan or state-wide newspapers ... published in Australia. News Australia and Fairfax Media own these newspapers, with the exception of The West Australian, which is owned by Seven West Media.

Moreover, the four biggest corporations in the media ‘field’ gobbled up approximately 90% of the revenue in 2015-16. The four being: News Australia (ultimately owned by Rupert Murdoch’s US based News Corp.), Fairfax Media, Seven West Media and APN News and Media.

Notwithstanding the decline in newspaper sales in recent years, the fact that the Australian print media is largely owned by four corporate entities (in particular, Murdoch’s cornering of 57.5% of market share of Australian Daily Newspapers) highlights how important it is for the ruling class to control the ‘message’ and set political and economic agendas.

Similar concentration occurs in other sectors of the Australian media. The radio broadcasting industry is also highly concentrated. The industry’s four largest players – Southern Cross Media, the ABC, APN News and Media, and Nova Entertainment (100% owned by Lachlan Murdoch, son of Rupert Murdoch) - were expected to account for 70.9% of industry revenue in 2016-2017.

In Pay TV, the monopoly Foxtel is controlled by Murdoch’s News Corp. Foxtel has as one of its flagship ‘news’ offerings, Sky News, renowned for its flagrant right-wing ideological positions. Murdoch, through his mainstream media holdings has attempted to and continues to attempt to promote his business interests throughout the world. Not only that, but this US citizen has been pivotal in extolling the ‘virtues’ of neoliberalism, social and political conservatism and US imperialism throughout the English-speaking parts of the world.

In sectors such as the mass media, the concentration of ownership narrows the range of what constitutes ‘acceptable’ discourse and perpetuates and reinforces ruling class ideology. We can see these processes occurring in contemporary Australian media.

A future independent Australia under the leadership of the working class would see these reactionary, anti-people monopolies broken up and their resources turned over to the people to be used to promote their needs.

## **10. Conclusion**

This pamphlet shows that the most important areas of Australia’s economy are owned, controlled and plundered by a handful of foreign corporate monopolies and an even smaller number of local big businesses dependent on foreign capital for their survival.

Capitalism in Australia is dependent on imperialism and foreign capital for its existence.

The pamphlet has exposed how this imperialist domination harms the interests of Australia’s working people. It prevents us achieving a society where the immense wealth created by the collective labour of workers benefits the working people, instead of the corporate ruling class.

Federal and state governments, parliaments, the legal system, industrial laws, the courts, the police and military forces all exist to protect and reinforce this economic domination. Many decisions and economic policies originate from the Business Council of Australia where these policies are drafted by corporate monopolies.

The US-created and led Australian-American Leadership Dialogue exerts great political influence over Australian parliamentary politicians and aspiring politicians from the major political parties.

Australia's main defence and foreign policies are dictated by the US and obsequiously followed and implemented by successive Australian governments.

The Business Council of Australia and the US-Australia military alliance reflect the economic, political and military "interests" of the main dominating power in Australia, presently US imperialism.

The Australian people will only be able to implement policies that safeguard the needs and wellbeing of working people by expelling US and other imperialist interests and achieving genuine independence by nationalising the key areas of the economy. The wealth and resources of the country will be applied to benefit the people by securing: decent wages and conditions; the rights of workers and unions; free health care; free education; clean and sustainable industries; affordable quality housing; reliable and extensive public transport; and proper management and protection of the natural environment.

Only protracted revolutionary struggle led by the working class can resist, roll back, and finally defeat this imperialist stranglehold.

In this struggle the biggest and most powerful class, the working class, and its allies will be empowered to build and defend socialism, the only possible alternative to imperialist war and exploitation.

- Nationalise public transport, ports, power, health care, education, essential services!
- Nationalise the multinational corporations!
- Nationalise mining and energy resources!
- Independence from US and all imperialist powers!



# 150 Years Young: Marx's Capital

*An invitation to job reps and community activists from the Communist Party of Australia (Marxist-Leninist) to celebrate and use Marx's Capital*

*Prepared by Humphrey McQueen with a lot of help from comrades for the CPA (M-L)*

## 1. Introduction

Karl Marx wrote his huge three-volume study *Capital* a century and a half ago. It remains the single most influential study of the economic laws of motion of capital, of how capital is deployed in an endless quest for continued accumulation, and of how the labour power of the working class is exploited to produce surplus value for the profit of the owners of the means of production.

The Communist Party of Australia (Marxist-Leninist) has commissioned this outline of Marx's *Capital* from renowned Australian Marxist historian Humphrey McQueen whose pioneering study *A New Britannia* (Penguin, 1970) opened a new page in approaches to Australian History. McQueen is the author of numerous titles and more recently, has authored two studies on the construction industry: *Framework of Flesh: Builders' Labourers Battle for Health and Safety* (2009) and *We Built This Country: Builders' Labourers and Their Unions* (2011).

There are two common misconceptions about workers and bosses that ultimately confine workers and their defensive organisations, the unions, to capitalism. They serve to limit even the most militant of union activists to "a guerrilla war against the effects of the existing system, instead of simultaneously trying to change it" (Marx, *Wages, Price and Profit*, Peking, 1965 p. 78). They are, firstly, the belief that wages are the worker's share in the commodity he or she has helped to produce using materials and equipment supplied by the boss (see *Wage Labour and Capital*, Peking, 1978 p. 19). From this follows the second belief, namely, that the objective of workers' struggles should be a fair division between the bosses' share of the value of the commodities produced (profit) and the workers' share (wages). This is expressed as the demand for a "fair day's wage for a fair day's work".

In *Capital* and other works such as the two cited above, Marx utilises a scientific political economy to challenge both these beliefs, liberates the outlook of worker activists from the reformism that finds expression in bourgeois trade unionism, and shows the necessity and inevitability of ending the capitalist era with a revolutionary transition to socialism and then, eventually, to communism.

If activists keep the objective of challenging these two beliefs in mind as they read the document, it will provide a useful context for their reflections.

It is no easy task to reduce three huge volumes of meticulously researched data down to an outline covering a few mere pages. We are indebted to Humphrey McQueen for making the essential features of Capital available in a form that is both a summary and an introduction.

The CPA (M-L) is confident that an Australian working class, armed with an understanding of Marxism, supplemented by the work of later revolutionary leaders such as Lenin and Mao Zedong, will cast reformist illusions aside and unite to win anti-imperialist Australian independence and socialism.

Central Committee

Communist Party of Australia (Marxist-Leninist)

## **2. Marx – our contemporary**

*... the educator must be educated. Marx, 1845.*

Karl Marx spent half of his adult life striving to understand the workings of capitalism. He spent much of the other half battling to replace it with socialism.

To change the world, he learnt why we must learn how to interpret it. To interpret our world, he learnt that we all have a part to play in changing it.

These struggles united the two parts of his public life.

### **Know our enemy**

Every contest between capitalists and wage-slaves is decided by the relative strengths of the opposing classes.

Those strengths combine the political, the cultural, the industrial and the military with the intellectual.

Our class has to be armed to fight on each of those fronts. Capital is a short-, medium- and long-range weapon in the class war.

Few of us will have the opportunity to absorb all of Marx's gifts to working people.

None of us can afford to ignore his key insights.

Capital explains why capitalists and their agents must behave as they do.

Our exploitation and oppression are not the result of nasty people like Abbott with bad ideas such as neo-liberalism.

Neo-liberalism has been a bad idea for workers but a great idea for most of the boss class. A Turnbull or a Shorten takes over where an Abbott left off.

### **Tactics and strategies**

Capital remains the essential starting point for understanding capitalism.

That understanding is vital in our efforts to change the world towards socialism and thence communism.

To help us move there, this pamphlet takes up seven issues around which revolutionaries can build mass movements: the plunder of nature; the expansion of capital; wage-slavery; exploitation; the future of labour-time; ground-rent, and crises.

The way to celebrate the 150th anniversary of Marx's Capital in September 2017 is to forge his insights into weapons for our struggles today, and every hour of every day.

### **3. The wealth of nature**

*Capitalist production, therefore, only develops ... by simultaneously undermining the original sources of all wealth – the soil and the worker. Marx, Capital vol I, page 638.*

#### **Other animals**

Our species is part of the natural world. We share 98 percent of our genes with the great apes. We are no special creation.

Yet, we are unique. Unlike other animals, we are forever remaking what it means to be human. We created languages, writing and maths.

Human nature is neither eternal nor universal. Hence, capitalism is not in our genes. We alter our relationships with each other. We change our relationships with the rest of nature. And we transform some of nature.

We do all this through our labours. That is why half of this pamphlet explores wage-slavery, labour-time and exploitation.

#### **Value**

Our capacity to work is one outcome of the physical world. If we don't eat or drink, we can't work. In short, we can't add value to the wealth of nature.

'Value' is an overloaded term. For Marx, value is an economic category. Value is neither a moral judgement nor an aesthetic preference.

Only human labour can add value. Even a primary school textbook should spell out why labour cannot be the sole source of wealth. So said Marx. For a start, our capacities can never create the raw materials to which we add value.

### **Forests**

To accept that an old-growth forest has no economic value is to say no more than that no human labour has gone into its existence.

By contrast, a pine plantation has economic value because human labour played a part in its growth. The timber from old-growth forests acquires economic value once it is harvested and dressed.

Marx explains why capitalists are slow to invest in forestry. The production times are too long. They cannot afford to wait forty or more years to take a profit.

Instead, they plunder the wealth of nature in old-growth areas. Or, their state supplies the long-term investment for plantations.

### **Nature's gifts**

Nature presents its treasures to us as free gifts. Sunlight, wind and water arrive without our having to lift a finger.

To benefit from those gifts we must build a sailing boat, and erect a wind or water mill.

Sunlight is a renewable source of energy only after the parts for solar panels are mined, processed and installed.

### **Property wrongs**

How the gifts of nature are distributed depends on property relations.

Who gets what and how much is decided by how society is split between classes. Within classes, wealth is divided along gender lines.

Feudal lords smashed the hand-mills of their serfs to force them to pay to grind their corn at their Masters' watermills.

In *Capital*, Marx mentions a mine-owner in the 1850s who exerted property rights over the shit of his wage-slaves.

Switching to 100 percent renewables will not make access to any resource more equal.

Injustice is built into the expansion of capital. Its relentless growth threatens barbarism.

Victory for working people in our class struggle is, therefore, the foundation for survival.

### **Fouling our nest**

Capital pollutes the natural world that its agents plunder for raw materials. To ravage our natural environment is to commit chronic suicide.

We live through nature because nature exists inside us. Hence, we must take heed of Engels:

Let us not, however, flatter ourselves overmuch on account of our human victories over nature. For each such victory, nature takes it revenge on us.

Thus at every step we are reminded that we by no means rule over nature like a conqueror over a foreign people ... – but that we, with flesh, blood and brain, belong to nature, and exist in its midst, and that all our mastery of it consists in the fact that we have the advantage over all other creatures of being able to learn its laws and apply them correctly.

Today we should repeat: ‘and apply them correctly’, but also add ‘before it’s too late.’

## **4. The need to expand**

*One capitalist always strikes down many others. Marx, Capital vol I, p. 929.*

Even to exist, capitalism must expand. The need that capitalism has to expand marks it off from slavery and serfdom.

Twin forces drive this need:

> Competition forces each firm to lower its production costs to compete on price.

Each business strives to sell more of these cheaper items to get back the same volume of profit.

To grab the biggest share of sales, each firm also produces more than it can sell.

> Firms face pressure from us wage-slaves for a bigger share of the values we supply.

The bosses react by replacing our living labour with machines. They thereby further increase the volume of commodities to be sold to take a profit.

### **Mass Marketing**

Until those goods are sold, capitalists do not get that profit.

Hence, we are subjected to mass marketing, including consumer credit.

Over-consumption is not the sin of personal greed. 'Affluenza' results from the needs of capital to expand.

Capital instils demands in us to make us absorb the over-production that is built into its chaotic expansion.

Meanwhile, our class imposes some of our needs on capital as part of our self- emancipation.

Here is another moment in the class struggle over the five pillars of our lives – housing, transport, work, health and education.

### **Fossil capitalism**

The need that capital has to expand feeds its use of carbons.

Yet, if all energy came from renewables, capital would still have to expand.

It would then over-produce solar panels, wind-turbines and batteries.

Capital would also have to go on plundering every other resource, spewing out wastes other than CO2.

### **Big is best**

Marx traces the origins of capitalism to three interlocked processes.

- a. the accumulation of money as capital to re-invest;
- b. the concentration of resources (including labour); and,
- c. last but not least, is the centralisation of the ownership and control of property for production.

This trio was a condition for capitalism. Their triumph became one more cancerous growth for its survival.

### **Monopolies – old and new**

Monopolising is an essential part of capital's expansion.

Monopolies existed before capitalism. Their role has been transformed since capitalism gained dominance around 1800.

Monopolies under the First British Empire up to 1783 were nothing like the monopolising capitals since 1890.

### **Intensified competition**

The phrase 'monopoly capital' sounds as if monopolising and capital could reach a final state. Not so.

Monopolising is a process. Rival capitals persist.

Indeed, as the corporates get bigger, they fight each other more fiercely. Think Coke vs Pepsi. Apple vs. Microsoft.

Sometimes, the giants do get together to fix prices.

Those cartels fall apart after a few years. Each firm tries to steal a march on its rivals.

Anti-trust laws are used to protect one group of capitalists from price gouging by another lot.

That is why QANTAS got fined for rigging commercial freight rates.

### **War**

Wars are the highest form of competition.

They serve three needs in the expansion of capital:

> One is to get resources. Since labour is the prime resource of value, early capitalists traded slaves.

Soil is the other vital need. By conquests, English capitalists grabbed land from which to import cotton and corn.

> Another cause of war is to control the outlets for the produce from land and our labour.

At first, states imposed tariffs to reduce competition from imports. Now, the most powerful states sell more through misnamed 'Free Trade'.

> Sometimes the agents of capital grabbed places to secure trade routes.

For instance, the British sent convicts to Botany Bay to set up a naval refitting station to secure a route to China for tea. Convict labour was, and is, too value-adding to dump.

Thirty years later, Australia became a sheep walk. Later still, British capitalists turned Australia into a source of grains, meats, minerals - and cannon fodder.

Each path opens onto a quite different one.

## **Imperialism**

Lenin's 'Imperialism' is a late form of centralisation, that is, of monopolising. That era did not get underway until after most of the colonies had been seized.

Most trade and investment still take place inside and between the advanced economies, rather than with the Third World.

The stage of capitalism that Lenin calls 'Imperialism' stepped up the exploitation of workers everywhere - from Australia to Zambia.

## **5. Free-labour is wage-slavery**

*... the development of the productive powers of society ... alone can form the basis for a higher form of society, a society in which the full and free development of every individual forms the ruling principle ... Marx, Capital vol I, p. 739.*

Marx calls his masterpiece Capital. In it, he gives us the finest analysis of labour ever written.

He reveals that money for investment and production goods (machines) are the accumulation of our past labours.

He shows that capitalists control those means of production because their economic clout is backed by political force.

Capitalists use their control of our past labours to make us sell our living labour to add ever more value to the things we make.

## **Rights at work**

With that sale, our labour is subject to capital on paper.

However, its managers – 'sergeants' as Marx labels them – still have to make our labour subject in practice.

Capitalists and their agents in the state must limit 'free labour' to their requirements.

We must be disciplined to the demands of expansion during every second of the working period.

Above all, to withdraw our free labour is a crime.

The ruling class can never accept our 'right' to strike.



They must always claw back every 'right' we win.

Under Gillard's un-Fair Work Australia, 'protected action' protects the bosses from our actions.

### **Free to starve**

Capitalists do not own us in the way that Romans owned their slaves.

Nor do they own us for life as they do machines and raw materials. Nor do they own our children in the way they own the offspring of sheep and cattle. How then are we any kind of slave?

To answer that question we need to spell out what 'free' labour means under the rule of capital.

The first aspect is that our forebears were freed of the resources to keep themselves alive.

Once driven off the land, they were free to sell themselves for their dinner - or to starve, beg or steal.

Our class inherits that free choice.

Secondly, we are free to move about. We are not tied to a patch of soil like serfs.

Instead, we are compelled to follow capital in search of paid work.

Thirdly, our employers 'set us free' when they sack us.

### **Capacities**

Capitalists buy our capacity to add value as they buy coal or cell phones. Yet there are three differences.

First, they do not buy us outright as with chattel-slaves. Instead, they buy our capacities only for a period of time.

The second difference is that we possess consciousness and a will. Unlike caged chickens, we organise to fight back.

The third difference is that our consciousness is partly why we can add more value than goes into our upkeep.

### **The twofold commodity**

When we grow tomatoes for our own kitchens, they provide us with a use-value. They are not commodities.

However, when we sell our home-grown tomatoes at a farmers' market, they become commodities.

A commodity combines a use-value with an exchange-value.

At the local street market, we are still selling only the products of our labour. We are not selling our capacity to add value in growing tomatoes.

Once we are forced sell our labour- power to Coles to grow tomatoes, our labour becomes a commodity.

That exchange turns our capacities (labour) into one more commodity (labour-power). That exchange is the heartless soul of capitalism.

### **Variable capital**

Marx explains how it is that when we sell our labour-power for wages, our capacity to add value becomes a form of capital.

He calls this capital 'variable'. It is 'variable' because it is the only element of production able to supply more value than goes into its production.

That value is surplus to what is necessary for wage-slaves to sustain ourselves.

That extra Marx calls 'surplus-value'.

### **Surplus-Value**

Marx gives the following comparison. A serf works three days for himself on his own field. He works the next three for his lord.

The two parts of the serf 's labour are distinct. They are separate both in time and in space.

We wage-slaves are in a similar situation yet with a key difference.

We work in factories or offices for nine or more hours each day.

During some of those hours, we produce values equal to the cost of our labour- power. That cost is met by wages.

During the rest of our working period, we provide values 'surplus' to our needs.

We are never paid for producing that extra.

This exploitation is masked by the money wage that is paid to cover our entire working period.

When our products are sold, the surplus- value is the source of profit. Profits feed expansion, which is the basis for capitalism.

### **Democracy**

Because we are compelled to sell our labour-power in order to exist, we live under a class dictatorship.

Our need to sell our capacities is backed up by the capitalists' monopoly of violence. Force is raised to the status of law and order.

None of us will be free as individuals until we are free as a class.

That goal means making ourselves free from the rule of the capitalist class. We can do that only by smashing its power in the state.

## **6. Exploitation**

*To be a productive worker is therefore not a piece of luck, but a misfortune. Marx, Capital vol I, p. 644.*

Capitalists can exploit us without stealing from us. So, we are both exploited and yet not diddled. How is that possible?

The answer is in the genius of capitalism. Exposing how capitalists get away with it is the genius of Marx.

Solving this riddle requires us to grasp what Marx reveals about exploitation under capitalism.

The word 'exploitation' is flung around as abuse.

We need the scientific treatment that Marx provides to see why exploitation is never exceptional.

Only then can we grasp why there can never be 'a fair day's pay'.

### **Equal exchanges**

Like all scientists, Marx begins from a simplified model.

He assumes that capitalists pay us in full for all the costs we meet in reproducing the only commodity that our class has left to sell to them.

That commodity is our capacity to add value.

If capitalists do pay in full for that labour- power, there is an equal exchange. If not, and only then, there is also a swindle.

Exploitation happens whether or not our wages cover all the costs of reproducing our labour- power.

### **Same difference**

For Marx, exploitation is the surplus- value that capitalists must take.

If capital does not get something for nothing, it can never expand.

That 'something' for free is the value we add over and above how much it costs us to reproduce our labour-power.

That rule applies in every corner of the world. What differs are the socially necessary costs of reproducing our capacities to add value.

The answer to our puzzle is clearer when we apply Marx's insight to real life.

To do so, we'll compare a garment worker in the third-world with a cleaner on penalty rates in Perth.

### **The third world**

A worker in Bangladesh is paid \$2 per day. You'd say that she's getting a raw deal.

Yet, if \$2.00 covers what she pays for all her needs, then she is not being swindled.

Her labour-power costs \$2.00 a day to reproduce. Her boss pays her \$2.00. An equal exchange has taken place.

And so has her exploitation.

She is not exploited because she gets a mere \$2 a day.

She is being exploited because her boss takes all the value that she adds over and above the value she supplies after meeting her \$2 wage.

Whether she is being exploited in the sense of being swindled depends on how much her labour-power costs her.

Its cost is for her food and housing, her training and transport.

Those costs are necessary if she is to offer her labour on a job market.

If her capacity to work costs 10 cents more than \$2, she is being swindled – as well as always being exploited.

### **Penalty rates**

The same rules apply to a Perth cleaner on \$180 a day who gets penalty rates.

The cost of reproducing the labour- power that she sells on a Sunday is no more than that it costs her on weekdays. Nor does she add more value on a Sunday than on a Tuesday.

How has she got a higher price for her labour-power at some times than at others?

## **Life-cycles**

The explanation calls for us to dig deeper into the cost of reproducing our labour- power.

That sum is not decided on a daily basis. Our costs have to be met throughout our working lives.

Higher rates on weekends are one way of our getting enough money to reproduce our labour- power across generations.

As ever, another part of the answer is in the relative strengths of the contending classes.

Unions, sporting bodies and churches won the battle for us to be compensated for disruptions to family life and social activities.

## **No exceptions**

With or without penalty rates, we wage- slaves are always being exploited.

Anyone getting time-and-a-half for Sunday is being exploited. Should we have our penalty rates cut, we will be exploited at a higher rate.

That is what happened to the Seven- Eleven staff. Even after they got all their back pay, they still had not got the full value for the product of their labour- power.

## **Solidarity**

To recognise that exploitation is universal is the basis for workers of the world to unite.

Outrage at the cheating of Seven-Eleven workers risks leaving the rest of us feeling that we are not being exploited.

The same danger arises from not seeing beneath the surface of low wages in the Third World.

Mass campaigning against so-called modern slavery can limit some swindles. It will never end the exploitation of wage-slavery.

If Andrew Forrest could not subject Pilbara mine-workers to that kind of modern slavery, he wouldn't be have the profits to big-note himself as an anti- slavery advocate.

No wage-slave can ever be paid for the full value that we add to the accumulation of our past labours in machines and raw materials.

If we were paid in full, capitalism could not exist.

Recognising the universal fact of exploitation is key to our overthrowing the rule of capital.

## 7. The future of labour-time

*The mechanical appliances consist of a stop-watch and a motion picture camera. This invention is the most powerful tool ever for the measurement of efficiency, suggesting the whip of taskmasters and owners in earlier times. Editorial, Australasian Engineering and Machinery, 1913.*

Bosses don't pay us for the pleasure of our company.

What they do pay for can be read in the window of a sandwich shop: 'Staff wanted – 10.30 to 2.00'.

Those hours are when the most food and drink has to be prepared. That's when our labour-power adds the most value.

Some outlets will also need extra hands to dish up breakfasts between 6 and 9 am. Those wage-slaves are set free between 9 am and 10.30.

The same rules apply to labour-time in the hospitals and construction sites where the hungry and thirsty customers work.

Always just-in-time.

Indeed, what is true at the sandwich bar, now extends into every workplace, from child care to universities.

Competition makes it harder for firms to afford full-time permanent employees.

Corporates must forever seek new ways to reduce their costs of producing each unit.

Thus, labour-power is brought in just when it is needed to add most value.

The new job market is run by labour-hire firms, sham sub-contracting and cash-in-hand.

Those swindles add up to no superannuation, no sick pay, no paid annual leave.

### **Off the clock**

Capital enforces a two-sided strategy to get more unpaid labour-time and thus more surplus-value.

One approach is to employ us in broken shifts only for the minutes when they can get the most surplus-value out of us.

Capital also extends work off-the clock for no pay at all. Those hours deliver 100 percent surplus-value.

That swindle is on top of normal exploitation from an equal exchange of labour-power for wages.

### **No pay? No way!**

Each corporation would prefer never to pay us anything. They do that now with the fraud of 'internships'.

The capitalist class as a whole cannot afford to pay our class nothing.

Its survival depends on our buying most of what we produce.

Forced to choose between cutting our wages and driving up unpaid labour- times, the agents of capital go for the latter.

### **Reserve Army**

Marx explains how this two-fisted assault operates.

He call the employed the 'active labour army'. Yet all employees are also sections of a 'reserve army of labour'.

That merging of the active army with the reserve army is possible because the workers with jobs usually can be made to work longer and harder.

The future threatens more of the worst. The entire active labour army will be pushed towards being casual, part-time temps.

### **Penalty rates**

Sometimes we get penalty rates for longer hours.

But we never get penalty rates when we are being driven to add more value in total.

At those times, we pay the penalty in stress and exhaustion.

The less satisfaction we get from our work, the tighter the discipline has to be at the point of its application.

Marx's choice of 'army' spotlights the compulsion behind 'free labour'.

Bullying is part of this time discipline, not a personality defect among managers.

### **Everyday crises**

Even if we have a 'permanent' full-time job under an Award, we are being 'wired' to work 24/7.

Daily life proves to be a chain of crises. We wake up sleep-deprived; scramble to get out the door and the kids to school; find standing room on a train or get stuck on expressways.

One reaction is to grab fast food with long-term ill-effects on our health. Hence, we suffer the pandemics of obesity and of children with ADHD.

## **Robots**

Who is on first-name terms with a Robot? Who isn't time poor?

These questions spotlight the prospects for our lives under the rule of capital.

Fear of losing out to a machine is spreading. At the same time, we are subjected to longer, more intense, yet broken working periods.

Marx explains why the two go together.

Automation can deliver more widgets. Only longer hours and stricter discipline will extract more unpaid labour (surplus-value).

The chase never slackens. The capture of more surplus-value is crucial for the expansion of capital.

Profits are an outward sign that surplus-value is being extracted from us.

## **How much longer?**

To prosper, capital needs to degrade us.

Socialism is the allocation of our abilities in accord with the fullest development of all our capacities.

Under-employment of our talents is inevitable under capitalism.

There need never be any shortage of activities in which we can share social goods and our social worth in a true common-wealth.

## **8. Ground-rent**

*'Rent' is the word we use to pay for a roof over our heads. 'Rent' has other meanings. For economists, 'rent-takers' extract unearned incomes.*

## **Parasites all**

Marx shows that the rents that derive from the control of land are not unique.

No capitalist 'earns' her or his income. All profits flow from our unpaid labours.



All bosses are parasites on our capacities.

The profits of Toyota like those of Gina Rinehart come from unearned income. The difference is in the pathways by which each got hold of their money.

The car-maker takes its profit directly out of the surplus-value it extracts from exploiting its wage-slaves.

Rinehart's billions arrive indirectly.

Rio Tinto pays her for the 'right' to mine ore-bodies which her father claimed from prospecting.

The money Rio pays her comes from three points of exploitation: the labour of its workforce; the direct makers of its machines, and out of the wage-slaves of their customers, the Chinese steel-makers.

### **Windfalls**

All land offers an unearned income – rent - to whoever controls it.

The mining giants take their normal profits out of the surplus-value produced by their workforces.

The rising returns from the late 1990s had nothing to do with the quality of the ore bodies.

The windfalls to Rio and to Rinehart came from Chinese demands. Wage-slaves for the mining corporations added no more than they had earlier.

The above-average rents flowed out of the surplus-value added by Chinese wage-slaves.

Exploitation is international. So will be its total overthrow.

That final victory will follow zigs and zags. The working people who win through first will reach out to comrades still battling their capitalist states.

### **Resource Rent Tax**

Who else took any of these larger rents?

The Coalition used bigger tax revenues to buy its re-election in 2001 and 2004. The better-off got even more tax and Super concessions.

In 2010, the ALP tried to collect a slice of the windfall.

The labour lieutenants of capital, led by Gillard and Shorten, sold out the Resources Rent Tax to the corporates.

That defeat highlights that ground-rents pivot on property rights secured by political power.

### **Invasion**

Before the invasion of Australia, none of this could apply.

Aboriginal and Torres Strait Island communities had no classes and hence no state machinery to enforce the exploitation of 'free' labour.

The state is pivotal in the allocation of unearned incomes.

Along with the invasion, the Crown claimed all the land. Colonial governors made freehold grants or issued pastoral licences. Squatters then stole that land from the Crown, and then some.

From 1820, London made vast grants of land to English companies which still operate.

At Eureka, the rebels demanded the break-up of the big estates. They had some success with Free Selection Acts and later through land taxes.

### **Plunder**

Agricultural land can be replenished. Indeed, its rental price can increase with the amount of labour put into its improvement.

By contrast, minerals are a once-only resource. After they are taken, the land loses its rentable value as a mine. And it will be useless for farms.

### **Crown land**

Under Australian law, all the wealth beneath the surface belongs to the Crown. Corporations pay royalties to governments in return for the right to extract minerals.

In locking the gate against frackers, we must not give up the principle of common ownership of what is under the soil.

Treaties with our first peoples can strengthen those collective controls.

### **Whose land is this land?**

In any society divided by classes, says Marx, workers have no country.

For as long as the boss class controls the state, we are like aliens in our own land.

However, we know that we do have a country because our labours keep on re-making Australia.

Our self-worth as individuals and as a class flows out of our shared labours at work; around households, and from volunteering.

A socialist revolution will unite the fruits of those activities with political control by our class.

The sense of ownership that derives from our co-operative labours has to be secured by our collective ownership of resources.

Working people can then control our lives from the ground up.

## 9. Of what use are crises?

*Crises are never more than momentary, violent solutions for the existing contradictions. These violent eruptions re-establish the disturbed balance for the time being. Marx, Capital vol III, p. 357.*

Capitalism is unstable. That is one source of its weakness but also of its strengths. Each crisis offers a chance for its renewal.

Marx explains how these opposed forces reproduce each other.

### **Over-production**

Capitalism is unique in the kind of crises it generates.

In the past, crises came from famine, war or plague. Such disasters, of course, continue.

Crises of capitalism, however, erupt from its need to expand. That need results in over-production from excess capacity.

That is what went wrong in the run-up to the crisis of September 2008.

For several years, the car-making capacity around the world was a third greater than demand.

Marx rejects any notion of just one source for every crisis. Exactly how each one erupts, he insists, is a question of time and place.

### **Time-lags**

At the core of the capitalist mode of production is the dominance of exchange-value over use-values.

Marx builds his analysis of capitalism up from the single commodity. He goes on to show why the commodity gives birth to crises.

He offers the example of money used to buy a commodity, say, a bible. Its seller thereby comes into cash. He can abstain until Saturday night before spending it on brandy.

Or, he can save it until his house rent is due at the end of the month.

In either case, there's a delay between buying and selling.

If those pauses are big enough, the system of exchanging money for goods and of goods for money will seize up.

### **Time payments**

Yet, the capitalist system thrives on delayed payments.

If Toyota had to pay Nippon Steel on the same day as its steel is delivered, the pace of expansion in both businesses would slow down.

Instead, the car-maker gets thirty or ninety days credit.

While that delay is good for Toyota, it is a burden on Nippon Steel.

An alternative is for a broker to buy the steel and pay Nippon Steel within thirty days.

Meanwhile, the broker will have sold the steel to Toyota on 90-days credit. Funds to cover the sixty-day gap come from the Macquarie Bank.

The turnover times of both commodities and of money are speeded up. Their acceleration spurs on the pace of accumulation.

So far, so good for capital.

### **Reserve funds**

The other lag in turnover-times comes from the driving force of capitalism itself – its need to expand. To do so, firms have to set aside some of their profits.

Part of that reserve will go on new machinery. Most will be saved to pay for the raw materials and labour-power for next week, and next month. Few corporations can hoard all the funds they need just from exploiting their own workers.

A regime of credit is essential. This support system brings with it new risks.

Access to loans will dry up as soon as banks suspect that other banks might not be able to repay them.

Each bank also fears that non-bank borrowers won't be able to pay back their debts.

That panic was spreading before September 2008.

Governments stepped in to bail out their system.

### **Clearance sales**

Central Banks steadied the ship by printing cash as ballast.

But the owners had to play their part by throwing lots of the crew and cargo overboard.

In short, they had to get rid of the excess capacity in autos, steel and apartments.

In most countries, they have done little more than trim the load.

The ruling circles are not game to jettison all the wage-slaves they need to dump for the engines to go full throttle again.

The refusal of voters to stay within the safe channels has the bosses spooked – for the moment.

### **State power**

Lenin spelt out a key fact about crises. Capitalism will survive them all – so long as it can make the rest of us carry the can.

Our job is to stop that.

The keener our understanding of the sources of crises, the better chance we have of tipping the system over.

The cycles of accumulation will seize up from time to time. Yet, capitalism will never collapse of its own discord.

Once capitalism is off balance, we have more chance of busting its monopoly of violence.

In bourgeois democracies like Australia, the ruling circles are tightening the screws.

Resorting to an open dictatorship, however, is not in their best interest here.

Nonetheless, they will never give up the power they need to live off our labour.

To hold on to that privilege, their record proves that they will go to any extreme of barbarism.

## **10. How to approach Capital**

*... everything depends on the first step. Marx, Capital vol I, p. 224.*

On opening Capital, do not start with chapter one.

Marx advised a friend to begin from chapter 10 on 'The Working Day'. That's a good entry point. Its ideas and evidence connect with the experiences of every wage-slave.

Or you might start at the last chapter. It deals with colonisation on the Swan River in 1829, and at Adelaide from 1836.

Above all, that chapter spotlights what the whole book reveals about exploitation. It is also short and delivers several belly laughs.

### **A leg up**

The best preparation for the assault on the Everest that is Capital is to work out on the short training manuals provided by Marx, Engels and Lenin: Karl Marx, Value, price and profit and Wage-labour and capital; Frederick Engels, Socialism – Utopian and Scientific and The Housing Question; V.I. Lenin, The State.

Maurice Dobb gives a brief overview in Marx as Economist.

Capital and the above materials are available for free from several websites including [www.surplusvalue.org.au](http://www.surplusvalue.org.au)

### **Reading is political**

Since study is a political activity, it is best done as a collective effort.

One way is to organise a reading group of at least three, but no more than five or six. Meet once a week for no more than two hours.

Go around the group with each person taking turns to comment on each paragraph, or section of one. Allow time for the others to discuss. Only then, move on.

Work through the pages slowly. At times, consider only a sentence, not a whole paragraph. It is more valuable to absorb key concepts than to skate across the surface.

The workings of capitalism cannot be reduced to slogans.

The test is whether we can explain what we have read to someone who hasn't.

### **KNOW OUR ENEMY – CAPITALISM**

The '1 percent' are getting much more than they used to get relative to the '99 percent'.

Are they now getting 'too much'?

Yes, they are.

But that's not the worst of it.

That they get even a single cent is too much.

Every cent the capitalists take comes from their exploiting us as wage-slaves.

They deserve nothing – not even Rinehart's \$2.00 a day.

That is as true in 2017 as it was 150 years ago when Marx published Capital.

To help working people put Marx's insights into practice, this pamphlet spotlights seven issues:

why capital must plunder nature;  
why capital must expand to exist;  
why free labour is wage-slavery;  
the future of labour-time;  
why exploitation is no exception;  
who pays the ground-rent;  
how crises benefit capital.

Marx's insights on these questions provide the grounds for a fighting platform around the five pillars of everyday life for working people everywhere: housing, transport, work, health and education.

*The emancipation of the working classes must be conquered by the working classes themselves.  
Marx and Engels, 1879.*

# Imperialism: What is it?

Vanguard – July 2010

We often read about imperialism in this and other journals, but what exactly does it mean?

For Lenin, it was the highest stage of capitalism, where the free competition between numerous small capitalist firms had inexorably given way to a qualitatively different form, that of monopoly capitalism.

The appearance of monopolies, and by extension monopoly capitalism, was the direct result of the unfolding of capitalist competition. As the quote goes, “one capitalist kills many”. Whilst large numbers of small businesses continue to come into being and pass away, one of the dominant features of capitalist development has been the concentration and centralisation of capital.

Astute observers of late nineteenth and early twentieth century capitalism, ranging from Hobson to Hilferding to Lenin amongst others, recognised that important changes had occurred to capitalism after Marx’s death. Large capitalist combines had arisen, which allied with protective tariffs, the intertwining of banking capital with industrial capital in the form of finance capital, had fundamentally altered the political economic landscape.

Colonialism too had changed. The Scramble for Africa had run its course by the start of the twentieth century, with the rest of the globe having been partitioned out by the Great Powers. The US and Japan managed to sneak in on the closing stages of the act in the early years of the twentieth century, with their seizure of colonies in the Philippines and Korea respectively. It was clear, however, that the heady days of colonial expansion were over.

Lenin asserted that having partitioned the globe, the tension between the colonial powers escalated. Re- partitioning of territories was all that was left, and ultimately the struggle over territories and which alliance of imperialist nations were to be dominant were primary causes of the First World War.

## **1. Lenin’s minimal engagement with the political side of imperialism**

Lenin, in *Imperialism*, the highest stage of capitalism, offered up an empirically rich overview of the essential economic characteristics of monopoly capitalism, or what was the same thing for him, imperialism. There were some insights into the global political ramifications of imperialism, but these were kept to a minimum to avoid Tsarist censorship.



So, whilst there was a comprehensive account of the economic characteristics of imperialism in Lenin's book, the political side of imperialism was rather less developed. That is, there was little analysis of the role of the state and the international system of states.

## **2. Features of imperialism**

This is borne out when the five basic features of imperialism outlined by Lenin are reviewed. Those five features being:

1. the concentration of production and capital [had] developed to such a high stage that it [had] created monopolies which play a decisive role in economic life;
2. the merging of bank capital with industrial capital, and the creation on the basis of this 'finance capital', of a financial oligarchy;
3. the export of capital as distinguished from the export of commodities acquires exceptional importance;
4. the formation of international monopolist capitalist combines which share the world amongst themselves,
5. the territorial division of the whole world among the biggest capitalist powers is completed.

Of the five basic features only one dealt with the global political side of imperialism, namely the fifth. Here Lenin examined the colonial acquisitions of the Great Powers (the major European states) and how the struggle over the securing of sources of raw materials and markets had culminated in the complete partitioning of the globe.

In his analysis of the changed nature of colonial policy in the era of imperialism, Lenin touched on how certain states, whilst officially politically independent, nonetheless were 'enmeshed in the net of financial and diplomatic dependence'. So, it was possible to not be a colony, yet still be in a subordinate position in the hierarchy of states.

Summing up Lenin's analysis of the political component of imperialism, we find that he covered the colonial issue, the struggle for the re-partitioning of the globe amongst the Great Powers and he identified a stratification of states beyond the colonial power – colony relationship. That is, the politically independent states who were trapped in subordinate positions in the hierarchy of the international system of states, by virtue of financial, economic and diplomatic ties.

However, there is very little else on the role of the state in imperialism and why alliances between states are entered into, for example. This minimal engagement with imperialism's political side

did not detract from the insightful and important work that Lenin produced in his book and in other writings. Nonetheless, one side of a dialectical relationship was emphasised, the economic.

### **3. Harvey and the two logics of imperialism**

The British born, US-based Marxist, David Harvey, in his book *The New Imperialism*, acknowledged the importance of the Marxist theory of imperialism as an analytical tool.

Drawing on the tradition of Marxist analysis of capitalist imperialism (as opposed to the imperialism of the Roman Empire for example), Harvey put forward his view on what constituted the core relationship lying at the heart of capitalist imperialism. The core relationship was a dialectical one, between what he called the ‘territorial and capitalist logics of power.’

On one side was the territorial logic of power which was the realm of the political where states’ interests were of paramount importance. On the other was the capitalist logic of power where the capitalist accumulation process was the dominant factor. To unravel the complexities involved in actual situations requires the ability “to keep the two sides of this dialectic simultaneously in motion and not to lapse into either a solely political or predominantly economic mode of argumentation.”

Harvey claimed that it is too readily accepted by writers that there was a fundamental unity between the territorial and capitalist logics of power, with the capitalist logic always the dominant factor. That is, the dictates of capital are always behind the decisions of a state at both the domestic and geopolitical levels. Not so: “In practice the two logics frequently tug against each other, sometimes to the point of outright antagonism.”

### **4. Study imperialism**

Harvey has contributed to Marxist imperialism theory by highlighting the dialectical relationship that lies at the heart of imperialism. To understand the world in which we live, it is important to have a grasp of what imperialism is and how it impacts on the world’s people. Lenin’s and Harvey’s work are good places to start on the road to enlightenment.

# Imperialism: The greatest threat to the environment

Vanguard – August 2010

There can be no doubt that capitalism in its modern form of imperialism is the greatest threat to the environment of our planet. The need to secure a higher rate of profit is what drives imperialism to go to any lengths to achieve that aim, even to short-sightedly destroying the very planet we live on!

What else would you expect? The imperialist system represents capitalism at its most degenerate. The recent oil spill in the Gulf of Mexico caused by BP's cost cutting and ignoring of safety procedures is the perfect example of this.

People around the world recognise the danger that imperialism poses to the environment. On April 19-22 this year, over 35,000 people from more than 140 countries attended the World People's Conference on Climate Change and the Rights of Mother Earth, held in Cochabamba, Bolivia.

The Conference was organised by the Bolivian Government in response to the failure of rich nations to come to agreement about action over climate change at the United Nations Climate Summit in Copenhagen last December.

The Conference adopted seventeen resolutions and a People's Agreement on tackling climate change. These will be taken to the next UN-organised international climate summit at Cancun in November this year.

Bolivian President Evo Morales addressed the Conference. According to Morales, "Humanity is faced with the dilemma of continuing down the path of capitalism and death or beginning the path towards harmony with nature and respect for life in order to save humanity."

Like Morales, the Venezuelan President Hugo Chavez recognised that climate change was being driven by the imperatives of capitalism: "The climate crisis is much more than a climate crisis, it is a systemic crisis. It is the total crisis of the system, the capitalist model." The only way to save humanity was through the building of socialism, Chavez claimed. "Out of this great crisis, capitalism must be buried and a new world born."

Contrast the stirring words of these revolutionary leaders with the spineless action of the Rudd/Gillard Labor Government in bowing to the biggest capitalist polluters and shelving even their weak Emissions Trading Scheme to some future date.

## **1. Australia's environmental problems**

Australia is facing many environmental problems - severe climatic changes, soil erosion and increased salinity of the soil, degradation of our waterways, excessive clearing of bushland, pollution of the air in major cities, threats from toxic waste dumps - the list goes on. Much of the blame for the damage to the environment can be laid at the door of the imperialists.

Despite the weakness of the Federal government, ordinary Australians are not taking the damage to the environment lying down. All around Australia, people are rising to defend the environment from the attacks of capitalism. Whether it is the fight by a few residents to save a piece of parkland or mass struggles against freeways, waste dumps or logging, these struggles draw together Australians from all walks of life and political experience.

Australia's indigenous people are facing pollution of their lands from mining activities such as the Ranger uranium mine, which is contaminating the World Heritage-listed wetlands in Kakadu National Park with millions of litres of radioactive water.

## **2. Marx and Engels on the fundamental relationship between humanity and nature**

Environmental struggles are an important part of the overall struggle for national independence and socialism in Australia. Communists must support all struggles to protect the environment. We are inspired by the founders of Marxism, Karl Marx and Frederick Engels, who wrote many years ago about the need to protect the environment.

In Capital Volume 3, Chapter 46, Marx spelt out a truth that almost two centuries of bourgeois property relations has tried to ignore or obscure, namely that: "From the standpoint of a higher economic form of society, private ownership of the globe by single individuals will appear quite as absurd as private ownership of one man by another. Even a whole society, a nation, or even all simultaneously existing societies taken together, are not the owners of the globe. They are only its possessors, its usufructuaries, and, like boni patres familias, [good heads of the family, that is, stewards] they must hand it down to succeeding generations in an improved condition."

Engels too, was well aware of the effects of human activities on the environment. In The Dialectics of Nature Engels observed that environmental degradation had a long history. He recounted the example of early peoples whose forest clearances resulted in land degradation and the loss of soil moisture. The conclusion: "Thus at every step we are reminded that we by no means rule over nature like a conqueror over a foreign people, like someone standing outside nature – but that we, with flesh, blood, and brain, belong to nature, and exist in its midst, and that all our mastery of it consists in the fact that we have the advantage over all other creatures of

being able to know and correctly apply its laws. And, in fact, with every day that passes we are learning to understand these laws more correctly, and getting to know both the more immediate and the more remote consequences of our interference with the traditional course of nature.”

### **3. Anti-imperialist struggle as the lynchpin of combating environmental degradation and climate change**

As Engels pointed out, we have knowledge of the laws of science and an understanding of the consequences of our interference with nature. What is needed is the will to change the situation. The capitalists are unwilling to do anything, which would harm their profits. Only the people of the world united in anti-imperialist struggle can force the adoption of the measures needed to protect the earth’s environment.

# Imperialism and racism

Vanguard – September 2011

In recent days we have heard a State minister of Aboriginal Affairs express distress at the level of racism Aboriginal people in Australia experience as part of their daily lives.

At the same time, NAIDOC week, meant to celebrate Aboriginal culture, was taken over by the mainstream press and business journals to celebrate the relations corporate Australia has established with Indigenous communities.

NAB, Chevron, BHP, Rio Tinto, they're all into it, sporting headlines like, Making Progress with Indigenous Communities (NAB), Supporting Communities, with a photo of a happy healthy Aboriginal child (Chevron) or Woodside's claim to creative energy against a background of Central Australian Aboriginal art. BHP brags of the job opportunities it is offering Aboriginal young people.

Rio Tinto, not to be left out, talks of 'partnerships' with the Aboriginal communities whose land they are exploiting, and have just completed an 'historic agreement' with the people of Gove for 42-year right to mine, for which the Yolngu people will receive seven million dollars over the forty-two year period of the contract for social services (services the Government should be providing anyway). No mention of course, of the forty-year struggle it has taken to get even this pittance of reparation for the extraction of finite resources, and no retrospective payment for the last four decades of mining.

What is happening here with all this talk of partnerships and caring for community? Surely Imperialism has not abandoned racism as a means of whipping the working class. The details of these agreements are interesting and can be found online, but what is more interesting is the theory that lies behind all this 'partnership' talk.

The Minister's talk of racism as part of everyday contact on the streets or in workplaces individualises racism and presents it as a contradiction amongst the people. The reality is more complex.

Racism is not an add-on for capitalism. It is integral to capitalist expansion and accumulation. It is embedded in capitalist institutions, particularly the media and the legal systems; it structures historical recording and remembering, and it has an increasingly important role to play in a world market that, whilst offering 'free space' for capital to move to where the highest return on invested capital can be realised, also contains a threat to unfettered capital accumulation by offering 'free space' for workers to unite across national boundaries.

# Imperialism and racism

## Imperialism: The greatest threat to the environment

### 1. Constructing identities

‘Scientific Racism’ or biological determinism with its hierarchy of races constructed the identities of Europeans and adversarial others whose lands were becoming colonised. ‘Scientific Racism’ justified the invasion, occupation and exploitation of non-European countries, and the destruction of cultures that were unfamiliar to Europeans, and incorporated values that could undermine the aims and objectives of the occupying power.

Imperialism utilises biological determinism when needed, but it has its own form of racist ideology. Imperialism calls more on cultural difference to generate fear and hatred of the other. Emphasis on racial purity has been replaced with an emphasis on cultural conformity; adherence to the ‘norm’ with the norm being identified by the dominant power.

But some acceptance of difference is also in the interest of Imperial adventures, thus in Australia we give a nod to multi-culturalism and have Aboriginal dancers performing at special functions and Aboriginal art decorating boardrooms. This structuring of ‘normalcy’ and at the same time making sure cultural difference is up front and noticeable, serves a number of functions for Imperialism.

### 2. Imperialism, Racism and War

Violence, or the threat of violence (both domestic and global), is at the heart of Imperialism. War is a constant as we have seen over several centuries and into this one, and racism is integral to war as it was to colonial expansion.

Racism justifies death and destruction, the ravaged terrain of the adversary, the crippling of economies and the death of own citizens, and paves the way for the deeper penetration of the dominant and most aggressive capitals into the defeated or captured economies, and the imposition of parliamentary democracy, the system of governance most favoured by capital.

### 3. Racism and Class

Another function that racism performs for imperialism is to call into play cultural differences within the working class that can be utilised to undermine working class unity, especially in times of crisis.

# Imperialism and racism

## Imperialism: The greatest threat to the environment

A critical function of imperial racism is to disguise class differences within cultures and the commonality and work structured unity, always a threat to capital that exists between cultures especially within the working class.

These aspects of racism are particularly important to capital in a world market where new technologies enable working classes to communicate and act in their own interests across national boundaries.

### **4. Using images to disguise intent**

The language and images used by capital are merely a ruse to disguise the exploitation of land and peoples here and around the world. The use of placatory imagery has had to be resorted to because of the militancy of Aboriginal communities and their supporters.

For forty years Rio ripped bauxite out of Gove without any consultation with the Yolngu people or adherence to government guidelines. They did exactly as they liked and would have continued to do so without widespread Aboriginal resistance to the rapacious exploitation of land.

The Yolgnu were central to land rights struggles, beginning with the 1963 Bark Petition to federal parliament. Now, mining companies of the same ilk as Rio Tinto, with their imagery of happy Aboriginal children and Aboriginal art backing their advertisements, claim ownership of the progress Aboriginal people have made against racism, cultural destruction and dispossession of lands.

People standing in front of bulldozers to prevent access to land and police present to protect exploiters' 'rights' is not a good look for multinationals wanting to tighten their control over the Australian and global economy.

### **5. As workers' struggles deepen so does imperial racism**

Capitalism and Imperialism to a large extent construct the material conditions with which we all have to contend, but they also have to respond to the material conditions they have created, one of which is a militant working class and politicised Indigenous peoples.

The hole capital has dug for itself only deepens, as events around the world indicate. Placatory imagery is a measure of capital's weakening state.



## Imperialism and racism

# Imperialism: The greatest threat to the environment

That Rio Tinto has had to be dragged to the negotiating table to negotiate directly with Indigenous people, as opposed to their preferred option of negotiating a pliant Government, is indicative of the strength of the people.

The struggle against racism will not be led by mining capital. It will be led by workers, as have been all other struggles for justice, and human and workers' rights. But racism will not be extinguished within capitalism. Capital needs racism. Imperialism, even more.

# War and peace capitalism

Vanguard – April 2012

Australian Governments as usual kow-tow to imperialism and foreign capital; the collaboration with U.S. military is a case in point, and raises questions about Australian sovereignty and independence as does the subservience with which the Labor Government approached the mining tax.

The government is subservient, the people are not. There is rising concern being articulated around Australia about military alliances and foreign investors doing pretty much as they like.

The renewed U.S. focus on Asia is to ensure that Asia is secured for the American camp, and at the same time it is preparation for a trade war and armed conflict if and when the need arises further down the track. This is of real concern to Australians.

## **1. Peacekeeper or warmonger?**

The United States, which presents itself as the world's 'peacekeeper', has a long history of war against neighbours and friends-become- enemies. The U.S. history is a history of war. America has been involved in eighty or more wars against its South American neighbours between 1885 and 1990. These can be loosely categorised as wars to extend national boundaries, as with Mexico and Haiti, wars against progressive governments as with the Dominican Republic, or to prop up inept but U.S sponsored governments, as well as military interventions to protect American capital being threatened with nationalisation or prolonged strikes.

All of these are wars against the people where U.S. capital has significant investments and interests; all are examples of the State taking action against the people of invested in nations on behalf of capital. Other wars, as in the Middle East are no different; they are similarly attempts to capture resources and create space for imperial capital.

## **2. International struggle against war**

Imperialist/capitalist wars are not confined to armed conflict against other nations that are threatening trade or which need to be pulled into line for other reasons. War is a central tenet of imperialism: imperialism cannot exist without war. War paves the way for capital penetration of defeated nations; it captures territory and resources and imposes collaborationist and subservient governments.

# War and peace capitalism

## Imperialism: The greatest threat to the environment

The need for imperialist nations to be constantly at war or preparing for war also distorts the economy of the imperialist nation and utilises a vast amount of resources that could be used for the benefit of the people, but which instead benefits imperial capital at great cost to the peoples of the imperialist power. The working classes of imperialist countries have good reason to support and unite with the working classes of the nations subjected to imperialist exploitation.

### 3. Class War

In his 1914 article Karl Marx, Lenin states "... history describes a struggle between nations and societies and also within nations and societies and in addition, an alternation of peace and war, and rapid progress and decline." Marx brought order to this chaotic and seemingly unchangeable way of life with his theory of class struggle.

Imperialist wars are as much a struggle of class against class as is the internal relationship between labour and capital. Imperialist wars are fought on behalf of imperial capital: its purpose to capture the creativity and productivity that is the labour power of the indigenous working class. What else is foreign investment about, whether it is achieved by military intervention or by stealth, aided and abetted by compliant governments?

Capitalist war continues at the domestic level and in another form, and for the same reasons as external wars, to ensure trade is not interrupted, and that capitalist accumulation and expansion can continue at a rate determined by capital. So-called 'peace' gives capital the opportunity to focus on the internal class war.

The restoration of the U.S as the world power and the only one to be tolerated is essential for Western capitalism under threat, particularly in the U.S. and Europe. And as capitalism is weakened, so are peoples' rights, as capital struggles against its diminishing power. We are witnessing a global promotion of right wing parties and a clamp down on peoples' protests, as state power is more openly utilised to protect a weakened and increasingly threatened capital. What this means is that working people must look to each other to form alliances and devise strategies to protect themselves, and to resist any diminishing of the right to withdraw their labour, rights to organise, assemble etc.

Weakened economically, capital must increasingly rely on force and the threat of force to sustain its power to exploit, and this remains true whether it is applied to the U.S. utilising its military power to ward off perceived threats to its economic power or whether it is directed at a working

# War and peace capitalism

## Imperialism: The greatest threat to the environment

class prepared to defend itself against unfettered exploitation. State power is called into play and the war goes on in another of its many forms.

### **4. What future?**

The pressure towards war only increases. We are seeing preparation toward more war in the Middle East and in Asia even before current wars are resolved. The war against the people also intensifies as unemployment encompasses entire continents bringing despair and want to masses of people. Indebted countries punish their people to keep faith with finance capital. The environment is sacrificed, and young people continue to die either from war or from want.

The gap between rich and poor widens as uneven development within and between countries (a characteristic of capitalism) becomes more apparent.

We face a future where capitalist and imperialist nations led by the United States plan a re-division of the world, one that does not challenge United States' dominance. Behind closed doors, strategies and plans are being developed for various invasions. Internally, capitalism in crisis prepares to repeal gains won through the sacrifice and struggle of previous generations of workers. Social democracy attempts to temper worker militancy by offering small concessions to workers whilst skewing industrial relations legislation, taxation, and other legislation to benefit monopoly capital.

The people can create a different future. The struggle has begun and will intensify. The authentic, subjective individual and collective experience of working people will increasingly bring workers together to claim power in their various fields, whether it's the factory, mine, school, hospital or university. The cry of the many city 'Occupiers' of "All power to the people" is not just a slogan; it is an outcome that through organisation and working class leadership can deliver social justice and sustainable peace and it is achievable. History is on the side of the people.

# **Australian parties and Independence**

From “Parliament and Elections” Vanguard – July 2016

Parliamentary rule is the preferred system of capitalist government in the western developed world, with differences in name and details between countries due to historic differences resulting from colonialism and/or feudalism. The right to vote and stand for election is promoted as the ultimate expression of democracy, but beyond that, the people have no say in how society operates.

This article analyses Australia’s British-based parliamentary system and its veneer of democracy; a veneer that creates illusions about parliamentarism as a vehicle for significant change.

We respect and value the views of many people working and hoping for real improvements to people’s lives and protection of the environment through parliamentary elections.

However, it is our view that Australia’s parliament administers and protects the exploitative and corrupt economic system of capitalism; and that real democracy will grow out of a grass roots mass movement with an independent working class agenda based on the demands and needs of working people.

The British invasion and colonisation of Aboriginal Australia brought with it Australia’s present parliamentary system.

## **1. A short history of Parliament**

The institution of Parliament arose in England from the struggle of the emergent manufacturing and merchant class (the bourgeoisie) against the hereditary rights of the monarchy and the feudal aristocracy. It allowed the new class a share in the running of society, which was reflected in the parliamentary division between “Commons” and “Lords”.

Increasingly the hereditary rights of the aristocracy have been eroded, so that many modern parliamentary democracies have completely abolished their “upper house”, or reduced it to “review” or ceremonial status. This process has stripped away the legal remnants of feudalism which stood in the way of the expansion of capitalism.

The right to vote and to stand for election to Parliament also provided a means for the differing factions within the bourgeoisie and other sub-classes to resolve their differences by peaceful means, rather than by coups or civil wars which disrupt the orderly flow of business. It is an institution that arose from developing capitalism and serves to perpetuate the capitalist system.

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In Australia, parliamentary democracy emerged out of the struggle against military colonial rule by Britain and the semi-feudal squattocracy that came into being. Parliamentary democracy was also instrumental in uniting the separate colonies into a single nation. However once these tasks were completed and society moved on, the progressive aspects of parliamentary democracy receded and its reactionary features became dominant.

## 2. Power in society

The system of parliamentary representation is presented as the pinnacle of democracy. In an historical sense, parliamentary representation has been a forward step from earlier feudal society. In this sense it did represent a development of democracy. But it was limited. The new democracy was really for that class that had become dominant in society – the bourgeoisie or capitalist class.

Parliamentary democracy enshrines the sacred freedoms of the capitalist class. The freedom to own the means of production, land and resources, to trade freely, to exploit and sack workers, and to enforce their class rule by a legal system ultimately supported by armed forces and other elements of the state apparatus.

Real political power does not reside in parliament. It exists in the economy. Those who own and therefore control the economy have political power, not only because they control the purse strings, but also because they control the manufacture of culture, the body of law and ideas pushed by the media.

The driving seat is occupied by unelected people; the monopoly owners and shareholders of the key industries, the banking and financial executives, and high officials of the public service, police, armed forces and other bureaucrats. These people ensure the continuity and stability of the capitalist system, regardless of elections and election results.

In Australia for example, all the important decisions are made in the boardrooms and banks of monopoly capital and their unelected public service bureaucrats. The Business Council of Australia, the IPA, and the big business think tanks representing the biggest foreign and local corporations dictate their class agenda to the main parliamentary parties. Parliamentary elections merely determine which particular section of the big business ruling class is going to administer capitalism for the time being. For Lenin the role of elections was “To decide every few years which member of the ruling class is to repress and crush the people through parliament – this is the real essence of bourgeois parliamentarism, not only in parliamentary-constitutional monarchies, but also in the most democratic republics.” (Lenin: The State and Revolution 1917)

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They do this because culture, law and ideas belong to the superstructure that emerges out of the capitalist mode of production. That is, the social class relations of society are based on production for private profit in conditions of private ownership of the means of production and commodities. The dominant culture, body of law and ideas, are stamped with this. Existing institutions needed to maintain society as it is, are also part of the superstructure - the courts, Fair Work Commission, ABCC, etc.

Parliament is painted with the same brush. It too is part of the superstructure, and can do no other than serve the existing monopoly capitalist economic system. Any action to do away with capitalism through parliamentary elections is completely out of bounds. This is reinforced by the conscious promotion of its best servants, by subtle and more pervasive corruption, and the general atmosphere of parliament that ensures its members are heavily influenced, and co-opted, by the rich and powerful, rather than their supposed constituents.

Australia's present conditions are characterised by an economy that is not only capitalist in nature, but which has its commanding heights owned and controlled by US interests. Consequently there exists a subservient political relationship that involves Australia in wars for the interests of US imperialism and the 'deputy sheriff' role in our region. This subservience is reflected in parliament. Economic and social policies born in the USA are applied in Australia.

The Coalition parties and the Labor Party stand together on this, despite some differences on the detail and strategies. If they do not, they will not be allowed to form government. Imperialism and its collaborators would see to it in many ways, from their use of mass media resources, to judicial and even military intervention. Differences between the two main parliamentary parties are mainly in the method of administering capitalism, including controlling the people. Labor is a more useful tool of deception to control the people. The main parliamentary parties have been aptly dubbed twiddle-dee and twiddle-dum by ordinary people.

As a result, for the parliamentary parties elections become exercises to win the patronage of the real rulers, decisive sections of capital in Australia. At the same time, they project an image that provides them with enough of a social base to gather votes, thus furthering the illusion of democracy. Parliament, the parliamentary parties and the vast majority of parliamentarians do nothing and say nothing about extending genuine democracy to the workplace, to the communities. Quite the opposite. They legislate to restrict, suppress and chain up workers' struggles and resistance that even slightly pose a threat to the seamless operations of capitalist exploitation (ABCC, WorkChoices, etc.).

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## 3. Weapons of class rule

Marxists hold that the superstructure of society i.e., the ruling ideology, the political institutions such as parliament and the state apparatus, arise from and reflect the outlook and interests of the dominant class in society. "...the class which is the ruling material force of society is at the same time its ruling intellectual force. The class which has the means of material production at its disposal has control at the same time over the means of mental production, so that thereby, generally speaking, the ideas of those who lack the means of mental production are subject to it." (Marx and Engels: The German Ideology 1846)

In feudal society, the superstructure reflected the outlook and interests of the land-owning aristocracy. Under monopoly capitalism – imperialism – it reflects the outlook and interests of the most powerful section of the capitalist class.

This class in Australia consists of competing US, European and Chinese imperialist interests, together with local monopoly capitalist groups, banks, and various "camp followers" of imperialism. US and European imperialism are the dominant section of the ruling monopoly class. Their rule is defended by an apparatus of state power, relying ultimately on armed violence and repression, but for the moment these forces are held mainly in reserve. In periods of deep economic crises and social upheavals and resistance to ruling class attacks the state resorts to open suppression as the main method of rule. Even where elections are relatively free, a result not favourable to the immediate aims of imperialism can be overturned by military or judicial coup. (Remember Chile's Allende government, the Whitlam sacking, Rudd vs Gillard over the 40% mining superprofits tax, and Bush vs. Gore, etc.?)

Currently deception is the predominant means by which the ruling class maintains its position, and at the centre of this deception is parliamentary democracy. The equating of elections and Parliament to democracy is a fallacy. Its main role now is that of an administrative management or a "talking shop" which enforces the supremacy and rule of capital, but does not control the workings of capitalism. "The real business of government is done and its continuity ensured by the public service. It is backed by the army, the police, the courts and gaols. Governments come and go in competition with each other for the spoils of office: they call it power but it is a very limited idea of power and is based on power in the hands of the monopoly capitalists." (E. Hill: Revolution and the Australian State 1974)

Even though the parliamentary system allows for the election of new leaders and parties, this does not threaten the ultimate control of the ruling class as such, but merely changes their "management team". According to Lenin "...a change of Ministers means very little, for the real work of administration is in the hands of an enormous army of officials. This army, however, is



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saturated through and through with an anti-democratic spirit, it is connected by thousands and millions of threads with the land-owners and the bourgeoisie and it depends upon them in every way.” (Lenin: One of the Fundamental Questions of the Revolution 1917)

The truth of all this is plain to see whenever Parliament has a “recess” and the Members of Parliament head off overseas. Does capitalism grind to a halt? Is there economic chaos? Is there a crisis in the legal system? No! It is business as usual, because real power lies elsewhere, such as the boardrooms and business clubs of New York, London, Tokyo, Berlin, Beijing, Hong Kong, Sydney and Melbourne.

In truth, many of us make a slip of the tongue when we talk of this or that party “getting into power” when they win an election. It would be far more accurate to say that a party “wins office”, not “power”. Governments can and do make decisions, but whether by choice or the simple reality of where real power is located, those decisions do not break the boundaries established for the protection of the private ownership of the major means of production, distribution and exchange.

In periods of economic boom capitalism has more room to manoeuvre in granting concessions to workers for small increases to wages, expenditure on social structure, health and education.

Whenever the modern imperialists and their monopoly media talk of “freedom” and “democracy” and “human rights”, what they really mean is unlimited freedom for them to exploit more people, grab more resources and seize control of new markets e.g. Iraq, Libya, Syria.

## 4. The dead end of Parliament

In providing greater freedom for the bourgeoisie to hire and fire workers and to trade freely, the parliamentary system is also compelled to provide the working class with some limited rights to organise and struggle for their class interests. In this sense, it is preferable to earlier autocratic or feudal institutions, or to open fascist dictatorship. “A wider, freer and more open form of the class struggle and of class oppression enormously assists the proletariat in its struggle for the abolition of classes in general.” (Lenin: The State and Revolution 1917)

Because of the illusions created, these issues require careful attention, so that the workers and other oppressed classes see beyond the hypocrisy of bourgeois- imperialist dictatorship.

On the one hand the process of class struggle exposes the limitations of bourgeois freedoms; on the other hand, even limited bourgeois freedoms can assist the process of class struggle. As Ted Hill pointed out: “The formal freedom of speech, of assembly, of organisation, formal equality before the law; all have value in organising and educating the workers.” (E.F. Hill: Revolution and the Australian State 1974)

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The limited freedoms fought for by organised working class also generate illusions about parliamentary democracy. As long as the struggles of the working class and other oppressed working people are ineffective or do not seriously challenge the capitalist- imperialist domination, these freedoms and rights are not withdrawn by the ruling class. Some concessions and minor reforms are possible within the narrow limits of change set by monopoly capitalism, but are often quickly eroded and never lead to more far- reaching change. On the contrary, Parliament usually provides blatant support for the schemes and policies of imperialism, and invariably waters down any reforms demanded by the people beyond recognition.

The capacity of the parliamentary system to deceive the working people and to divert their struggles into endless debate and legalism, factionalism, and fights over spoils of parliamentary office has its basis in these minor reforms and freedoms. They serve to foster the illusion that fundamental change can be achieved by voting in the right party or particular individuals, and of course, it is fertile ground for opportunists and careerists to ride on the backs of working people.

However, nothing really changes because real economic and political power lies with the imperialists and monopoly capitalists, and is backed by the armed force of the state apparatus – the courts, anti-worker parliamentary outfits (Royal Commissions into Trade Unions), prisons, uniformed and secret police.

Further deception stems from the mere right to vote, to elect and be elected, which is held to be the purest form of democracy, when in reality the wealthy, well educated, and “well connected” people have the greatest power and dominate. Poor and working class people rarely get a look in, and their struggles are often denigrated or ignored. It must always be borne in mind that “...the method of elections and the form of democracy are one thing, and the class content of the given institution is another thing.” (Lenin: The Proletarian Revolution and the Renegade Kautsky 1919)

## **5. Illusion of democracy**

The pro-imperialist ruling class uses both deception and violence to maintain its rule. It uses “democratic” forms of rule such as parliamentary government in periods when the working class is not in a revolutionary mood. Violent means such as open state fascism are used when the workers start to rebel against capitalism.

The ruling class pays a lot of attention to elections and Parliament for two very good reasons. One is that the parliamentary system can to an extent serve to mediate conflicts between different sections of the ruling class. The second is that it promotes the illusion that the people hold political power through the right to vote. As a result, elections and Parliament serve as a safety valve to

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hose down and divert the class struggle leaving the working class disorganised (2007 Your Rights @ Work).

The ruling class would prefer to use non-violent, deceptive means to enforce the exploitation and maintain its class rule with minimum disruption and social upheavals. Deception is cheaper, more stable and effective in controlling the working class. That is why it is necessary for the monopoly capitalist class to keep the parliamentary system effective in maintaining people's illusions in Parliament. This may involve moving deck chairs around, restructuring the parliamentary parties from time to time and finding less discredited leaders, or even allowing one or two left candidates get elected.

Deception and hypocrisy are features of parliamentarism, a point that Lenin stressed: "The bourgeoisie in the old parliamentary countries has mastered superbly the art of hypocrisy and of fooling the people in a thousand ways, passing off bourgeois parliamentarism as 'democracy in general' or 'pure democracy', and so on, and cunningly concealing the million threads which bind parliament to the stock exchange and the capitalists, utilising a venal, mercenary press and exercising the power of money, the power of capital, in every way." (Lenin: Letter to Sylvia Pankhurst 1919)

When we hear or see media reports on the comments and actions of politicians at election time, trivia is promoted. Overall, one can see a definite detachment from the everyday concerns of ordinary people. For the most part, parliamentary debates are not on the basis of championing the concerns of the people, but on the basis of personalities and mud-slinging at parliamentary opponents and diversion from real and critical issues to ordinary people's lives and livelihood.

Sure, Communist and other progressive candidates are allowed to stand for office, but the ruling class has an overwhelming monopoly on information and propaganda, and generally ignores, ridicules or slanders anti-capitalist opinions. Hill pointed this out by noting that: "This choice [the choice between candidates] occurs in an atmosphere thoroughly permeated with capitalist ideas. Newspapers, radio, television, are all in the hands of the capitalist class." (E.F. Hill: Revolution and the Australian State 1974)

Although elections and what goes on in Parliament have to be taken into account, the politics of real everyday life that exists outside Parliament is far more important. It is here in workplaces and communities where people strive to exist and fight together for a better life together that the shoots of real people's democracy grow.

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## **6. An independent working class agenda**

In Australia's capitalist society the working class and all working people have common needs – secure employment, decent wages and working conditions, affordable housing, quality and free healthcare and education and reliable transport, and the right to organise collectively in unions, are critical issues for workers, their families and their communities.

These are the common problems that workers want resolved, regardless of parliamentary election promises, regardless of party factions and regardless of union membership or affiliation. They are the starting point for practical demands and day to day struggles that are both economic and political, and around which the working class and trade unions can unite and mobilise.

These issues are highlighted even more during a federal election campaign when working people sift the competing promises. But after each election, regardless of which parliamentary party wins office, workers are soon disappointed and angry, as the transfer of wealth from the working class to the rich continues as before. The lesson of the history of modern capitalism is one of the working class winning a few reforms and concessions and then seeing any gains watered down and eventually taken back.

The working people should be the ones setting our own agenda, not the big business interests. This really means the building of a powerful mass movement demanding fundamental change, independent of the parliamentary parties. In the process, workers can find out who's really on their side and who's out to serve the interest of capital.

This is a working class agenda, independent of the parliamentary scrapping for the perks of office. It's an agenda of people's struggles that transcends parliamentary parties and marginal seats campaigns. An independent working class agenda relies on the unity and mobilisation of all working people (workers, farmers, students) above allegiances to parliamentary parties.

## **7. The wet blanket of parliamentarism**

The ideology of parliamentarism seeks to divert all struggles into mindless and dumbing down debates within the institution of parliament; an institution which arose from early capitalism and which reflects the ruling class interest in preserving the status quo. It really is a wet blanket which smothers the fires of struggle by restricting and confining people's struggles and issues to narrow legalistic "acceptable" limits.

Between elections, the people have no involvement whatsoever. At best they may form mass organisations, trade unions, etc. to seek reforms or changes to government policy. There are no guaranteed human rights in the Constitution and in fact peoples' rights are permanently

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undermined and threatened by the Crimes Act, new anti-worker industrial laws and “anti-terror” measures.

The system only permits a limited amount of lobbying and protesting. This builds the illusion of ‘democratic rights’, the illusion that dissenting views can freely compete. It is a useful safety valve for the irreconcilable contradictions and class struggle within the system. “The capitalist class seeks to adapt any and every mass organisation to itself. It permits mass organisations to exist because thereby it can if it acts wisely direct opposition into harmless channels...” (CPA M-L: More on Ideological Questions)

As the saying goes, ‘talk is cheap’, but as soon as mass organisations take action to actually force change, or to resist or obstruct government policy, they are met with legal and forceful repression by the capitalist state e.g. coal seam gas, strikes, union pickets.

Today’s anti-worker and so-called anti-terrorist laws clearly prove that this kind of democracy can be given and taken away at whim. It all depends on the perceived interests of those who actually exercise political power. Where is the democracy that empowers a community running their affairs? Where is the democracy in which the great majority runs the economy and society, not in words, but in action?

When it comes to the real politics of everyday life, there is very little democracy. Through their mouthpieces, the Business Council of Australia, the IPA, the Productivity Commission, the Murdoch media monopoly, the Reserve Bank and other foreign banks, big business develop policies and hand them over to politicians and the senior public service to implement. The people are left out. Surely democracy should involve a method of mass participation in both policy decisions and their implementation.

## **8. The Labor Party – part of the capitalist system**

For the institution of Parliament to have any authority, there needs to be an illusion of choice of political parties and an opposition to the incumbent. In Australia, the role of “official opposition” has often fallen to the Labor Party, which puts itself forward as the reformist alternative.

In practice, however, the history of the Labor Party has been one of mainly giving lip-service to the aspirations of the working class while caving in to the demands of corporate monopoly capital. A recent example is caving in to mining corporations to abandon the 40% mining super profits tax. Hill was right when he said that: “On no single issue does (Labor) have an unequivocal attitude. It compromises on almost everything. When it does propose something progressive it

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then begins to retreat in the face of opposition. It fears the masses and does not seek to rely on them.” (E. F. Hill: The Labor Party? 1974)

Although many people are cynical about Parliament and often feel betrayed and disillusioned with the Labor Party, they still maintain some hope that Labor will improve their lot with minor reforms and better regulation of the capitalist system. The deceptive role of the Labor Party is the most effective means of diverting and confining class struggle to the safe arena of parliamentary debate. The 2007 Your Rights at Work campaign was a powerful grass roots people’s movement used by Labor to get elected into government. Once elected, the Rudd Labor government with the assistance of sections of union leadership, disbanded the mass movement and diverted the focus and enthusiasm into the safety of parliament.

The Labor Party is a party that accepts the permanence of the capitalist system and imperialist domination and works entirely within the system. The Labor Party is a particularly important part of the deception of Parliament because of the illusion that it is a genuine workers’ party, despite all evidence to the contrary.

This does not alter the fact that there are many members and supporters of the Labor Party who genuinely want to see change in Australian society, and regard the Labor Party as the main vehicle for change. Harsh experience and cruel disappointment is more likely to shift their thinking than impatient scorn and ridicule.

Many workers and working people are cynical; they feel betrayed and used by the Labor Party, yet still maintain some hope, some faith that the Labor Party will implement its reformist promises and protect the interest of the people against harsh attacks by monopoly capital. In spite of the evidence of history which clearly shows the Labor Party as being tied to foreign imperialism, many continue to believe that Labor represents their interests and that the only realistic avenue for change is via parliamentary election of the Labor Party.

(This theme is hammered by the Labor Party machine and its media connections. More than any other factor, the deceptive role of the Labor Party is the most effective means of diverting and confining class struggle into the safe arena of parliamentary debate.)

This is nothing new, as Lenin observed, “The opportunists of present-day Social-Democracy accepted the political forms of the parliamentary democratic state as the limit which should not be overstepped; they battered their foreheads praying before this “model” and denounced as anarchism all desire to smash these forms.” (Lenin: The State and Revolution 1917)

The Labor Party long ago junked any ideas of “socialisation” or “nationalisation” of key industries. At both state and federal levels it has embraced imperialist monopoly capital’s policies

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of privatisation of government services and resources, along with pandering to multinational investment through public- private partnerships.

At best it offers mild, temporary reforms and compromises which are designed to take the heat off imperialism and make the capitalist system work. Even this “imperialism with a human face” is generally not enough for the ruling class, and they only give Labor a go when there are increasing signs of social discontent by working people, and the other mob is totally discredited.

A key element in maintaining the capacity of the Labor Party to divert struggles into parliamentarism is the role of the many “Left” politicians, some trade union officials and party bureaucrats who have become enmeshed in the system and have some “importance” within it. For the most part, they are sincere and hard- working people, but they are also doomed to failure if they continue to dismiss the notion of mass struggle and action outside of parliament and continue to rely on “favours” and “faction deals” instead of putting their faith in the people. Hill: “The ‘socialism’ of the Labor Party is deception designed to gather up the socialist sentiments of the Australian workers and divert them into an acceptance of capitalism.” (E. Hill: Revolution and the Australian State 1974)

It is not a question of sincerity or commitment. Parliamentarism is an ideological issue; until its stranglehold is broken and people find ways to progress their struggles outside of the current legalistic confines, struggles will continue to founder, be diverted, and make only temporary gains. Parliamentary politics divides working people and weakens the mass movement.

Lenin recognised the necessity of acting in accordance with the facts on this issue, and led the Russian working class out of the swamp of parliamentarism: “You must not sink to the level of the masses, to the level of the backward strata of the class. That is incontestable. You must tell them the bitter truth. You must call their bourgeois-democratic and parliamentary prejudices – prejudices. But at the same time you must soberly follow the actual state of class consciousness and preparedness of the whole class (not only of its Communist vanguard), of all the toiling masses (not only of their advanced elements).” (Lenin: Left-Wing Communism, an infantile disorder 1920)

## 9. Greens and Independents

Many voters are turning away from the Liberal-Labor merry-go-round. The Greens and independents attract more primary votes than ever before. A positive aspect of this reflects the growing cynicism of people with the traditional bourgeois parties, and the irrelevance of parliament to improving their lot.

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It is all because people sense that real power in Australia is exercised by those who own key sectors of the economy, who dominate the world markets, who control the major financial resources. In other words, the US, European and other foreign multinationals who pursue their 'globalisation' agenda as they take over Australian industries and wipe out Australian jobs. Neither Liberal nor Labor make any challenge to this, in fact both these parties promote and facilitate it.

However, the move towards the smaller parliamentary parties and progressive independents is the reinforcing of illusions about bourgeois democracy. Any fantasy that capitalism/imperialism can be regulated or reformed through parliamentary legislation is particularly dangerous, as it diverts and chokes off the struggle against imperialist domination. While they more strongly reflect the desire of the people for change in society, especially on particular issues, it creates an illusion that class struggle can be peacefully reconciled, that capitalism can be reformed, and that imperialism does not even exist! Reformism always fudges the issues of political power and the role of the state as an instrument of class rule.

They effectively enshrine parliamentarism even though their most active supporters come from mass struggles outside of Parliament. They present neither threat nor challenge to the imperialists who are content to see struggles bogged down and diverted into parliamentary haggling, or given lip-service in Parliament. The main usefulness of Independents and Greens is their capacity to give voice to many concerns and mobilise people outside parliament.

## **10. Working class democracy**

The mode of production and superstructure also gives rise to opposing ideology. This is the outlook of the working class, which differs in that it carries recognition of the importance of its role in the mode of production, a distrust of Parliament and politicians, and a focus on practical needs. Its most advanced detachments recognise that the present capitalist order needs to be ended and a new society established.

Working class ideology is based on the contradiction in production between the private ownership of the means of production and the product, and the socialised nature of work. Socialised work means that workers are compelled to act cooperatively. Yet they see the fruits of their common labour expropriated from them by capital. In this there is recognition of opposing class interests.

If this reality is accepted, so too must the conclusion that the most important political task is to work towards building a new movement for democracy from below. In contrast to the false and devious democracy of parliamentarism, Communists stand for true democracy where people are



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not merely consulted, but most importantly participate in making and implementing decisions at all levels of society – participatory democracy.

If there was real democracy in Australia, the working people (workers, farmers and small producers) would own and control Australia's industries and resources, using them in a rational manner to provide security of working people's livelihoods, wipe out poverty and roll back environmental damage. "The way out of parliamentarism is not, of course, the abolition of representative institutions and the electoral principle, but the conversion of the representative institutions from talking shops into 'working' bodies." (Lenin: The State and Revolution 1917)

Real democracy would require the nationalisation of key industries and utilities, and the expulsion of many multinational companies.

It would require massive investment into clean energy and the rehabilitation of Australia's agricultural land, river systems and coastal waters.

It would require genuine acts of reconciliation through formal Treaties with the indigenous people, and acceptance of land rights.

It would require the dismantling of aggressive US military bases, an independent and peaceful foreign policy and withdrawing from the US-Australia military alliance.

It would require a monumental change in the way Australia is run. It would require revolutionary struggle against the vested interests that prosper from the status quo.

Real democracy would be defended in the first place by an informed and well-educated populace. This would be backed by a community-based peoples' army of soldier-workers rather than the current elite extension of the US war machine.

It would establish the material and social conditions for socialism: "Our definition of socialism means people's ownership of the means of production, production for use and not for profit and proletarian dictatorship to enforce it. The Labor Party, in its many years aggregate in office in Australia, has never taken one step towards people's ownership; on the contrary it has always protected and advanced monopoly ownership." (E. Hill: Revolution and the Australian State 1974)

Ideas of fundamental change confront this very question of political power. Communists strive to assist the people in struggle for a genuine alternative to the bog of reformism, while taking account of their general understanding and experience.

To remove obstacles in the way, it is necessary to free Australia from the dominance of US imperialism. To do this requires uniting the great majority to break the hold of US imperialism

# Australian parties and Independence

over the economic base and to develop a culture and identity of Australia's working people, laws and ideas that serve the extension of real democracy into all spheres of life – an independent socialist republic.

## **11. Historical Note:**

The Workers and Peasants Soviets of Lenin's time were not only highly democratic grass-roots organisations; they also exercised both decision-making and administrative functions. Their development extended the concept of democracy beyond "representation" to actual participation in running society.

The Paris Commune (discussed in detail in Karl Marx's *The Civil War in France*) was a short-lived example of the working class organised as the ruling class. It was a tentative step towards a new type of democracy – proletarian democracy. This is democracy for the vast majority of the people rather than for the rich, and the exclusion from democracy of the exploiters and oppressors of the people.

The officials of the Commune were all elected by the masses, subject to recall at any time and were paid only the same as ordinary workmen. Contrast this to our current politicians with their high salaries, numerous perks and fat superannuation payouts! The failure of the Paris Commune was that the old state apparatus was not abolished and replaced by a state apparatus of a completely new kind, one that actually enforces the dictatorship of the majority over the minority of former exploiters.

The Paris Commune was a fleeting example of the working class organised as the ruling class. It was a tentative step towards a new type of democracy – proletarian democracy. This is democracy for the vast majority of working people rather than for the rich, and the exclusion from democracy of the exploiters and oppressors of the people. This is real democracy; the sort of democracy that the election of a Labor Government can never bring to Australia.

# The Labor Party

From “Some Ideological Questions”

Australia is a country where there has been a long period of comparatively good conditions for the working people and it is a country where Labor party ideas have immense sway. That is reality. Does that reality affect us? Yes it does. Belief in the Labor party is very deep-seated amongst the best sections of the workers. That is reality even though those best sections criticise or even attack aspects of Labor party policy. That is what investigation shows. It may be unpalatable to the “pure” Communists but it is reality. If that reality is reckoned with, it can be changed but it will not be changed overnight. There are deep-seated illusions about the character of the Labor party – its working class character or two class character. Again Marxist-Leninists had such ideas. These ideas are the product of subjectivism – substitution of the wish for reality, the failure to investigate the reality of the Labor party. To believe that those notions still do not influence Marxist-Leninists would be to deny reality, to fail to investigate it.

The united front of the working class was conceived as unity between the A.L.P and the Communist Party. An immense amount of effort went into this. It is, of course, correct to have a united front provided the absolute ideological political and organisational independence of the Marxist-Leninist Party is maintained. But in Australia this idea of the united front was based upon the conception that the Australian Labor Party was and is a party of the working

class and it was confined to C.P.-A.L.P. unity. The Labor Party is a party of capitalism. Therefore if you talk about healing the split in the working class in the sense of reconciliation with the A.L.P. you are talking about reconciliation with the bourgeoisie.

Thus the idea of unity with the Labor party in this sense was quite wrong because it involved the sacrifice of principle.

Of course it is quite correct to reach agreements with bourgeois parties. But certain principles must be kept in mind. The first one is that you are dealing with a bourgeois party, the fundamental interest of which is in direct conflict with that of the working class.

On given questions, the A.L.P. may in the interests of the bourgeoisie take a stand which in some respects accords with the stand of the working class. The stand of the bourgeois A.L.P. can never be a consistent working class stand because it is a stand for the bourgeoisie. But the coincidence temporarily of the two interests is the basis for the united front between them. Such a united front is unity and struggle. Unite on that on which there is agreement (even then there will be struggle) and struggle on other questions.

The revisionists have made concession after concession and now have gone so far that they are virtually identified with the A.L.P. They speak of the Labor movement in a sense which includes the bourgeois A.L.P. What is wrong with this? It abandons the independence of the working class and the independence of Marxism-Leninism. The really critical thing in the unity of the united front is the maintenance and strengthening of the independence ideologically, politically and organisationally of the Marxist-Leninist Party. This is to take into account the concrete study of concrete conditions. Only the maintenance of that independence can resolve the social contradiction in favour of the working class.

## **1. Demonstrations**

Then we come to the question of demonstrations. Today demonstrations on Vietnam are going on in Australia more and more frequently. They are correct. They are correct policy at the correct time in the correct circumstances. They arise from the actual conditions and the Marxist-Leninists have correctly worked to influence the people in Australia in support of the Vietnamese people. This arises from correct analysis. They will develop more and more. But demonstrations have been sacred cows. The ritual demanded was a demonstration whether or not the circumstances would sustain it – demonstration for demonstration's sake. When that was resisted, the rejoinder was an allegation of cowardice or hiding. In reality demonstrations can be infinitely various. They are not sacred cows. Circumstances may call for a one man demonstration or for a huge mass demonstration or in given circumstances for no demonstration, or for something in between. But Marxism-Leninism requires the concrete study of concrete conditions. Time, place and circumstances need examination. There are no ready made formulas. Ready made formulas exist for lazy people: for revisionists: for dogmatists but not for Marxist-Leninists.

## **2. Pacifism**

Pacifism is a deeply rooted error in Australian left circles. But reality is that there are wars. They have a specific character. They are just or unjust. Accepting that reality, we wholeheartedly support just wars and oppose unjust wars. Pacifism is political subjectivism. Marxism-Leninism is reality, truth. Investigation reveals that there are wars, each war has two sides, there will be more wars and each war will have two sides. Marxist-Leninists must operate from that reality. They must fight all forms of pacifism and all manifestations of their own subjectivism.

There are those who cannot see that all this applies to themselves – that is also because of their political subjectivism. They cannot see that they are part of reality, that Australian reality has particular characteristics and it must have particular effects upon them. This shows the absurdity

of those who assert their own correctness always. They deny reality. There are those who say there are ideological differences in an abstract way. There are indeed always ideological differences and they exist right within the Communist Party. In the past many party members did not start with the desire for unity. They were infected with the individualism of capitalism – selfishness, intrigue, bureaucracy, arrogance, cynicism, know-all-ness, self-satisfaction. They struggled for power. Is the Communist Party of Australia (Marxist-Leninist) free from such things? Of course not. Our Party has not fallen out of the skies. It inherits the heavy imprint of capitalism and the errors of the past. At the same time, precisely because it is conscious of this it can deal with the situation. There is no need to be dismayed. The struggle for unity is a continual one.

### **3. Party Unity**

Unity of the Party around Marxist-Leninist principle is its strength. All the time the influences of capitalism operate to destroy the unity of the Party. The influences of capitalism express themselves in the conduct of party members. More has been done in the last few years to combat and deal with this than in the whole preceding history of Communism in Australia.

We are all familiar with the trend that maintains the Party is too advanced, the workers won't understand, let us step back. All these things we can see clearly in retrospect. They are the reflections in one way or another of capitalist ideology within the Party. Necessarily there are always ideological differences in the Party. It is philosophical idealism, metaphysics to fail to recognise this. Of course there are ideological differences and their source is the imprint upon every single person of capitalism. In days gone by there were those who denied this and who asserted their purity in ideology and excused their own shortcomings by the assertion of the existence of ideological differences and in effect that those differing were beyond the pale. But a little reflection shows that such an assertion itself is philosophical idealism – the ideology of the bourgeoisie. After all, the Australian Communist movement divided into two. The one divided into the two – revisionist and Marxist-Leninist.

Clearly out of the original one the influences of each side of the contradiction remain in the two. Capitalism gave rise to the Communist Party. The influences of capitalism persist in the Communist Party. In the past, the influences of capitalism within the Communist movement in Australia were combatted insufficiently. There is no doubt that they are now being combatted vigorously. However, it is a continuous struggle. Good comrades get depressed or frustrated because of the difficulties of struggle for Communist ideology. But it is vitally important to understand that it is a process. It is no cause for dismay if we fall short of the ideal: that is certain to happen. The point is continuously to strive for it.

The acquisition of knowledge and the process of self cultivation as Communists are alike **processes** that go on over a long time, indeed for a complete life time. They are an inseparable part of actual revolutionary struggle. They do not get solved in one blow. That is impossible. They proceed by resolving contradictions one after another. One contradiction is resolved, e.g., a trait of individualism. There is advance but after the advance, new contradictions appear in a never ending process. No one can be expected overnight to be a near perfect Communist.

#### **4. Party Independence**

Because the Party is the vanguard of the working class, it is the highest form of class organisation of the proletariat, it is composed of the most advanced people. Its independence and purity of Marxist-Leninist principle is its very strength. Once that is lost, the Party is in danger of being submerged by alien trends. But the Party does not have its existence by all its members coming together every week and discussing its non submergence or discussing paper sales, finance and recruiting. On the other hand, the very independence and strength of the party means that its members will in a sense be submerged in the masses. They will be submerged and yet they will not be submerged. They will be of the masses and yet not of the masses. They will be of the masses in the sense that they have no interest other than those of the masses and yet they will belong to the highest form of class organisation of the proletariat, the Marxist-Leninist Party. They belong to the proletariat, devotedly cultivate themselves as Marxist-Leninists and yet they are one with the masses who are not Marxist-Leninists. They will be dispersed in order to be compact, organised; organised, compact in order to be dispersed. Only utter devotion to Marxism-Leninism can ensure effective mass work. Precisely because such Communists are submerged in the masses (or merged with them) they require the highest possible quality of Marxism-Leninism and highest possible form of organisation. The forms of organisation of the past paid attention only to coming together. In days gone by if the Communists were deprived of their weekly (or even more frequent) “discussion” with all their fellow Communists, they felt lost.

A selfless devoted Marxist-Leninist who attends to his self cultivation ideologically in actual participation in struggle needs little so-called supervision. In the past, direction was sought at, the party “centre.” Nothing could be done without “direction,” “supervision.” A paid functionary “directed,” “supervised” work. The functionary himself had become “intellectualised” because for years he had not worked in a social job. Hence he must necessarily be one sided. On the other hand, the given Marxist-Leninist engaged in a social job and in mass work could decide himself the correct course. He needed little supervision. If he understood and cultivated Marxism-Leninism and the party line, he could work it all out much more effectively than any of his “supervisors” in the old sense. But the measure of good Communist work was often how frequently supervision: was sought. If it was often, it was good work. If not so often, bad.

All Communists are bound together by Marxism-Leninism. Each subscribes to it and enriches its practice. Each must have his links but each serves on a different front and on that front, he is the general subject only to the leadership of the central committee which finally determines the line of advance. Each individual through his links participates in the collective working out of the line and carrying it out. Its carrying out requires infinite flexibility. Its carrying out is not a question of asserting: “this is Communist work. I am a Communist” but through its being the correct policy for the section of the masses with whom the given Communist is working at the given time and in the given circumstances. Leadership is achieved not through proclamation but through correct politics.

Paper sales, finance, recruiting, again were sacred cows of the past, Quotas were set for each. They were “driven through” the Party – another set of sacred cows. Of course they have their importance. But can the progress of the class struggle in all its infinite variations be. Measured by fulfilment or non-fulfilment of a quota of paper sales, finance or recruits? Life is not nearly so simple, so circumscribed as that. Remember Lenin’s admonition to work in

the most reactionary organisations at all costs, no matter what the sacrifice. That is the most devoted Communist work. But can you measure that devoted work in mechanical terms of paper sales, finance or recruits? True these

things are important provided they are not sacred cows. They are aids in the correct waging of the class struggle with all its infinite variations, gradations. They are not things in themselves. A Communist newspaper is important.

In our conditions it can legally set out the Communist line, can combat the ideas of social democracy, revisionism, reaction. In other conditions, this would be more difficult. It cannot deal with all the myriad questions that arise in the prosecution of the class struggle. There could even be revolution without a newspaper. Recruits cannot be measured in quotas.

## **5. Party Quality**

The first essential of a good Communist is quality. Certainly standards that are too high are wrong; but standards that are too low are certainly wrong. Rich experience has accumulated in Australia in this regard. The degeneration

to revisionism most assuredly was contributed to by this particular sacred cow. Experience shows that numbers of people joined the Party who never really should have joined at all. No doubt they were good people (some were bad)

but they were not revolutionaries and were best left as elements in the united front or as sympathisers of the Party. Finance too is important, very important, but it too must never again be a sacred cow. It has its positive side; it has its negative side. By and large, Communist mass work in the sense of which we have been speaking does not require finance, The painstaking, day to day, serious, unspectacular work that is steadily, systematically, directed to winning the masses, that takes full account of the unfolding of the social laws, does not require finance. A revolutionary party correctly working does not require huge headquarters or huge numbers of paid functionaries. Certainly it requires finance but in a sense quite different from the ideas or sacred cows of the past. Finance is a good thing but it is a bad thing if its purpose is to maintain big headquarters, intellectualised party functionaries, motor cars and so on.

In itself it is a sacred cow to maintain other sacred cows.

The battle against sacred cows is vitally important in Australian conditions. Social democracy, revisionism, relatively good living conditions. invade us all the time. We are encircled by them. Our thinking is continually influenced by them. These conditions feed the sacred cows. Nonetheless we advance rapidly because we are consciously and conscientiously breaking ideologically from their source and influence. The mere fact we can discuss and deal with these sacred cows is evidence of advance. We must seek out and destroy the sacred cows of which we have spoken and all others and substitute for their worship, dialectical practice and revolutionary struggle.

Marxism-Leninism teaches us not to be lazy, not to bow down before the ghosts of the past, pronouncements by this, that or the other person or body but to think it out, examine it. Merely because someone, however authoritative, says it is so does not make it so. It must be independently analysed. A number of people equipped with this capacity and working in harmony together will reach correct conclusions and move mountains, But a number of people worshipping a few ghosts are certain to go wrong.

Marxist-Leninists base themselves on the beauty of the working class, on the magnificence of the workers and working people and on the glory of those who have taken the revolutionary path. The thing is to see the strength, beauty and glory in them in order to offset anything that tarnishes those things. That way we start off from the opposite of capitalism. Instead of the weaknesses and the faults, we see the strengths. We proceed from the capacity to see the

weaknesses as incidental to the strengths. The capitalist has a certain instinctive recognition of contradiction in human beings but he fastens on the negative, the bad. The Marxist- Leninist has not an instinctive but a real understanding of the contradictions in themselves and in the workers. So he

fastens on the developing side, the strengths, and defeats the weaknesses.



In the individual struggle and collective struggle for remoulding, every small victory against the bad, against cynicism, individualism, selfishness, self promotion, arrogance, flippancy, against the influences of capitalism, means a strengthening of the individual (and collective) Marxist-Leninist. That can only occur in the class struggle. Every victory against a particular ghost means an addition to Marxist-Leninist strength. Victory in the small things of life means acquisition of strength in the battle with the big things.

# Beyond Labor

## 1. Learn from Labor in office and build our own agenda

Labor Governments have already been tossed out of office in several states.

The remaining Federal and state Labor governments face the same prospect.

Most people are sadly disillusioned with them. They have failed to deliver any significant improvement in the lives of working Australians. The current Federal Government is just administering the current system, preaching “financial responsibility” as it cuts social services, allows the anti-worker and anti-union Work Choices policies and structures of the previous Liberal government to largely continue, slavishly obeys the dictates of the United States as it gears up for its looming confrontation with China by stationing thousands more US troops here, and drags its feet, leaving Australian soldiers to die in Afghanistan.

Similarly, State Labor governments merely administer the same system. They have led the charge to privatise public assets, most recently for example, the rail, roads, ports and forests in Queensland, and the forests in south east SA. As the capitalist system lurches toward further crisis, governments have less and less room to manoeuvre to raise funds, and are pressured and required to use public funds, i.e. taxpayers’ money, to subsidise businesses, such as the car industry, and to fund private bailouts, as occurred in the Global Financial Crisis. Governments around the world are attacking the rights and welfare of their people (Greece and Spain are the current topical examples). Australian governments are doing the same, even though the severity of the attacks has not yet reached the European levels.

While the current crisis is becoming more and more severe, the record of Labor in office in the history of Australia has always been essentially the same: administer the system on behalf of the rich, obey the dictates of the capitalist class in order to stay in office, and always pretend that this is in the national interest i.e. the interests of all Australians, not only the rich.

Curtin & Chifley (now romantic legends) invited US domination of Australia after World War 2, virtually financing the private GMH with public funds, creating the spy organisation ASIO, and even using troops to smash the national coal strike.

The Whitlam Government, riding a surge of popular demands and expectations which it could not deny, initially introduced some progressive changes such as Medibank, free tertiary education and withdrawal from the Vietnam War. However, over time, it became more and more reactionary, and ultimately attacked the unemployed, coining the term “dole bludgers”.

## Beyond Labor **The Labor Party**

The Hawke and Keating governments floated the Australian currency and deregulated the banks, so that profits could be maximised. The Hawke Labor Government used the military to smash the national pilots strike.

The record shows that all Labor Governments essentially administer and serve the capitalist system and those who have economic, political and media power. They change nothing fundamentally, and have helped to run a system that has recently seen the greatest transfer of wealth from the majority to the rich minority in the history of this country.

Labor Governments usually ride a popular tide into government, with people expecting significant change for the better. Labor makes populist promises, and even implements some, especially in the early days of office. However, Labor governments become increasingly conservative as they take the decisions needed to run capitalism i.e. to promote the interests of the rich, and as they desperately try to stay in office.

The powers that be rein them in; the conservative public service leadership captures them (as in Yes Minister). The corporations and their organisations such as the Business Council of Australia hedge them in with limited choices; lobby, bribe and threaten the governments, threatening antagonistic campaigns (e.g. the mining lobby), painting fearful scenarios of withdrawal of investment, warning that they will take their funds to other cheaper countries if Labor doesn't follow traditional, capitalist policies.

Labor politicians increasingly accept the limitations of running the system, as admitted quite explicitly by former senior Labor federal minister Lindsay Tanner on Q & A recently.

In order to keep the spoils of office, all politicians, Liberal and Labor, curry favour with the powerful, especially the media barons, to try to get a good press.

Some Labor politicians have always been craven opportunists and careerists. Remember Bill Shorten reporting the step by step leadership struggle against Rudd to the US embassy.

Some become increasingly right wing as they are captured by their constituencies e.g. Martin Ferguson, who effectively became the Minister for the Mining Companies.

Some good people get corrupted by the superficiality of the parliamentary game, and think the sideshows and point scoring are actually the substance of running the country.

Other good people keep trying, but are essentially blunted because the system is too big and strong and all pervasive to achieve significant change.

The parliamentary political game of point-scoring, one-up-man ship and constant dishonest spin has sunk to lower and lower levels. The 5-second grab, written by some spin doctor, is more

## Beyond Labor **The Labor Party**

important than substantial policies, or honestly discussing issues, admitting and learning from mistakes, and working out solutions. Governments play it safe to avoid stimulating opposition; there is virtually no leadership, no vision of social reform. Witness Gillard jumping immediately to rule out gay marriage or a more realistic, sensible approach to the problem of drugs, to avoid any political difficulties caused by taking a stand for progress. What has happened to her supposedly progressive views? These and other stances make a mockery of the so-called "Left" faction in the Labor Party.

Although the media spotlight focuses on individual politicians, it is important to focus on the system and its institutions: parliament, the political parties, the public service, the media, and also the powers behind the scenes – the corporations, the police and the armed forces.

It is power, the structures, that matter.

Personalities are not important in this greater scheme of things.

Julia Gillard is the first female prime minister of Australia. That did represent progress. However nothing substantial has changed for the Australian people, especially for Australian women.

It is true that reactionary politicians and commentators have directed disgustingly sexist denigration at Gillard. This exposes their narrow, bigoted, sexist ideologies and opportunist, dishonest character. And it also exposes again the shallow, unprincipled parliamentary game of point-scoring, off-the-record denigration and slander, a game played willingly by both Liberals and Labor. This has been as much a feature of the Gillard-Rudd contests as it has been of the Gillard-Abbott contest.

Some people run for parliamentary office, claiming they want to change the system. However, the system usually ends up changing them.

Gillard has clearly sold her soul to get and keep office. She did a deal with the mining companies to reduce the mining tax, and, in return, Rudd was axed, she got the job and the mining companies toned down their anti-government campaign for a while. Of course their greed led them to ramp it again later.

## **2. Labor's Recent Record**

The Labor Government champions US control of Australia, follows the US/NATO military invasion of Afghanistan, sending Australian soldiers to their deaths for no valid purpose other than to follow the US, and to avoid admitting that it was all a mistake.

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Actual government support for renewable energy is steadily declining. The carbon tax was a policy based on the need for some action, a reading of the international trends in other economies, and the need for business to have a firm clear environment to enable future investment planning. However, as usual, the reality has been trimmed and trimmed. Now, the big polluters receive generous subsidies to keep their polluting power stations going (“too expensive to phase out”), AND they pass increasing costs onto households.

The mining tax started at a proposed rate of 40%, and then, after the mining companies did a deal with Gillard to axe Rudd, was reduced to 22.5%, and only on those iron ore and coal mining operations that generate over \$75 million p.a. Now, through the usual range of accounting measures, taxpayer subsidies and policy erosion, the mining companies informed the tax office that they will pay ZERO mining tax for the first quarter of the financial year. All this while the mining companies make regular massive profits.

And, in order to impress “financial markets” i.e. the banks and financial companies, the Federal Labor Government poses as “financially responsible”, and even pursued a budget surplus until that proved impossible.

And who pays? The Australian people. The Single Parent allowance has been changed with some 100,000 single parents losing between \$65 and \$115 per week after being changed to the Newstart allowance. The Baby Bonus is cut, with some 87,000 families losing \$2000 per second and subsequent child.

Labor promises on education funding and the National Disability Insurance Scheme are, at this stage, worthy but are yet to be transformed into real resources. The oft-repeated record suggests that they will be whittled away unless there are powerful public campaigns to force whichever party is in office to honour the policies.

### **3. Spot the Difference**

The Liberals policies are basically the same, but they emphasise essentially minor differences in their quest for the plums of office. Abbott is seen by most as having secret ultra-reactionary views (e.g. denial of global warming) which he tries to hide by constantly sniping at the government (even though his true views often slip out of his big mouth). However, his obnoxious character and dishonesty cannot lead us to ignore Labor’s equally important failings.

We should not be sucked in by the media focus on these petty differences and fights in the gold fish bowl; while there may be tactical differences and some policy differences, both parties fail to address the fundamental issues facing the Australian people.

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On all key fundamental issues the Liberals are similar to Labor. They may be more overtly elitist on education funding, and even more uninterested in environmental sustainability, but their actual decisions in office would probably be not much different overall.

Some of the most important differences among politicians at the moment reflect the growing struggle for economic supremacy, and therefore, political and military supremacy, between the US and China. Labor has welded itself onto the US, but some Liberals and business people are advocating a more even-handed or farsighted approach to accommodate the growing superpower, so that more money can be made. NSW Premier O'Farrell even advocated the writing of NSW contracts with China in Chinese Yuan – a massive challenge to supremacy of the US dollar. (The US can only keep its massively debt-ridden head above water as long as the dollar is the currency of international exchange – that way the US Govt can keep printing dollars without having to account for their lack of real value. As the world moves toward writing commercial contracts in Chinese Yuan or an alternative basket of currencies, the value of the dollar will steadily fall, and the US debt crisis will come closer and closer to the predicaments of Greece and Spain.) Some capitalists are already advocating moving closer to China (e.g. James Packer, Kerry Stokes and Clive Palmer). Barnaby Joyce opposes selling Australian enterprises, especially agricultural assets, to Chinese companies, but it is unclear whether he is expressing a degree of nationalism, or only opposes selling to the Chinese, and that selling our assets to other, white, imperialists is OK.

So both parties operate completely within the capitalist system, but the parties, or various leaders and politicians within the parties, express views that represent either diverse or conflicting interests of different capitalists, industries or capitalist powers, or they reflect the difficulties and contradictions inherent in the system that leave them with constant policy dilemmas and conundrums that have no solution.

In recent decades, the purported differences between Labor and Liberal have narrowed, to become almost unrecognisable. There are often greater differences among the politicians within each party than between the parties themselves.

### **4. What To Do?**

Some activists have issued calls to “Take back our Labor Party” to “make Labor again a real party of labour”. This sentiment was particularly pronounced in South Australia when a union-led campaign successfully led to the replacement of the Rann- Foley leadership by the SA Labor Left's Jay Weatherill. The Rann Government was arrogant, bullying, and openly pro-big business,

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and had alienated the vast majority of South Australians, so the party reluctantly turned to the “left” Weatherill, to change its image in an attempt to win the next election.

Those initially involved developing the strategy were well aware of the futility of relying on the ALP to bring an end to capitalism. While some believed restoring labour values was what the campaign was about others understood it was more about maintaining and creating unity within the union movement and restoring a sense of power through common struggle. They put before those involved with the ALP that there were other options than just rolling over and accepting bad decisions by Labor in government. Doing nothing because it was a Labor government was not an option.

History may well prove that just replacing leaders is ultimately a dead end yet the activities surrounding the change in this case were well deserved and intentional.

The alternative to not attempting to change leaders is to allow the negative belief that nothing can ever be done even within the system and union officials and their members will just have to put up with whatever is forced onto them. This is particularly so when we are dealing with people who have always believed that the ALP is the answer to rectifying the evils of capitalism.

Attempting to find and encourage limited solutions to issues within the system has a rational basis through exposure of the system and eventually understanding the futility of finding solutions through the parliamentary process.

This was in marked contrast to the way in which the union movement allowed the ALP and the ACTU to dismantle the successful organizational structures developed through the anti-WorkChoices campaign.

The Weatherill government has been much more reasonable than its predecessors but has still adopted a series of measures to try to manage a failing capitalist system, i.e. axing another 1800 public service jobs, cut backs to environmental sustainability measures, including state government money to the Murray River being halved, and maintenance of decisions to sell –off public assets such as the south-east forests and now public buildings. So, well-intentioned or not, Governments are boxed in, and cannot make decisions that serve the interests of the Australian people.

### **5. Their System Rules**

The Whitlam Labor Government became steadily more conservative, but was still regarded as too liberal and unreliable by these real powers, especially the US Government and corporations. It had been flirting with the possibility of raising funds outside US-dominated financial circles to

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start to “buy back the farm” i.e. regain some Australian ownership of our resources. The Attorney-General had led a raid on ASIO because it refused to accept Australian governmental control. And the western financial world, under the aegis of the OECD, was about to embark on a historic mission to cut public spending and social services to transfer maximum profit back to the corporations. So the Whitlam government was turfed out of office in a constitutional coup – strictly legal but completely outside the accepted parliamentary processes and conventions. And the Labor Party essentially failed to resist; it did not mobilise the people but counselled them to control their rage.

In the same year, the elected Allende government in Chile was implementing slightly more independent and progressive policies, so the US engineered a military coup to overthrow the government, and institute a vicious fascist dictatorship.

Both these experiences show the essential powerlessness of the parliamentary system to buck imperialist rule and make fundamental changes for the benefit of the population. The Chavez government in Venezuela, on the other hand, has mobilised the population to act and defend progressive changes, against the subversion of local and US capital. It remains to be seen whether the traditional powerful institutions of the Venezuelan capitalist state have been defeated or controlled sufficiently to prevent a counter- coup.

In Australia’s history, new parliamentary parties have occasionally sprung up because of popular disillusionment with Liberal and Labour. We have had the Liberal Movement, the Australian Democrats and now the Greens. They wither because the parliamentary system does not allow effective challenge to the fundamental causes of the issues and problems facing Australia i.e. the capitalist system.

So, history proves that this approach is a dead end.

The Labor Party has never been an organisation that challenges the root causes of Australian workers’ problems. It will never meet Australian people’s needs because it operates within the capitalist system, and never challenges private ownership of wealth and power.

Capitalism is based on exploiting workers’ labour to make private profit. Capital is always invested wherever it can make the most profit, usually in the shortest time. The system has reached a point where the vast bulk of investment is in financial speculation that produces nothing of value and does not provide or create jobs, and also in production in the cheapest, most exploitative countries around the globe, destroying jobs in developed countries like Australia, and forcing workers in the underdeveloped world to sweat in precarious, dangerous, terribly paid jobs.



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This long-term trend in the development of capitalism exploded in the Global Financial Crisis in 2008. The gigantic gambling casino that modern financial capitalism has become started to collapse like the flimsily built pack of cards that it is. The system's only way out was to buy a bit more time by using government money i.e. taxpayers' money, to bail out banks, finance companies and insurance companies and some industrial giants, so their shareholders and lenders could minimise their losses, and the whole interdependent financial web could be propped up.

This had two key outcomes.

It transferred the burden to the public, since governments now have to meet their debts by screwing their peoples, by increasing taxes, cutting jobs and pensions, cutting services, extending working hours and working lives, and selling off public assets. Austerity measures imposed on the people of various European countries typify this approach.

The other impact, yet to be fully felt, is the potential for massive inflation; governments, especially the US Government, just printed or borrowed the trillions that were handed over to the capitalists. This money, without equivalent real value, is sloshing around, but little is being used to generate value in the form of industrial or agricultural production i.e. it is money not based on concrete value.

The serious environmental crisis facing the planet and its populations (human, animal and botanical) has largely been caused by unplanned, greedy development driven by profit. Capitalism is essentially impossible to plan because immediate profit is everything, so strategic planning and action, and socially and environmentally fair and responsible decisions and policies, are precluded. The environmental crisis cannot be solved under a profit-driven capitalist system

Labor offers no serious challenge to any of this.

In its history, when out of office, there have been occasional expressions of challenge, to gain credibility with the people. However, when admitted to office, any such challenges are quickly snuffed out by the combined might of the rich and wealthy, the public service and media barons.

Any Government or politician who maintains even a slight independence or challenge is ridiculed and pilloried in the media, and set up for electoral annihilation. Witness the constant media ridicule of the "loony" Greens.

And Labor has no defence against this because it always tries to run the system, rather than building a mass movement or popular action to support better policies.

Australian workers have experienced this scenario many times. Labor has been repeatedly ditched out of office as people become totally disillusioned, betrayed and angry. However, we also suffer

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from a lack of a viable alternative, and each time most disillusioned people eventually drift back to Labor “because that is all there is”, and the same cycle repeats itself.

It is clear that capitalism must be replaced, if the earth is to survive and the world’s people are to be able to live decent lives.

Labor, or any other parliamentary party, cannot and will never achieve this for Australia.

### **6. We need to build our own alternatives.**

Firstly, people need to build their own independent organisations to fight for their own interests and rights. The parliamentary parties will not do this, although when in opposition, they will always try to ride on the backs of people’s action for their own purposes. Organisations such as trade unions, community and residents groups, environment organisations and cultural groups are active everywhere, defending our rights and interests, but they often focus on individual issues, and on largely defensive fights or struggles to achieve marginal improvements.

These groups and struggles need to be brought together in a mass movement to defend people’s rights and interest, a People’s Rights Movement, with a broader agenda to achieve fundamental change in the economic and political and cultural structures of our country.

That is why we call for the development and promotion of an independent working class agenda, one that can be embraced by the unions and community organisations and around which the working class can mobilise to pursue its own objectives.

It must incorporate the immediate demands of the people for improved living standards and for the protection and extension of their rights and liberties.

It need not at this stage be a formal document to which various organisations must commit, but there will inevitably be a central core of immediate demands that are put forward in various ways.

The people through their organisations must have the capacity to struggle independently of whatever party of capitalism is given the task of holding back and preventing such struggle.

It must incorporate the immediate demands of the people for improved living standards and for the protection and extension of their rights. It must seek to claw back for the people’s welfare the wealth that sits obscenely in the hands of the corporations and the rich. This will involve fundamental change, and the privileged and powerful who own and control Australia, will resist viciously.

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And we need to further develop the vision of the sort of society we wish to create to replace decrepit, destructive, selfish capitalism. The great revolutions of the twentieth century, in Russia and China, were very successful in some ways, but quite unsatisfactory in others, ultimately failed and collapsed. We need to analyse and understand exactly why they failed, to learn from the positives and negatives, in order to build our vision of an independent and socialist society that will successfully develop and maintain a just, equitable, democratic, ecologically sustainable future appropriate for Australia.