

MARXISM TODAY

***FOR AUSTRALIAN INDEPENDENCE
FOR AUSTRALIAN SOCIALISM***



**This issue of Marxism Today is dedicated to the memory
of our comrade Neil McLean.**

Neil McLean was an activist leader of the Australian student movement in the early 1970s, a period of tremendous struggle by workers and students in Australia and around the world.

For more than 40 years Neil worked closely with many overseas student activists in Australia and progressive organisations in their countries of origin. He provided leadership to struggles within the National Union of Students against the onslaught by US imperialist neo-liberal restructuring of the tertiary education sector to achieve the privatised user-pay system.

Neil was a key figure among those who argued that people's struggle, rather than parliamentary politics, was decisive in achieving radical social change. He promoted Australia's national independence and links with, and service to, the working class and workers' struggles.

Neil's activism and study of Marxism led him to join the Communist Party of Australia (Marxist-Leninist) in late 1970s. Neil was part of a collective of young Marxist-Leninists who had the important role of overseeing the transition of CPA (M-L) leadership after more than two decades of Ted Hill's leadership and guidance. In 1986 Ted Hill resigned as Chairperson and the Central Committee elected Neil McLean as the new Chairperson. He remained in that position for a number of years.

Comrade McLean had a very calm and assured leadership style and applied to himself Chairman Mao's precept "No investigation, no right to speak". To that end he was a patient listener and a thoughtful analyst. Neil contributed to the CPA (M-L)'s efforts in that period to emphasise unity rather than division within the people's movement, and to explore common ground and joint efforts with other left parties.

He was a humble and hard working comrade who put others before his own personal interests; he never promoted himself and had no time for self-importance and individualism; he deeply cared for and respected friends and the ordinary people. Neil made an important contribution to the Australian people's movement and the work of the CPA (M-L).

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Ted Hill on Communism, Trade Unions and the ALP *(Vanguard March 2013)*

The history of class struggle in Australia has thrown up some inspiring people. The late Ted Hill, founding Chairman of the Communist Party of Australia (Marxist-Leninist), was a person closely connected to working class struggles.

Involved in pivotal struggles in Australia such as the Penal Powers struggle and the attempted banning of the Communist Party by the Menzies government in the 1950s, Hill always adhered to communist principles. As a barrister, he championed workers' rights, fighting for compensation for those injured in the course of their employment. He played a leading role in the Communist Party of Australia and during the period of Khrushchev's revisionism and the consequent Sino-Soviet split in the early 1960s, he helped establish the CPA (M-L).

Hill wrote extensively on the particularities of Australian society, the class struggle, the fight for socialism and the longer-term project of the building of communism in this country. His writing was characterised by a methodical, logical approach to Australian social conditions.

Starting with facts, he sought to analyse concrete conditions, and

through critical examination, highlight the key contradictions. Armed with these insights, Hill made strategic and tactical recommendations for class-conscious workers, working people, communists and others concerned with fighting for Australian independence.

The role of the Australian Labor Party in Australian politics attracted his attention a number of times. Similarly, the influence, both positive and negative, of the trade union movement came in for comment from Ted.

Trade unions and working class politics

The fight for better wages and conditions led to the creation of trade unions. Such was the case in Britain in the nineteenth century. With the spread of capitalism and industrialisation throughout Europe and the rest of the world, workers' resistance to impoverishment, long hours and harsh conditions saw trade unions spring up across the globe. Australia was no exception, with strong connections to the British movement because of our colonial ties.

In Chapter Eleven of *Communism and Australia; Reflections and Reminiscences*, Ted Hill outlined the pivotal function that trade unions have played in Australian working class politics. For Hill, "the trade unions

emerged to defend the economic interests of the workers.”

After bitter resistance from employers in this country, “the capitalists recognised that the formation of trade unions could no longer be successfully resisted.” The eventual result was that in Australia an “elaborate system of registration and legislative control of trade unions ... evolved.” It should be borne in mind that when this was written (1980s), the concerted ruling class attacks that undermined the legislative basis of Australian Industrial Relations as it had stood for decades, was yet to unfold.

Nevertheless, Hill was correct in his identification of the essence of trade union politics. In the day-to-day struggle against the encroachments of the capitalists, trade unionists and their officials generally either “submit to [the] subordination [of] capitalism” or “resist it.” The acceptance of capitalism and capitalist relations of production gives rise to ‘economism’, where the struggle over purely economic demands is the beginning and end of trade union activities.

According to Hill “economism is an ideology of capitalism. It accepts the permanence of capitalism but demands improved conditions for the workers under capitalism. It is an ideology inconsistent with Communist ideology which has as its ultimate aim the

ending of capitalism.” He contrasted the economist approach with militant trade unionism, which whilst pursuing similar aims to economism, did so more aggressively.

Essentially, trade unions and trade union politics are constrained by acceptance of or accommodation to capitalism. This does not preclude the development of communist ideology by rank and file trade unionists or officials.

Notwithstanding that possibility, Hill pointed out the limits of trade union struggle and trade union politics, based on his analysis of Australian conditions.

The incorporation of trade unions as legal entities into the official Australian Industrial Relations system formalised acceptance by unions of the ‘system’. Conversely, the system (or the ruling class) would not bestow recognition on any body that sought the overthrow of capitalism.

Ted Hill on the ALP

At the end of the nineteenth century, the Australian labour movement recognised the limitations of trade union struggle and looked to address this problem by getting representatives into parliament. Added impetus for the creation of the ALP came from the 1890s depression, which hit Australian workers hard.

The ALP since its inception has carried the hopes and aspirations of Australian working people for a more just and equitable society. “The ALP has always commanded strong electoral adherence among the working class. Even in times of acute electoral difficulties for the Labor Party huge numbers of workers have voted for it.” This was a fact of Australian politics that could not be ignored.

Another fact that could not be ignored was that the ALP was a party of capitalism. The tension between the ALP’s traditional support base being in the working class (despite the continuing attempts by ALP insiders to distance the Labor Party from trade unions and the working class) and its total commitment to the maintenance of capitalist relations of production always caused problems for the Labor Party.

The tension spoken of here not only found its reflection in the factions in the ALP, it also informed what Hill called the ALP’s “built-in tendency to vacillate on important questions.” We need only note the vacillation we have seen in the Rudd Government’s approach to the repeal of the most noxious elements of the Howard government’s punitive WorkChoices legislation. Vacillation over the crucial issue of climate change also highlights this tendency.

From its inception, the ALP has focussed its attention on achieving parliamentary office, with the objective of introducing reforms. Experience has shown that whilst many become disillusioned with the Labor Party when in office, because its promised reforms do not materialise or are watered down, many workers and working people still grudgingly support the ALP.

The contrast between the ALP and the CPA (M-L)

Ted Hill pointed out that it would take time, repeated experience and patient explanation before working class people completely shed their illusions about the ALP. Only then would they be willing to embrace a vision beyond parliamentary elections and take up the fight for an independent Australia, and ultimately socialism.

Ted Hill left a legacy of astute political insights that continue to resonate. His work deserves serious study.

E.F. Hill, *The Great Cause of Australian Independence* (Nov 1977) <http://www.marxists.org/history/erol/australia/hill-great-cause/index.htm>

E.F. Hill, *Communism in Australia: Reflections and Reminiscences* (1989) <http://www.marxists.org/history/erol/australia/hill-last/index.htm>

E.F. Hill, *Looking Backward: Looking Forward* (2nd ed. May 1968) <http://www.marxists.org/history/erol/australia/hill-looking/index.htm>

E.F. Hill, *Australia’s Revolution: On the Struggle for a Marxist-Leninist Party* (August 1973) <http://www.marxists.org/history/erol/australia/hill-a-rev/index.htm>

For Militant Trade Unionism (*Vanguard* May 2010)

The relationships between the labour movement, trade unions, Australian capitalism and the role of Communists have been and still are complex and potentially divisive. Analysis of these relationships should be undertaken with care to unravel all the complexities.

Some insightful albeit ‘historical’ comments on the social, political and economic roles that trade unions and Communists have played in Australian politics were made in the 1980s by leading figures in the Communist and trade union movements. Ted Bull, Ted Hill and Norm Gallagher had been involved in struggle in their capacities as Communists and trade unionists for decades. Coming together to address the broader issues that arose out of the concerted attempts to crush the BLF and other unions in the 1980s, Bull, Hill and Gallagher co-authored a pamphlet called *For Militant Trade Unionism*. Whilst somewhat dated now, there is still enough in the pamphlet to draw some important lessons.

Australian capitalism and industrial relations in the 1980s

When the pamphlet *For Militant Trade Unionism* was published in 1987, the Hawke Government was into its second term and about to go into a third, brought about by the calling of a double dissolution and the subsequent

defeat of the Howard-led coalition in July 1987. There had been changes to industrial relations legislation, primarily at the behest of monopoly capitalists.

The 1980s were marked by an escalating campaign against organised labour not only in Australia but throughout much of the Western world. In the UK, Thatcher and her cronies had led the charge against the Miners, and in the US Reagan had targeted Air Traffic Controllers. Such attacks on the working classes, particularly organised labour, were part and parcel of the drive to turn around the decline in profitability experienced after the end of the long boom.

The Australian industrial relations landscape was strewn with the results of the concerted attacks on unions during the period in question. The roll call of Dollar Sweets, Mudginberri, SEQEB, attacks on the Plumbers’ Union and the deregistration of the BLF, highlight how concentrated and planned the attempts to smash unions were.

All this took place under the auspices of a Federal Labor government and involved the Conciliation and Arbitration Commission, a body charged with setting Award rates and resolving industrial disputes.

Other bodies have superseded the Conciliation and Arbitration Commission, but the role it played in the attack on trade unions in the 1980s has salutary lessons for class-conscious Australian workers and their allies.

According to Bull, Hill and Gallagher, the arbitration system as it was then called, was “an elaborate system of registration of trade unions”. Underpinning the system was the legal requirement that the trade unions had to be incorporated, that is, the unions became corporations. They could sue and be sued and be subject to fines, injunctions and have their assets seized. The unions could own property and amass substantial funds. They could not dissolve themselves however. The result was “a thoroughgoing attempt at institutionalisation of trade unions within capitalism”.

The institutionalisation of trade unions caught them in a bind. Unlike other corporations whose shareholders were (and still are) not subject to punitive fines, asset seizure and incarceration, unions and individual officials, even rank and file members, could be and were subjected to fines and/or incarceration. The system did deliver a degree of stability and wage rises, but the trade off was substantial.

In 1987, new laws had been enacted by the Federal government that

tightened up the punitive side of the system. As pointed out by Bull, Hill and Gallagher, the controls on unions were akin to making them “a labour front”. The class-based nature of this legislation was apparent at the time. “There is not even a pretence but that this legislation is aimed only at the workers and unions. That is its whole purpose. No one ever heard or will hear of penal action of any importance nor of a government ballot in an employer’s organisation nor the operation against an employer’s organisation of any of the many repressive provisions in this legislation.”

The point that Bull, Hill and Gallagher made about the Conciliation and Arbitration Commission was that essentially all such bodies reflect ruling class interests. Over time, trade unions were even more adapted to the system. However, the struggle between capitalist ideology and working class ideology continues.

The lessons learned

Drawing on their experience of decades of involvement in working class and trade union struggles Bull, Hill and Gallagher astutely pointed out that the adaptation of unions to the industrial relations system was accomplished through a mixture of co-option and coercion. Acceptance of the system, capitalism, and by extension the imbibing by some trade union officials of capitalist ideology, gave

rise to the strengthening of certain political traits. Trade union politics was predicated on the permanence of capitalism. The goal of unions was to operate within capitalism to secure the immediate economic demands of their members. This was contrasted by the three writers to what they called scientific socialist politics.

“Scientific socialist politics accept the trade unions as very important mass organisations of the working class, and accept the vital importance of the struggle of the workers against the adverse effects of exploitation but they hold that the struggle arises from the nature of capitalism itself and can only win final victory when capitalism is ended.”

Such a view, they hastened to add, was not to denigrate the importance of struggling for the immediate demands of workers, but the ultimate objective of scientific socialist politics – socialism – was a world away from the ultimate objective of trade union politics.

What about now?

It is clear that since the pamphlet was published the attacks on the Australian working class and their unions have continued and intensified, with a number of changes to the industrial relations laws passed. In sum, the changes to the industrial relations legislation since 1987 have served to

limit, constrain and make illegal more and more trade union activities.

Despite the viciousness of the attacks on the trade unions and the Australian working class over the last twenty or so years, the optimism that Bull, Hill and Gallagher ended their pamphlet with in 1987 still resonates. They suggested that “sustained campaigning is required.” With “patient explanation, agitation, action of all kinds will grow.” For them and for us now, “the Australian people are magnificent in struggle.” We can and will build an independent and socialist Australia.

Corrupt behaviour has no place in the ranks of the people (*Vanguard June 2012*) by Nick G

In class society everyone lives as a member of a particular class, and every kind of thinking, without exception, is stamped with the brand of a class.” (Mao Zedong, On Practice, July 1937)

The allegations against former Labor MP Craig Thomson raise serious questions about social ethics and personal values.

It is alleged that during his time as National Secretary of the Health Services Union, he used his union credit card to spend \$6,000 on prostitutes, that \$103,000 was withdrawn as cash advances from union credit cards, and that \$270,000 of union funds was spent on his 2007 election campaign.

Thomson is not the only member of the HSU leadership to be accused of rorting members’ funds for personal gain. Before making any further comment on Thomson, two things need to be acknowledged.

Precursor to further attacks on the people

Firstly, the allegedly corrupt activities in the HSU are an open invitation for the ruling class to further interfere with and control all unions.

In addition to anything the Liberals

may be contemplating if they are returned to office, the incumbent Labor government has said it will give Fair Work Australia new powers to investigate unions, will increase penalties against unions, and will require public disclosure of the wages of union officials.

Secondly, corrupt practices infest the business world. Before Thomson, there were any number of high profile cases including:

- Reg Williams, founder of HIH Insurance who was jailed for 4 years 6 months with a non-parole period of 2 years 9 months on 15 April 2005 for filing false financial statements and failing his duty as a director.
- Rodney Adler, a director of HIH Insurance (sentenced to 4 ½ years with a 2 ½ year non-parole period).
- Alan Bond, who was declared bankrupt in 1991 with personal debts totalling A\$1.8 billion. He was subsequently convicted of fraud and served four years in prison.
- Harold Shand, convicted last year of making corrupt payments worth \$60,000 to Queensland Labor politician Gordon Nuttall. Shand got 15 months. Nuttall is

serving 12 years for corruption and perjury.

- Queensland coal tycoon Ken Talbot who was facing charges of making corrupt payments of \$300,000 to Nuttall. Talbot died in a plane crash inspecting his African investments and so escaped justice.

Placing self first is the foundation for corrupt behaviour

What links Thomson, Williams and others is their outlook on life, which is to place their own interests before those of others.

Although nominally head of a working class organisation, Thomson is typical of many who take up employment for a union not via the workforce they purport to represent, but via tertiary credentials that mark them as belonging to a class above the ordinary working people. Thomson has both a Bachelor of Commerce and a Law degree.

In 1844 Marx described the ethics of capitalism as “*acquisition, work, thrift, sobriety*”, italicising the first to indicate that placing the interests of the self came above all other so-called virtues of the capitalist ethic (Marx, *Human Requirements and the Division of Labour Under the Rule of Private Property*).

In *Anti-Duhring*, Engels wrote: “...we

can only draw the one conclusion: that men, consciously or unconsciously, derive their ethical ideas in the last resort from the practical relations on which their class position is based – from the economic relations in which they carry on production and exchange.”

He added: “...morality has always been class morality; it has either justified the domination and the interests of the ruling class, or ever since the oppressed class became powerful enough, it has represented its indignation against this domination and the future interests of the oppressed.”

Bolshevik values in the Soviet state

Lenin and Stalin defined Bolshevik ethics largely in the light of their experiences in winning and consolidating the state power of the working class.

Able lieutenants such as Mikhail Kalinin promoted education and schooling as the means whereby to nurture the youth of the newly emerging Soviet Union in whole-hearted dedication to the cause of socialism, and popularised the concept of the “new Soviet man” (and woman).

Lenin stressed the moral goal of education, declaring after the Bolshevik Revolution: “The entire purpose of training, educating, and teaching the youth . . . should be to

imbue them with communist ethics.”

Nevertheless, the ethics of duty took precedence over the ethics of virtue. The former ethic found expression in the Subbotniks – the voluntary use of Saturdays for the donation of labour time in the public interest. Lenin set the example, removing building rubble from the Kremlin on May 1, 1920.

The ethics of duty to the public interest received a boost with the promotion of the example of coal miner Aleksei Stakhanov, who broke all existing records for extracting coal in 1935. Socialist emulation campaigns saw the entire country gripped in a fervour of Stakhanovism.

Mao Zedong: Serve the People

As leader of the Chinese revolution, Mao Zedong also selected labour heroes such as the Daqing Oilfield’s “Iron-Man” Wang Jinxi, but he elevated the ethics of virtue to prime position in the defining of Communist ethics.

Mao was raised within a culture of Confucianism which, perhaps more than the religions of the West, relied upon virtue or “de” as the line separating the “superior man” from the hoi polloi.

Even his earliest writings contain calls for virtuous ethical behaviour befitting

those who seek to right the ills of society.

In 1937, he penned *Combat Liberalism*, saying that “A Communist should have largeness of mind... looking upon the interests of the revolution as his very life and subordinating his personal interests to those of the revolution... (he should be) more concerned about others than about himself. Only thus can he be considered a Communist.”

In 1938, he wrote; “At no time and in no circumstances should a Communist place his personal interests first; he should subordinate them to the interests of the nation and the masses. Hence selfishness, slacking, corruption, seeking the limelight and so on, are most contemptible, while selflessness, working with all one’s energy, wholehearted devotion to public duty, and quiet hard work, will command respect” (*The Role of the Chinese Communist Party in the National War*).

In 1939, Mao eulogised the Canadian doctor and communist, Norman Bethune, who had died after working along the anti-Japanese front lines. Mao praised Bethune’s “utter devotion to others without any thought of self... We must all learn the spirit of absolute selflessness from him.”

In 1944, he eulogised Zhang Side, a Long March veteran who was killed

by the sudden collapse of a kiln on September 5, 1944, when making charcoal in the mountains of Ansai County, northern Shensi. He published his eulogy under the title *Serve the People*, praising those like Zhang who “work entirely in the people’s interests”.

“Our cadres must show concern for every soldier, and all people in the revolutionary ranks must care for each other, must love and help each other”, he wrote.

These articles were revived during the Great Proletarian Cultural Revolution, Mao’s most obvious attempt to instill in his people the thinking that really was stamped with a proletarian brand.

“Serve the People” was one of two phrases on everyone’s lips. The other was “Fight self, repudiate revisionism”. The latter encapsulated Mao’s belief that without a conscious rejection of self-interest, self-promotion, and self-cultivation there would be an ideological soil for the cultivation of revisionism, for betrayal of the revolution and for the restoration of the old capitalist society.

It is beyond the scope of this article to examine why the considerable gains in building a proletarian socialist consciousness under Lenin and Stalin, and Mao Zedong, were ultimately unsuccessful. However, the line of

demarcation between the thinking of *their* class with its endemic corruption and hypocrisy, and the thinking of our class lies precisely in a commitment to putting self last, and putting service to the people first.

We enjoin all readers of this paper to fight self, to work wholeheartedly for our common cause and quietly and patiently build the respect of the people for the Party and its objectives.

What is a fair day's pay? (*Vanguard* July 2013)

by *Dennis M.*

What decides the level of our wages? The capitalist media make it seem that wages are the outcome of discussions before tribunals.

One example is the un-Fair Work Commission. It recently added \$16.90 to the minimum weekly wage. The boss-class was pleading for no more than six dollars. The ACTU had asked for thirty.

To some extent, the Commissioners balanced the needs of capital against the necessities for the lowest paid. But that calculation played a tiny part in the outcome.

Why did neither side get all it wanted? The answer is because our wages are decided by the relative strength of the contending classes. The class struggle sets the socially necessary costs of reproducing labour-power. So, how much money is 'socially necessary'?

Marx pointed to cultural differences. The English worker, for instance, wanted ale and the French wine. Engels explained accommodation costs. If workers pay rent, wages have to meet that expense.

However, if we own our houses, the bosses will try to reduce wages accordingly. Today, it is almost impossible for a working family to

exist without at least one second-hand vehicle to get to work. That expense is 'socially necessary' because of the lack of public transport.

However, 'socially necessary' goes way beyond material conditions. 'Socially necessary' includes the political, the cultural and the industrial.

The political intervenes because the state resorts to open violence. We saw that when the police rioted during the Grocon dispute.

One cultural element in 'socially necessary' is the notion of a fair day's pay for a fair day's work. A second cultural element is the background propaganda of television dramas. They never show that workers alone add value to the wealth of nature. Rather, the programs reinforce the lie that capital creates jobs.

A further element in 'socially necessary' is industrial. The latest wage rise would have been even less if United Voice had not been campaigning for years around a Clean Start for cleaners. Those actions created public support. They strengthened the wage demands in workplaces.

But the impact of union action is limited by the laws against ‘unprotected’ industrial action. A nation-wide cross-industry campaign like the one against WorkChoices would have lifted the increase towards the \$30 mark.

BLF secretary Norm Gallagher spelt out BLF strategy and tactics in the 1970s. The union would ‘tenderise’ the employers before they got to court. Once there, the lawyers would ‘grill’ them. That approach worked in the 1970s for two main reasons. First, the victory of our class in the 1969 O’Shea dispute had broken the penal powers.

The boss-class therefore had to regroup. It did so with the Trade Practices Act of 45D and E against secondary boycotts.

The second reason for the BLF wins was its depth of workplace organisation. Militant delegates exposed the lie about ‘a fair day’s pay’.

Hence, the campaign for wages and conditions has to be waged on every front: the industrial, political, and cultural. Those struggles open paths to socialism.

To repeat: our wages are decided by the relative strength of the contending classes. Gallagher had another way of putting this truth: ‘You won’t get from the courts what you can’t hold at the gate.’

Some Notes on housing in Australia (*Vanguard* 2010)

According to an October 2010 report by the Australian Housing and Urban Research Institute (AHURI), which looks into the benefits and risks of home ownership for low-moderate income households, “Australia has long been a society of home owners.”

This report and others like it on the AHURI website (www.ahuri.edu.au) provide a wealth of information about the political, social and economic factors that shape and have shaped this “society of homeowners”.

Overview of housing policy

In the 1950s, in line with post-war reconstruction in general, home ownership was promoted. A combination of housing and non-housing policies encouraged this ideal. These policies included: ‘exemption from capital gains tax, discounted/controlled interest rates for home mortgages, cash grants to first home buyers, provision of low interest home loans directly by governments and via intermediary organisations such as state banks, sales of public housing to sitting tenants, mortgage deductibility (for a short period only), development of “affordable” home ownership lots by state land developers, and planning policies which promoted detached housing, the house type desired by purchasers”.

It was clear that governments at Federal and State levels saw it as their duty to help people achieve the ‘Australian dream’. With modifications, the broad policy settings of Australian governments continued along the lines mapped out in the 1950s.

Economic stagnation

With the stagnation that accompanied the ending of the long boom of capitalism in the late 1970s - early 1980s, government policies regarding housing were re-assessed.

The 1990s ushered in “a fundamental change in policy settings on home ownership with the elimination of some of the more explicit measures to promote home ownership. In particular, governments no longer saw it as their role to assist the ‘marginal would-be home owner’ in purchasing a home”. Emphasis in government housing policies shifted from the promotion of home ownership for ‘marginal’ people to the provision of rental housing assistance for those with urgent housing needs. Such a shift in emphasis was driven by neo-liberal ideology which promoted the market as the most efficient resource allocator, with governments having the reduced role of safety net providers “for some ‘at risk’ households”.

The rise of the investor

Financial deregulation, which began under the aegis of Paul Keating the Hawke Government's Treasurer, contributed significantly to the rise of the investor in the housing market. One of the consequences of financial deregulation was the easing of credit. In turn, the easing of credit has been one of the factors causing a steady increase in borrowing by rental investors.

The authors of the October 2010 AHURI report state that "in January 1990 investors accounted for 14% of the value of all housing loans but 20 years later accounted for 32%." (Reserve Bank of Australia 2010: Table D5, Bank Lending Classified by Sector, June). Furthermore, in Melbourne where the report's authors conducted their case study, "lending to rental investors accounted for 50% of residential loans in June 2010, the first time that investor lending has exceeded loans for owner occupancy".

Another factor impelling rental investment has been and continues to be capital gain through the use of negative gearing. Negative gearing, the claiming of losses on rental property "against all income for tax purposes" has become more popular, with "the percentage of individual rental investors claiming a net loss for taxation purposes increas[ing] from 58% in 2000–01 to 70% in 2006–07".

The rise of the rental investor or landlord in the 1990s is directly connected with the influence of neo-liberal ideological brain-washing about market efficiency and de-regulation. What gets overlooked or downplayed in reports by many research bodies is the class aspect of their social analysis.

The class aspect of housing

Clear from what has been outlined above about declining government involvement in and concern with housing policy and the rise of rental investors/landlords, is the power of particular class interests.

Financial capital in the form of banks, home loan brokers and others have big stakes in the housing market and some rental investors do too, though the latter do not necessarily have the same clout as the finance capitalists.

As has been pointed out before in these pages, the provision of housing and related government policies necessarily reflect the values of the dominant class. That is, the provision of affordable housing to low and middle income families, or working class families, is not a priority for governments, landlords or financial capitalists. For the latter two, their priorities are profit maximisation. For governments, beholden as they are here in Australia to capitalist class interests, the social reforms of the

1950s and the long boom years are things of the past.

The neo-liberal mantra says governments are no longer in the process of social engineering because governments 'always' stuff things up. Markets are said to be the most efficient mechanisms for distributing commodities such as houses.

In his article *The Housing Question*, Frederick Engels wrote about the attitude of capitalist states to the issue of working class access to affordable housing. He said: "It is perfectly clear that the existing state is neither able nor willing to do anything to remedy the housing difficulty. The state is nothing but the organised collective power of the possessing classes, the landowners and the individual capitalists (and it is here only a question of these because in this matter the landowner who is also concerned acts primarily as a capitalist)... If therefore the individual capitalists deplore the housing shortage, but can hardly be persuaded even superficially to palliate its most terrifying consequences, then the collective capitalist, the state, will not do much more".

Housing in Australia will continue to be fraught with problems of affordability for working class families, and finance capitalists and landlords will continue to rake in the profits. This is the stuff of capitalist social relations.

Social housing

Long experience has shown that there are times when even the capitalist state is able to provide a measure of social housing. It does not do so willingly, but sees this as the lesser of evils.

Good examples were major housing redevelopment in England responding to the emergence of an organised working class during the 1830-40 periods. Another was in Australia, with the growing strength of the working class after World War Two. The common thread is that the ruling class will make concessions in the face of pressure as a safety valve to dampen the militancy of the workers.

The demand for a large scale increase in the provision of social housing by the capitalist government is legitimate and should be put forward. The housing question can only be ultimately resolved through putting an end to capitalism and removing the provision of housing from the hands of the capitalist class. In Australia's conditions that means an independent, socialist Australia.

The Australian taxation system and the Henry Report (*Vanguard* March 2011)

One of the characteristics of the taxation system in Australia is its complexity. According to an Australian School of Taxation (ATAX) overview of the Henry report we have in this country “over 100 separate taxes, [as well as] some of the lengthiest and most illegible tax legislation known to man ...”

In 2008 the Rudd government appointed Dr Ken Henry to oversee a review of the taxation system. The *Review of Australia's Future Tax System*, to give it its official title, was meant to provide recommendations for the simplification of the Australian taxation system. That was not all it was charged with doing. As its title suggests, the development of Australia's taxation system for the foreseeable future was a major part of the report.

Previous review in 1972

The last major review of taxation in Australia was undertaken by Ken Asprey, a retired NSW Supreme Court judge appointed by the McMahon Liberal government in 1972. Asprey's report was handed to Whitlam's government in 1975. The first response was to shelve it, ignoring the recommendations. However, over the next twenty-five years all its recommendations were implemented.

The last recommendation implemented being the GST, which was ushered in by the Howard government in 2000. If the Asprey review is anything to go by, then the Henry report will form the basis of ongoing tax changes.

A history of taxation in Australia

Whilst a brief survey of the history of taxation in this country may not be the most thrilling of prospects, it does put the Henry report in context and provide some insight into how tax policy has been and still is shaped by class interests.

The colony of New South Wales was the site of the first duties levied on beer, wine and spirits, along with wharfage fees. The year was 1805. This revenue was earmarked for the building of a gaol and orphanage in Sydney. Interestingly, the colonial authorities applied duties on consumption items rather than attempting to apply taxes on property. As the Australian Marxist, Steve Gibson, has pointed out: “During the first 50 years of taxation in Australia, the main feature of taxation was the broadening and extension of the base of excise and customs forms of taxes”

It was not until the advent of the First World War that duties like customs and excise were supplanted by other

taxes as the mainstay of taxation in this country.

The first attempt to apply land tax in order to split up large landholdings came about in 1877 in Victoria, almost a century after the arrival of Arthur Phillip. Three years later, Tasmania introduced what is considered to be the forerunner to income tax, with the imposition of withholding tax on dividends, annuities and rents in 1880. Over the next 15 years in the states of Tasmania, South Australia, Victoria and New South Wales general income tax regimes were introduced, with all Australian states having introduced general income tax by 1907.

Commonwealth taxes

Federation in 1901 added another layer of government to the Australian political landscape, a layer that required its own revenue streams. The Australian Constitution gave the Commonwealth parallel power with the states to levy taxes (section 51(ii)). Section 90 of the Constitution gave the Commonwealth the exclusive power to impose customs and excise duties. Section 88 established a uniform national tariff, administered by the Commonwealth. Of the revenue raised by the Commonwealth, one quarter went into its coffers with the remainder distributed to the states.

Income tax collection

Two World Wars provided the

impetus for many new taxes. More importantly, the sole responsibility for the collection of income tax was assumed by the Curtin government in 1942, to help fund the war effort. To sweeten the deal, states were able to continue payroll and land taxes, stamp duties and sundry licence fees, as well as continuing to receive a distribution of revenue deemed surplus to Commonwealth requirements. The main elements of Australia's tax structure can be said to have been put in place with this war time initiative. It would take the implementation of some of the recommendations of the Asprey report from the 1980s on, for the structure to be substantially altered.

Class aspects of taxation

Steve Gibson, in a 1999 article, argued that the preferred form of taxation for the Australian ruling classes has been levies on consumption. This is known as indirect taxation.

By way of contrast, a prime example of direct taxation is income tax. Another is land tax. Land taxes have not been popular, causing anguish to various members of the landed elites in Australia. Consequently, they have been opposed at various times throughout the history of European settlement in Australia. It has long been apparent that "the wealthy in this country have always used each and every means at their disposal to block

any and all measures designed to ensure that they pay any, let alone their “fair share”, of the taxes necessary to pay for commonly used infrastructure and services ...”

Workers pay the lion’s share

This is the context for the reviews of the Australian taxation system and the revolt against the mining super-profits tax.

Governments try to maximise their revenues in order to provide services and infrastructure, amongst other things, operating within certain constraints. These constraints being that under capitalist conditions, ruling class elements such as those in the mining industry like ‘Twiggy’ Forrest of Fortescue Metals Group and Clive Palmer will act to minimise personal and corporate taxes.

Woe betides any bourgeois government that gets its wires crossed on these serious matters. As we have seen, Rudd paid the price for cherry-picking one of the Henry report’s recommendations in an effort to return the Commonwealth budget to surplus.

It may well be that Australia’s taxation system is complex and is in need of review. Clearly though, under prevailing capitalist conditions and with the bourgeoisie firmly in control of the state, it will be the working people and those that can ill-afford

it who will continue to pay the lion’s share of Australia’s taxes. Such a situation is unjust and inequitable; it is time to make the rich pay!

Taxation – exploitation by the state

In *Origin of the Family, Private Property and the State*, Frederick Engels described the state apparatus as “a power seemingly standing above society”. The state exists to moderate the irreconcilable conflicts between the competing classes, so that the continuing rule of the dominant class is not disturbed. To do this, the state maintains a standing army, police, courts, bureaucracy etc. as well as providing the infrastructure and basic services (health, education and meagre welfare) to keep the system going. Taxation is the primary means by which the large costs of running the state apparatus are spread across the whole of society.

In Australia, the state serves the interests of the dominant section of capitalists; the US, European and Japanese multinationals. The taxation system assists this. At their demand, services to the people are cut back and huge tax concessions are granted for their projects aimed at taking over or wiping out Australian industries.

While the capitalist (and foreign multinational) can pay taxes out of the profits delivered from the surplus value created by others, the worker

has only “rainy day” money to call on. When the worker’s taxes are handed over, or taken beforehand as PAYE tax, the worker is in fact parting with a concession that was forced from an individual capitalist. The concession is then returned to the capitalist class as a whole, since the state exists and operates for the benefit of the ruling class of capitalists.

This ruling class uses its control and influence of government legislation to enforce methods of pushing the main burden of taxation onto the workers and their families. Some of main ones are income tax, sales tax and petrol excise. All sorts of devices and legalities are invoked to reduce the taxation burden on the capitalists. A whole industry of taxation lawyers exists to minimise the taxation problems of the rich!

A Marxist view of interest rates (*Vanguard* June 2011)

Broadly speaking, the interest rate measures the exchange value of money.

It is affected by the existing supply and demand for money in the market, associated with the quantity and prices of commodities in circulation and the quantity of money in circulation. The higher the supply relative to demand, the lower will be the interest rate, and vice versa.

In times of crisis, where the circulation of commodities is not operating as it should, when there is both overproduction and less capacity for consumers, the tendency is for interest rates to fall. In boom times it is the other way around.

The money supply

Today there are two additional factors. One is that the widespread use of computer technology has brought a situation where virtual money is created. The other, and not unrelated, has been the explosion of credit. They affect the money supply.

Working against this is that the banks and other financial institutions have monopoly power over the supply of money. Because of this they can artificially alter the interest rates that they charge their customers. They can also have an effect on the supply

of money. Most importantly, they decide whether investment will be in production or in other areas.

Production and Circulation

On a deeper level, the driving force is that there is a relationship between production and circulation. In the process of production investors use money to buy inputs in order to produce a commodity, and then exchange it in the market for money.

Karl Marx explained these transformations with the expression M-C-M. Money is transformed into a commodity, and the commodity transformed in the marketplace back into money, incorporating an additional sum on the original outlay. When the movement of these processes in the economy as a whole alters, there is an effect on the interest rate.

In these processes, money takes the form of capital, which breaks down into two parts - productive capital (we will include in this capital for the purchase of machines, raw materials and semi-finished commodities and labour) and circulating capital.

The proportion of one relative to the other being used in an economy is important. In times of expanding production there is a shift towards

productive capital, and during a time of contraction a shift towards circulating capital.

All other things remaining the same, a relative rise in productive capital will lead to a rise in the interest rate. A rise in circulating capital will lead to its lowering. Here is the connection between commodities and money in circulation.

Connecting with Surplus Value

A rising interest rate lowers the rate of surplus value. There are a number of reasons for this. The value of labour power will rise because the cost of maintaining the working class and producing the next generation of workers will rise. This means that wages will go up and squeeze the proportion of the proceeds going into the hands of the capitalists, unless of course, measures to reverse this are applied.

Rising wages cause the cost of variable capital to rise. Rising prices for machines or raw materials, for example, increase the cost of constant capital. This affects the rate of surplus value by lowering it.

This can be shown mathematically. Surplus Value is the Surplus, divided by Constant Capital + Variable Capital

$$SV = \frac{S}{C+V}$$

Rising prices of raw materials raise C and higher wages raise V. For example, if we have;

$$\frac{8}{4+4} = 1$$

Assume a rise in the costs of machines (constant capital) and wages (variable capital). This would give;

$$\frac{8}{5+5} = 0.8$$

Surplus Value has declined

The importance is that with a fall in the rate of surplus value, capitalists have the incentive to cut back on the application of productive capital, unless they can find means to employ this capital more efficiently. This means spreading the constant capital over a larger number of commodities (increasing the intensity), speeding up the pace of work, or a combination of both. The measure to which this is impossible is, roughly, the measure by which the demand for productive capital will fall.

Foreign trade and monopoly

Foreign trade enters the picture through its effect on the circulation of commodities and capital on a world scale. Changes in these circulations lead to a change in the economic relationship between nations. Here too, there is competition and

contradiction between productive and circulating capital. There is an impact on the global interest rate.

Increased monopoly lowers the cost of constant capital expended on a commodity. This in turn, will add to the volume of profit. But if there is a fall in the volume of productive capital overall, this will lead to an increase in the volume of circulating capital.

A rise in the volume of circulating capital in excess of the rise in the value of commodities will cause a fall in the interest rate.

Here we see a direct link between the process of production and the operation of circulation. The smooth transformation $M - C - M$ is interrupted. Interest rates go down.

Government intervention

This is the point where government policy can have an influence. By expanding the circulation of government bonds, raising the statutory reserves imposed on banks or raising lending rates by decree, a portion of the circulating capital can be soaked up, or indeed, released by reverse action. Injecting or removing circulating capital from the market has an impact on demand/supply conditions.

Expansion of credit

Another important factor to consider is

the speed of circulation of capital. The quicker the turnover, the greater the volume of circulating capital there is. The expansion of credit is important in this respect. Where there is already an excess of circulating capital, relative to the volume of commodities in the economy, the expansion of credit will further pull down the rate of interest.

Australian economy

There is a great deal of evidence to suggest that the effects referred to here have been operating in the Australian economy for some time. Regardless of short-term anomalies, the trend has been continuous over the decades.

For the last 20 years or so, the rate of interest has been historically low. It is a pointer to the extent of the growth of circulating capital. With the proportional and quantitative expansion of circulation capital, the fall away of productive capital is expressed in the decline of the manufacturing base.

In the present conditions, although the interest rate remains historically low, it is extremely vulnerable to any rise. This is because the margin between getting on, or getting into serious trouble is very thin. Action is necessary to protect the vulnerable. Action is also needed to pull back the excess of circulating capital.

Politicians often grandstand over what

they do to maintain the rate of interest. When it is low, it is because of their goodness and skill. When it is high, it is usually said not to be their fault. The reality is that they do not have the control they claim. This is not to say they have no influence at all. They do.

Monetary and Fiscal policy

Monetary policy refers to measures that influence the quantity of circulation capital, through a number of instruments, such as taxation, the Reserve Bank interest rate, bonds, statutory reserves etc. Giving some users concessions and penalising others can have an impact on productive capital.

Fiscal policy refers to government acting as either a provider or consumer of commodities and services. This can be used as an indirect way to influence the amount of productive and circulating capital.

Whatever policy is applied it cannot be done in isolation from the prevailing conditions that are inherent in the anarchic nature of capitalism.

For a better understanding of what is going on today and where we are heading to, a great deal of further investigation needs to be undertaken. Vanguard can and will assist in this.

Punishment and coercion characterise the bourgeoisie's attitude towards the poor (*Vanguard* May 2013)

by Nick G.

It seems to be in the very genes of the rich that they can only rationalise the existence of the poor in terms of some fault or shortcoming in the latter. And because it is the fault of the poor that they are poor, punishment and coercion are required in dealing with them.

Bloody legislation against the expropriated

Marx wrote a fascinating account of such punishment and coercion in Chapter 28 of the first volume of *Capital*.

“The fathers of the present working class,” he said of people who had been forcibly thrown off the land at the end of the 15th and during the whole of the 16th centuries, “were chastised for their enforced transformation into vagabonds and paupers. Legislation treated them as ‘voluntary’ criminals, and assumed that it depended on their own good will to go on working under the old conditions that no longer existed.”

He reports how, during the reign of Henry VIII, a law in 1530 provided that those who had no work due to age or incapacity should be issued with a beggar's licence. Those who were able-bodied but unable to find work

were damned as vagabonds and “tied to the cart-tail and whipped until the blood streams from their bodies”. A further piece of legislation condemned them to a repeat whipping and the slicing off of half the ear if they were caught idle a second time, and for a third offence, to be executed as a hardened criminal.

His successor, Edward VI, ruled in 1547 that “if anyone refuses to work, he shall be condemned as a slave to the person who has denounced him as an idler.”

“The master shall feed his slave on bread and water, weak broth and such refuse meat as he thinks fit. He has the right to force him to do any work, no matter how disgusting, with whip and chains. If the slave is absent a fortnight, he is condemned to slavery for life and is to be branded on forehead or back with the letter S; if he runs away thrice, he is to be executed as a felon.

“The master can sell him, bequeath him, let him out on hire as a slave, just as any other personal chattel or cattle. If the slaves attempt anything against the masters, they are also to be executed. Justices of the peace, on information, are to hunt the rascals down. If it happens that a vagabond

has been idling about for three days, he is to be taken to his birthplace, branded with a red-hot iron with the letter V on the breast and be set to work, in chains, in the streets or at some other labour.

“If the vagabond gives a false birthplace, he is then to become the slave for life of this place, of its inhabitants, or its corporation, and to be branded with an S. All persons have the right to take away the children of the vagabonds and to keep them as apprentices, the young men until the 24th year, the girls until the 20th. If they run away, they are to become up to this age the slaves of their masters, who can put them in irons, whip them, &c., if they like. Every master may put an iron ring round the neck, arms or legs of his slave, by which to know him more easily and to be more certain of him.”

Workhouses – “Poor Law Bastilles”

By the end of the 18th century the poor were being herded into Workhouses where they were put to work for 12 hours a day winding yarn and other dirty tasks. Parish relief was provided to some as an act of charity, but the numbers of the poor soon exhausted this source of assistance.

Writing in 1845, in his *Condition of the Working Class in England*, Engels reported how: “They accordingly brought in the New Poor Law, which

was passed by Parliament in 1834, and continues in force down to the present day. All relief in money and provisions was abolished; the only relief allowed was admission to the workhouses immediately built. The regulations for these workhouses, or, as the people call them, Poor Law Bastilles, is such as to frighten away everyone who has the slightest prospect of life without this form of public charity.

“To make sure that relief be applied for only in the most extreme cases and after every other effort had failed, the workhouse has been made the most repulsive residence which the refined ingenuity of a Malthusian can invent. The food is worse than that of the most ill-paid working-man while employed, and the work harder, or they might prefer the workhouse to their wretched existence outside.

“Meat, especially fresh meat, is rarely furnished, chiefly potatoes, the worst possible bread and oatmeal porridge, little or no beer. The food of criminal prisoners is better, as a rule, so that the paupers frequently commit some offence for the purpose of getting into jail. For the workhouse is a jail too; he who does not finish his task gets nothing to eat; he who wishes to go out must ask permission, which is granted or not, according to his behaviour or the inspector’s whim; tobacco is forbidden, also the receipt of gifts from relatives or friends outside the

house; the paupers wear a workhouse uniform, and are handed over, helpless and without redress, to the caprice of the inspectors.

“To prevent their labour from competing with that of outside concerns, they are set to rather useless tasks: the men break stones, “as much as a strong man can accomplish with effort in a day”; the women, children, and aged men pick oakum, for I know not what insignificant use. To prevent the “superfluous” from multiplying, and “demoralised” parents from influencing their children, families are broken up; the husband is placed in one wing, the wife in another, the children in a third, and they are permitted to see one another only at stated times after long intervals, and then only when they have, in the opinion of the officials, behaved well. And in order to shut off the external world from contamination by pauperism within these bastilles, the inmates are permitted to receive visits only with the consent of the officials, and in the reception-rooms; to communicate in general with the world outside only by leave and under supervision. “

Bosses never reconciled to workers' win on welfare rights

The Poor Laws and associated Workhouse punishments remained in force until after World War 2 when the working class was strong enough to demand their replacement with

welfare payments.

However, the attitude of the bourgeoisie towards the poor whom their system creates remains one based on notions of punishment and coercion.

When a few misguided individuals took up Timothy Leary's 1967 call to “drop out”, often at tax-payer expense, the bourgeoisie found a new gold-mine of ideological abuse to hurl at the genuinely unemployed. The *Bulletin* raised the flag of battle in 1976 with its use of the term “dole bludger”, which is never very far from the lips of those fortunate enough to never require the dole.

Compulsory income management

The demonising of Aboriginal and Torres Strait Islander communities through the racist NT intervention introduced compulsory income management (CIM) as a coercive measure. Implicit in this was the belief that ATSI people were to blame for the oppressive conditions that exist in many of their communities, that is, that they were underserving and squandered the benefits they were paid.

Great things were promised of CIM in the NT, and it has now been rolled out in “trials” in five low SES urban communities, the APY Lands in SA, and in parts of the Pilbara in WA. This

is despite various studies that have said that in the NT it was a disempowering control measure and that there was little evidence it was helping people.

Attacks on single parents

The same attitude is behind Gillard's decision to move nearly 80,000 single parents from their insufficient Parenting Payment to the criminally low Newstart Allowance. This represents a loss of around \$100 per week to families in poverty, most of them headed by women.

On numerous occasions, Gillard has described this reactionary measure as one designed to "provide an incentive to bring people back into the workforce". Others have described it as "designed to coerce".

Following a complaint about this reactionary measure by the Australian Council of Social Services, the UN Special Rapporteur on extreme poverty and human rights and Chair-Rapporteur of the Working Group on the issue of discrimination against women in law and practice wrote on 19 October 2012 to the Australian Government seeking an explanation of a decision it described as "threatening the enjoyment of human rights of some of the most marginalized and impoverished members of Australian society".

Through centuries of struggle, the

working class has forced the ruling class to modify and amend some of its vilest anti-poor practices, but measures like CIM and putting single parents onto Newstart illustrate that the ideological core of their contempt for the poor remains.

Barbara Shaw from the Mt Nancy town camp near Alice Springs has not been branded on the forehead, but she, and many ATSI people like her, feel the stigma of identification and branding by having to carry and use the BasicsCard of CIM.

The bourgeoisie, the class that rules capitalist society, will always push down on the working poor and the unemployed. It really is in their genes.

The dawn of a new era: the Great October Socialist Revolution (*Vanguard* October 2010)

The Bolshevik seizure of power in 1917 heralded the beginning of a new era for humankind. For the first time in history an avowed working class party not only dared to seize power, it did so with the declared intention of overthrowing the last vestiges of absolutism and building socialism.

The seizure of power in the old Russian capital of Petrograd was undertaken in the name of the Petrograd Soviet. Soviets were bodies of representatives from the working class and peasants, soldiers and sailors, first appearing around the time of the 1905 Russian revolution. Soviets sprang into being because in Tsarist Russia the working class and peasantry were denied any direct political representation.

The crushing of the 1905 revolution did not lead to the disappearance of Soviets, but it did drive leaders of Soviets into exile or imprisonment. Any dissent was crushed during Prime Minister Stolypin's tenure in office which lasted from 1906 until he was assassinated in 1911. However, the experience of the 1905 Russian revolution and the appearance of Soviets had a profound influence on the thinking of revolutionaries in what were then called the Social Democratic parties (Socialist), throughout Europe

and the rest of the world.

Twelve years later, with the dreadful carnage of the First World War seemingly set to drag on, Soviets of workers, peasants, soldiers and sailors once again came to exert a powerful influence in Russian society. The incompetence of Russian generals on the battlefields of the Eastern front against the German and Austro-Hungarian armies combined with the casualties, deprivations and the hunger of the general populace created the conditions for the removal of the Tsar and his replacement by a provisional bourgeois democratic government led by Alexander Kerensky.

The February revolution was the first of three revolutionary waves that shook Petrograd and other cities in Russia during 1917. The next upsurge, in July 1917, resulted in a set-back for the Bolsheviks. By late September, the continuation of the imperialist war by the bourgeois government of Kerensky, waves of mass desertions from the front and continued misery in the cities, mass unrest by the people again reached a head.

By October, Lenin judged that the time was ripe for the overthrow of Kerensky's Provisional Government. The masses revolted. On the night of

October 24th -25th armed detachments of workers arrested Kerensky's ministers in the Winter Palace. The new era had begun.

Bolshevik leaders, such as Lenin, thought that with the war-weariness of the workers, peasants, soldiers, sailors and citizens of Europe, a spark such as the October uprising would precipitate revolutions in other European countries. There were outbreaks. In Hungary, the short-lived Hungarian Soviet Republic led by Bela Kun lasted from March to August 1919. In Germany, the period of November 1918 through to the proclamation of the Weimar Republic in August 1919 was the first of three periods of intense social and political unrest which brought Germany to the brink of a successful proletarian revolution.

The revolutionary upsurge in Europe in the immediate aftermath of the First World War really shook the world's bourgeoisie and remaining aristocracies. It really did appear that worldwide proletarian revolution was a possibility. However, Russia's history and the social, political and economic conditions at the time were different in revolutionary Russia to other European countries, where all the requirements for a socialist revolution were not fully developed or matured.

Revolution is a mass movement

One of the important features of the Bolshevik led revolution was that it was a mass movement. It was not a mere coup d'état, rather the majority of the people could see that the old order was crumbling and could not and did not represent their interests. There was a crisis of confidence not only in the old autocratic Tsarist regime, but also in the bourgeois Kerensky government which replaced it. Consequently, the majority of the Russian people became politically active, using tribunes like the Soviets to push for change.

A second important feature of the October revolution was the part played by the Bolshevik party. Acting as a directing force, channelling working class, peasant and soldier's disaffection, the Bolsheviks were able to focus the people's discontent.

Combining tactical flexibility with party discipline, Lenin's party outflanked its political rivals such as the Mensheviks, not only offering up slogans that tapped into popular aspirations, but acting on them as well. The slogan 'Peace, Land and Bread' reflected the yearnings for peace of the Russian masses, bled white by the war. 'Land' represented peasant aspirations for a more equitable distribution of land and 'Bread' was the desire for relief from hunger that many were experiencing. The old bourgeois order could no longer continue, and

the contradiction between the people, with the working class in the lead, and the bourgeois state, erupted in intense revolutionary conflict that shook the whole world.

Among the first decrees that the new Soviet Government promulgated were those offering peace to Russia's belligerents, and another abolishing private property and distributing the landed estates amongst the peasants. Not only did this new government reflect the hopes and aspirations of the toiling masses, it strove to implement them, relying on the enthusiasm, energy and creative capacities of the workers and peasants to construct a new society.

Lessons from the 1917 Revolution

Australia's history and conditions are vastly different to the situation in revolutionary Russia of 1917. For a start we do not face a revolutionary situation in Australia. Nor do we have the experience and background of feudalism and autocracy. Our bourgeois liberal democratic traditions provide limitations of social democracy that confine people to bourgeois class rule. There are nominal democratic rights that are confined to bourgeois parliamentarism and giving the illusion of democracy for the people. Our conditions are beyond the scope of what was available in Russia up until February 1917.

Bearing this in mind, it is still possible

to highlight some general similarities between revolutionary Russia and contemporary Australia. There was and is disenchantment with the established political order. In Russia of course, the disenchantment reached very high levels. The same cannot be said for popular sentiment in Australia; though this appears to be changing, with more disaffected Labor voters casting about for alternatives.

The key similarity lies in the desire of working people to make a difference in not only their own lives but collectively, in the building of a more just and equitable international order. The Great October Socialist Revolution marked the beginning of real progress in the building of that order and for that reason its significance will not fade.

Immediate Demands, National Independence and Socialism (*Vanguard* May 2011)

How do Immediate Demands relate to the Vanguard slogan “For an Independent Australia and Socialism”?

Firstly, immediate demands should cover the most prominent issues of concern to the working class and many broader sections of people in society. They should cover areas where the people are engaged in the day to day struggle for improvements and reforms in their living and working conditions, for protection of the natural environment, for equality and justice in society, for decent social services and community facilities, for an independent foreign policy based on peace, fairness and integrity.

Immediate demands also look after the well-being of the people, build unity, and strengthen the capacity to struggle.

The mass line

A list of Immediate Demands was formulated by the CPA (M-L) and represents an attempt to apply the approach outlined by Mao Zedong in his essay, *Some questions concerning methods of leadership* (1943) “... all correct leadership is necessarily ‘from the masses, to the masses’. This means: take the ideas of the masses (scattered and unsystematic ideas) and concentrate them (through study turn

them into concentrated and systematic ideas)... Thus, immediate demands arise from the people, from campaigns and mobilisations have already been initiated around the conditions of life, but are expressed in a way that points to progressive alternatives that are both realistic and to some extent, reveal a vision of the future.

Narrow the target, broaden the base

Secondly, the immediate demands formulated by the CPA (M-L) sharply target the large foreign corporate monopolies and multinational companies that are the core of Australian capitalism. The most powerful and influential monopolies are American. Together with its political and military influence, this economic influence means that the interests of US imperialism underpin Australian capitalism.

Small Australian capitalists, entrepreneurs and producers are being wiped out every day by the inroads of foreign imperialism. Working people face job insecurity, loss of wages and conditions, rising living costs, and poor public amenities and government services as a result of ever-increasing attacks to serve the interests of foreign imperialism, especially US imperialism and its partners in Australia.

Paving the way for US imperialism are the foreign and local collaborators in the Business Council of Australia. They manipulate and bully State and Federal governments, and finance mass media campaigns to promote more foreign investment, more dismantling of Australian industries, more subservience to so-called 'globalisation'.

The link to socialism

It is impossible to talk about winning socialism in Australia without confronting the dominant core of capitalism in this country – US and other foreign imperialist interests. The path to socialism lies in expelling foreign imperialism and winning real and genuine national independence.

It is fundamental to uphold the leadership of the working class in this revolutionary struggle, but it would be wrong to think that the working class can achieve victory on its own. It needs and can win allies from other sections of the people also oppressed by imperialism. The demands reflect the interests of these sections as well, and flow in the direction of building a united front against imperialism, a people's movement for national independence.

Test ideas in practice

Finally, and critically, as Mao Zedong says, we need to "... go to the masses and propagate and explain these

ideas until the masses embrace them as their own, hold fast to them and translate them into action, and test the correctness of these ideas in such action."

This means systematically and diligently promoting these immediate demands at an appropriate time, and in an appropriate manner, in the struggles taking place. What is important is to promote the ideas behind the demands, not just focussing on the words alone as if that is all that is necessary.

Marxism and Nationalism (*Vanguard* July 2011)

The ideal of Communism is a world society based on human cooperation, without the historical divisions of class or nation. Communists are true internationalists who confront the issues of class and nation in order to abolish them forever.

It is true that in the *Communist Manifesto*, Marx and Engels stated, “The workers have no country”. But far from advocating the complete disregard for national issues, they went on to say, “...the proletariat... must rise to be the leading class of the nation, must constitute itself *the* nation, it is, so far, itself national, though not in the bourgeois sense of the word.” Lenin also linked the class struggle to the struggle for national liberation.

Revolutionary program

Australian Marxist-Leninists have sometimes been unfairly accused of petty-bourgeois nationalism by promoting a program of revolution by stages; a stage of anti-imperialist national independence, leading to the later stage of socialism.

As with all matters, nationalism has a class basis. Bourgeois nationalism promotes the chauvinist jingoism of imperialism. The working class position upholds the revolutionary anti-imperialist stand

of internationalism. It is entirely different.

One distortion is the idea that any alliance of the working class with other class forces, such as sections of the petty bourgeoisie and sections of the national bourgeoisie, formed to struggle against imperialism, is bound to mean surrender to the interests of these other classes. This simply ignores the Marxist-Leninist position of promoting the leading role of the working class and the position of upholding the independence and initiative of the working class revolutionary forces within the united front (or national movement against imperialism). In Russia, China, Cuba, Vietnam and other places where revolutionary forces achieved success, this was due to Marxist-Leninist leadership which was able to mobilise the masses well beyond the purely working class core.

A second distortion is the refusal to recognise the fact that Australia is not merely a capitalist economy, but is one dominated by the ownership and interests of large foreign corporate monopolies which control all key sectors of the productive and financial economy. This fact, plus the overwhelming direct and indirect influence of the United States in the political and military

matters of Australia, means that US imperialism is the main and strongest pillar of capitalism in Australia. The domination of US imperialism is defended by the Australian state apparatus. Revolutionary overthrow of US imperialist domination of Australia inevitably strikes at the heart of the capitalist system, including the state apparatus.

A third distortion comes from the failure to see the dialectical relationship between the stage of anti-imperialist struggle and the stage of struggle for socialism. In the revolutionary struggle to expel imperialism and seize ownership and control of Australia's key industries and resources, the working class will emerge with a much heightened political consciousness and organised capacity. In the new situation with imperialism defeated, the class forces will re-align (not disappear) and revolutionary struggle will continue in the building of socialism. Some people are pleased to hail this process of continuing revolution in far-away places such as Venezuela, but choke over the idea that it should or could happen here.

Nation-States

Writing on matters of nation and the relationship to capitalism Lenin noted, "Developing capitalism knows two historical tendencies in the national question. The first is the awakening of

national life and national movements, the struggle against all national oppression, and the creation of nation-states. The second is the development and growing frequency of international intercourse in every form, the breakdown of national barriers, the creation of the international unity of capital, of economic life in general, of politics, science, etc. Both tendencies are a universal law of capitalism. The former predominates in the beginning of its development, the latter characterises a mature capitalism moving towards its transformation into socialist society." (Lenin Critical Remarks on the National Question 1913)

In our present era of mature, decaying capitalism ("globalisation"), the various (national) economic systems of capitalism are being transformed into a single (international) system of imperialism. While this may be news to some, Lenin recognised the process more than eighty years ago. "Imperialism is the highest stage of development of capitalism. Capital in the advanced countries has outgrown the boundaries of national states." (Lenin Theses: Socialist Revolution and the Right of Nations to Self-Determination 1916). In setting up the conditions for a global economy, monopoly capitalism is also preparing the economic basis for the eventual merging of nations.

International movement against imperialism

The division and re-division of the world between the imperialist powers has been a feature of the last century, with US and European imperialism now moving towards further confrontation, while Japanese imperialism is falling well behind.

In addition to these conflicts, imperialism is weakened by endless cycles of economic crisis, as well as the conscious world-wide movement against it. This growing movement includes the peoples of the socialist countries, the workers and peasants of countries struggling against imperialist bullying and resisting neo-colonialism, and it also embraces the workers and working people of advanced countries such as Australia, and within the imperialist nations themselves.

Struggle against imperialism is class struggle

“The characteristic feature of imperialism is that the whole world, as we see, is now divided into a large number of oppressed nations and an insignificant number of oppressor nations, which command colossal wealth and powerful armed forces.”
(Lenin Report of the Commission on the National and Colonial Questions July 1920)

Australian Marxist-Leninists place

Australia in the category of an oppressed nation, one that is economically and politically subservient to the imperialist “world order”. The reality of capitalism in Australia is domination by US imperialism, and to a lesser extent, European imperialism. The class struggle for socialism in Australia cannot ignore the national question, cannot effectively oppose capitalism without calling for the overthrow of imperialist-dominated capitalism.

National independence movement

Leading this struggle, the Australian working class stands in the front line, as it is the class most exploited and oppressed by imperialism, the class with nothing to lose, the best organised and determined class.

But it is not the only class oppressed by imperialism. Potential allies of the working class include the working small farmers and small producers, and some local industrial capitalists. This is shown by example in Western Australia of an alliance between local steel manufacturers and construction and manufacturing unions in a campaign to have all construction materials made in Australia.

Building a united movement against imperialist domination of Australia is not petty-bourgeois nationalism. It is the application of Marxism to the reality of Australian conditions.

Who controls Australia? (*Vanguard* June 2013)

by Dennis M.

Who owns Australia? The answer is nowhere near as simple as it used to be.

In 1963, E.W. Campbell summed up under the title *The Sixty Rich Families Who Own Australia*. Even then, to focus on families was behind the times. Publicly-listed corporations had taken charge.

Today, BHP-Billiton is bigger than ever. It is no longer the Big Australian. It is possible to uncover who owns it. But where is its control center? It is no longer along Collins Street. Even if a project is owned and managed by locals, we still need to know from whom they get their loans.

A hundred years ago, Bukharin and Lenin wrote about monopolising capitals. They referred to this stage in the expansion of capital as imperialism. They pointed to how banks were binding with manufacture, mining and transport. Marxists call this integration ‘finance capital’.

That dynamic is still at work. But there has been a further change in the relations between the productive and the financial. The connections are no longer just a matter of legs under the same table. The financiers do more than get the money together to finance

projects. More than ever, they own the other sectors.

When the authors traced the Australian branches of manufacturing companies back to the USA they found that the great majority are owned by finance capital. Only 16% are in the hands of other industrials.

In Lenin’s day, finance capital was not so involved in the ‘making’ of profit. Instead, banks ‘took’ profits that had been realised from surplus value produced in other corporations. That division no longer prevails. The finance houses now buy into the corporations where wage-slaves add value. The financiers know that they cannot all get all of their money by swindling each other.

The latest pattern is called ‘financialisation’. The ‘flight of capital’ is part of what capital needs to expand. Its flight can be from one nation-market-state to another in ‘a race to the bottom’. But capital also has to be free to move between corporations inside a nation-market-state. Money-capital can thereby chase better average rates of profits. The current pattern of finance capital speeds that switching. The crisis intensified the need to do so.

Two Griffith University scholars, Georgina Murray and David Peetz, document the changes in corporate ownership since the 2008 crisis. Their results appear in the winter 2013 issue of the *Journal of Australian Political Economy*. They show how much more local production is in the hands of overseas finance corporations.

Murray and Peetz base their results from the top 128 corporations ranked by revenue in mid-2010. They track how the patterns of ownership have changed since 2006. They take up three questions. Where are the owners of the biggest Australian corporations? How significant is finance capital here? Did overseas finance capital expand here through the crisis?

Key findings include a 13% jump in the US slice. US finance-capital corporates now hold 28 out of every 100 ordinary shares. The UK slice has fallen by 6%. China has 0.2%.

There has been a 5.5% drop in the Australian-owned segment. Before the crisis, locals held Number One spot with 29%. The overseas were then at 27%. That order is now reversed. But in non-financial corporations, the locals are down at 13%. Overseas owners stand at 23%.

In the twenty largest corporations, the fraction held by overseas finance corporations rose from 35% in 2006-

07 to 45%.

The increases in overseas ownership are broad and substantial. In broadcasting and TV, it is up by 27%. For health manufacturing and supply, it is up by 19%. In food and other manufacturing, the increase is 15%. By contrast, the overseas slice in transport, utilities, construction and heavy manufacturing dropped by nearly 12%.

Mining

The highest rate of foreign ownership is in mining. Miners also account for a third of the total price of all share-market capitalisation among the top firms. Mining saw a 12% increase in overseas ownership, despite the czars. Rinehart, Forrest and Palmer together hold under 5% of the sector. Rinehart gets most of her billions through a troubled joint venture with Rio Tinto.

The finance sector

The slice of finance houses held from overseas more than doubled to 65%. The overseas share among banks went up from 41 to 52%.

In 2006-7, the top five Australian-based finance capital entities held 19% of significant shareholdings. This fraction fell by a third to 13%. By contrast, the top five from overseas grew from 15 to 19%.

The changes inside finance capital

are equally striking. Banks dropped back by a third to just 14%. The Commonwealth Bank, for example, slipped from first to third, down from 8 to 4%. Non-bank financial houses shot up from 11 to 23%.

BlackRock

The newcomers are spearheaded by the US Master of the Universe, BlackRock. BlackRock is the world's largest funds manager. It controls four trillion dollars. In Australia, BlackRock scored 11% of shareholdings by 2010. It bought an arm of the British Barclays bank which held lots of Australian shares. BlackRock CEO, Larry Fink, was a key advisor to US administrations during the bailout. BlackRock itself did not need an injection of funds. Fink is a Democrat. His most valued asset is Obama's ear.

State power

These numbers add to the information we need to detail who 'controls' Australia. Corporations, however, cannot rule by themselves. They need the clout of a state. US finance capital dominates through its political and military links. Washington pushes the Trans Pacific (trade) Partnership as one more weapon for finance capital.

So-called globalisation has not overwhelmed all nation-market states. Rather, global power remains a game of snakes and ladders. The US empire

is still able to impose its will on its allies. Iraq is several times weaker than in 2002. Venezuela is much stronger.

Australia has been snaking downwards. The most significant sell-out was to float the dollar in December 1983. Next, Hawke-Keating let in forty firms to speculate on foreign-exchange. One consequence is the high-dollar. It makes other sectors of the economy unable to compete.

More than ever, the independence of Australia depends on realising the needs of working people. Our welfare will be secure only under socialism. The ground for our campaigns is solid. More than two-thirds of Australians object to the level of overseas ownership of mining.

Communism: Society without class (*Vanguard* December 2014)

by *Bill F.*

The vision of Communism is a society without class differences and class conflict, where all people can contribute to society “according to their abilities” and receive from society “according to their needs”. Communist society is not about uniformity, but rather the recognition of different human capabilities and needs.

In the day to day struggles of the working people against war, oppression and exploitation, Communists pay careful attention to the strategies, tactics and policies best suited to complex and varied stages of struggle.

If the correct strategies, tactics and policies are applied they can win support and mobilise the people around demands for change and achieve, sometimes, even a measure of success.

But the real measure of success for Communists is in the raising of political consciousness. In this sense, there are lessons in the losses and the stalemates as well as the victories.

What is meant by “raising political consciousness”?

For Communists it means taking people beyond recognition of the

need for better and fairer conditions in society to the recognition that the most far-reaching and fundamental change is necessary, revolutionary change that empowers the working people and disempowers the ruling class of exploiters and oppressors.

Communists uphold the leading role of the working class in the ideological and political struggles of the exploited and oppressed against their exploiters and oppressors. The history of socialist revolutions tells us that the importance of this leading role is equally critical after the overthrow of the old system and for the construction and consolidation of socialism.

Yet the irony, the contradiction, lies in the fact that as socialism is further consolidated, the more class differences are progressively reduced and the more the working class state becomes superfluous and can ‘wither away’ as the vision of a classless society becomes reality.

Transition to classless society

Marx recognised that it was not possible to establish communist society in one hit, and that a fairly long transition period would be necessary to create not only the material conditions but also to develop the social outlook necessary.

This first stage of communism, the stage of transition, has been called Socialism. “*This socialism is the declaration of the permanence of the revolution, the class dictatorship of the proletariat as the necessary transit point to the abolition of class distinctions generally, to the abolition of all the relations of production on which they rest, to the abolition of all the social relations that correspond to these relations of production, to the revolutionising of all the ideas that result from these social relations.*” (K. Marx *The Class Struggles in France*, 1850)

Marxist Socialism

The revolutionary smashing of the old state power by the working class is only the beginning of the much greater, more complex and difficult task of building a new society. “What we have to deal with here is a communist society, not as it has developed on its own foundations, but, on the contrary, just as it emerges from capitalist society; which is thus in every respect, economically, morally and intellectually, still stamped with the birth marks of the old society from whose womb it emerges.” (K. Marx *Critique of the Gotha Programme*, 1875)

Therefore, Marx and Engels saw the necessity to establish planned and regulated production to overcome

the random anarchy of capitalist production, and to produce goods and services to meet the real needs of the people rather than just for profit. This controlled economic development would also avoid the boom-bust cycles characteristic of capitalism.

The working class state-dictatorship of the proletariat

“Between capitalist and communist society lies the period of the revolutionary transformation of the one into the other. There corresponds to this also a political transition period in which the state can be nothing but the *revolutionary dictatorship of the proletariat.*” (K. Marx *Critique of the Gotha Programme*, 1875)

The task of the working class state involves not only economic re-organisation of society in the interests of the workers and other working people, but also the critical tasks of preserving and consolidating the gains of socialism, to move forward the whole of society in the direction of communism.

This means gradually introducing new ways of thinking based on the common good rather than the old, selfish values of capitalism.

It means using the state apparatus of the working class (i.e., the people’s armed forces, police, courts, prisons, etc) to prevent attempts by the

defeated classes and their international supporters to overthrow or sidetrack the revolutionary power of the workers.

The broad scope of these critical tasks means that the period of socialist transformation is necessarily prolonged, and does not always proceed in a straight line.

“The dictatorship of the proletariat is a persistent struggle – bloody and bloodless, violent and peaceful, military and economic, educational and administrative – against the forces and traditions of the old society. The force of habit of millions and tens of millions is a terrible force. Without an iron party tempered in struggle, without a party enjoying the confidence of all that is honest in the given class, without a party capable of watching and influencing the mood of the masses, it is impossible to conduct such a struggle.” (V.I Lenin *Left-Wing Communism*, 1920)

Towards a classless society

Dictatorship of the proletariat is class rule by the working class. It replaces the dictatorship of the bourgeoisie, i.e., the capitalists as a class. Unlike the rule of the rich, who seek only to perpetuate their rule, the working class state acts in the interests of the majority of the people, and struggles to empower the working people in such a way that it will eventually

“wither away”.

Communists have a vision of a future society that has no need for hierarchies or weapons. “State interference in social relations becomes, in one domain after another, superfluous, and then dies out of itself; the government of persons is replaced by the administration of things, and by the conduct of processes of production. The state is not abolished. It dies out.” (F. Engels *Socialism: Utopian and Scientific*, 1877)

“Only in communist society, when the resistance of the capitalists has been completely crushed, when the capitalists have disappeared, when there are no classes (i.e., when there is no distinction between the members of society as regards their relation to the social means of production), only then “the state ... ceases to exist,” and “it becomes possible to speak of freedom.”

“The state will be able to wither away completely when society adopts the rule: “From each according to his ability, to each according to his needs,” i.e., when people have become so accustomed to observing the fundamental rules of social intercourse and when their labour has become so productive that they will voluntarily work according to their ability.” (V.I. Lenin, *The State and Revolution* (1917)

In Australia, our immediate struggle is against imperialist domination; our program is revolutionary national independence continuing on to build socialism. At all stages, despite difficulties and set-backs, we should not lose sight of the goal - society without class.

Mao Zedong's On Contradiction the key to understanding Class Struggle (*Vanguard* April 2010)

It is essential that Marxist-Leninists have an understanding of dialectical materialism, and in particular the question of contradiction. Mao Zedong analysed the question of contradiction in detail in his article On Contradiction, written in 1937. He wrote: "The law of contradiction in things, that is, the law of the unity of opposites, is the basic law of materialist dialectics."

He determined that contradiction exists in the process of development of all things and that a movement of opposites exists in the process of development of each thing from beginning to end. Mao called this the "universality of contradiction."

Thus, "the fundamental cause of the development of a thing lies in the contradictoriness within the thing. This internal contradiction exists in every single thing, hence its motion and development. Contradictoriness within a thing is the fundamental cause of its development, while its interrelations and interactions with other things are secondary causes."

Mao pointed out that every form of motion contains within itself its own particular contradiction that distinguishes it from other forms, calling this the "particularity of

contradiction."

Contradiction is not only found in the natural world; it also features in human societies: "Changes in class society are due chiefly to the development of the internal contradictions in society, that is, the contradiction between the productive forces and the relations of production, the contradiction between classes and the contradiction between the old and the new, it is the development of these contradictions that pushes society forward and gives the impetus for the supersession of the old society by the new."

The principal contradiction

In a complex process, there can be many contradictions. The principal contradiction determines and influences the existence and development of the other contradictions. If we did not identify the principal contradiction in any complex situation involving several contradictions, not only would we fail to identify our real enemies, we could not take advantage of the contradictions between various classes in Australian society to further the revolutionary cause.

Having identified the principal contradiction, the revolutionary forces can make use of the other

contradictions to isolate US imperialism and hasten its defeat. Once this occurs, a new principal contradiction will come to the fore. It is essential that we do not confuse the various contradictions in a complex situation. To do so leads us to confuse the stages in the revolutionary process and commit 'left' or 'right' errors.

The principal aspect of a contradiction is the one playing the leading role in the contradiction. The nature of a thing is determined mainly by the principal aspect of a contradiction, the aspect that has gained the dominant position. However the situation is not static, the principal and non-principal aspects can transform themselves into each other and the nature of the thing changes accordingly. This change is determined by the extent of the increase or decrease in the force of each aspect in its struggle against the other.

The identity and struggle of the aspects of a contradiction

The identity of the aspects of a contradiction means first; that the existence of each of the two aspects of a contradiction in the process of the development of a thing presupposes the existence of the other aspect, and both aspects coexist in a single entity; second, in given conditions, each of the two contradictory aspects transforms itself into its opposite. While focussing mainly on the

principal aspect, it is still important to consider the secondary aspect. This takes into account both unity and division; it unveils the nature of the process of change and the trend of change.

The struggle between the aspects of a contradiction permeates a process from beginning to end and makes one process transform itself into another. An example of this is that the by means of revolution the proletariat is transformed from the ruled into the ruling class, and vice versa for the bourgeoisie.

In considering the relation between the identity and struggle of the aspects of a contradiction Mao quoted Lenin; "the unity (coincidence, identity, equal action) of opposites is conditional, temporary, transitory, relative. The struggle of mutually exclusive opposites is absolute, just as development and motion are absolute."

The place of antagonism in contradiction

Antagonism is one form, but not the only form, of the struggle of opposites. As Mao stated, "Contradiction and struggle are universal and absolute, but the methods of resolving contradictions, that is, the form of struggle, differ according to the differences in the nature of the contradictions. Some contradictions

are characterised by open antagonism, others are not. In accordance with the concrete development of things, some contradictions which were originally non-antagonistic develop into antagonistic ones, while others which were originally antagonistic develop into non-antagonistic ones.”

An example of the first type is the contradiction between the exploiting and exploited classes. The two coexist in class society and struggle against each other for a long period of time until the contradiction between them reaches a certain stage. The contradiction becomes openly antagonistic and develops into revolution.

An example of the second type is the contradiction between town and country. Under capitalism this contradiction is extremely antagonistic as the capitalists of the town exploit the countryside. Under socialism, this contradiction still exists, but becomes non-antagonistic as the working class in power supports and unites with the people of the countryside.

The Communist Party must not confuse the methods of resolving antagonistic and non-antagonistic contradictions. Non-antagonistic contradictions must only be resolved by peaceful means such as debate, education and ideological struggle.

In an article of this nature we can only touch on the key points of *On Contradiction* in a limited way. We urge readers to obtain a copy of this essential work of Marxism-Leninism and study it in detail in order to understand the role played by contradiction in shaping the course of revolutionary struggle.

Understand basics of Marxism to meet new challenges (*Vanguard* February 2011)

Australian workers are readying themselves for new battles in 2011. The New Year starts on a high note following the defeat of the ABCC's attempt to destroy building workers' rights in the Ark Tribe case.

The struggles of the workers at the Melbourne Visy plant and the NUW workers at Woolworth's Hume Distribution Centre and at Swift-JBS Brooklyn are an inspiration to us all.

Building workers have long been in the forefront of struggle, having been under continuous attack by the big construction firms and the ABCC. Vanguard is confident that they will vigorously continue to defend their rights and livelihoods in 2011. Workers in other industries are also sure to resist the bosses' attacks.

Ideological preparation necessary

We must be prepared to meet the challenges of a rapidly changing situation in Australia and the world. This includes being ideologically prepared. Central to ideological preparation is an understanding of the basic concepts of Marxism-Leninism. These include an understanding of Marxist economics, the class struggle, dialectical and historical materialism, the class nature of the state, and imperialism.

Dialectical and Historical Materialism

Dialectical and historical materialism form the basis of Marxist-Leninist philosophy. It is essential that all Communists understand dialectical and historical materialism. Without this understanding we cannot correctly analyse the contradictions of capitalist society and guide the Australian people away from imperialist domination, to national independence and to socialism.

Dialectical materialism is so called because its approach to the study of the phenomena of nature is dialectical, while its interpretation of these phenomena is materialistic. Historical materialism is the extension of the principles of dialectical materialism to the study of society and history.

The dialectical method of thought requires that phenomena should be considered not only from the standpoint of their interconnection and interdependence, but also from the standpoint of their movement, their change, their development and their coming into being and going out of being.

Dialectics recognises that internal contradictions are inherent in all things and natural phenomena. They all have

their negative and positive sides, a past and a future, something dying away and something developing; and that the struggle between these opposites, the struggle between the old and the new, between that which is dying away and that which is being born, between that which is disappearing and that which is developing, constitutes the internal content of the process of development, the internal content of the transformation of quantitative changes into qualitative changes. Put simply, “dialectics is the study of the contradiction *within the very essence of things*” as Lenin wrote in his article *On the Question of Dialectics*.

Mao Zedong studied contradiction

Mao Zedong analysed the question of contradiction in great detail in his article *On Contradiction*. He determined that contradiction exists in the process of development of all things and that a movement of opposites exists in the process of development of each thing from beginning to end (“universality of contradiction”). Mao pointed out that every form of motion contains within itself its own particular contradiction that distinguishes it from other forms (particularity of contradiction).

He also investigated the questions of the principal contradiction in a process and the principal aspect of a contradiction. In a complex process there can be many contradictions. The

principal contradiction determines and influences the existence and development of the other contradictions. The principal aspect of a contradiction is the one playing the leading role in the contradiction.

The importance of Mao Zedong’s work is that *On Contradiction* relates seemingly dry philosophy to the practical questions of building a revolutionary movement and winning national independence and socialism.

As Mao wrote in the article in question; “Changes in class society are due chiefly to the development of the internal contradictions in society, that is, the contradiction between the productive forces and the relations of production, the contradiction between classes and the contradiction between the old and the new, it is the development of these contradictions that pushes society forward and gives the impetus for the supersession of the old society by the new.”

What is materialism?

The founders of Marxism-Leninism, Marx, Engels and Lenin, consistently promoted materialism. What do we mean by materialism? Addressing the issue of materialism in *Ludwig Feuerbach and the End of Classical German Philosophy*, Engels asked the rhetorical question: “Did God create the world, or has the world been in existence eternally?” He answered that

“Philosophers were divided into two great camps according to their answer to this question. Those who asserted the primacy of mind over nature and, in the last analysis, therefore assumed some kind of creation of the world... formed the camp of idealism. The others, who regarded nature as primary, belonged to the various schools of materialism.”

Social being determines consciousness

An important teaching of historical materialism is that the material life of a society determines the ideas, theories, political views and political institutions of that society.

Marx wrote in the preface to *A Contribution to the Critique of Political Economy*, “In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and intellectual life. It is not the consciousness of men that determines

their existence, but their social being that determines their consciousness.”

As Mao Zedong succinctly put it in *On Practice*, “In class society everyone lives as a member of a particular class, and every kind of thinking, without exception, is stamped with the brand of a class.” This means that both the workers and the capitalists have their own forms of thought and action. Uniting to help one another on the one hand versus ruthless throat cutting and exploitation on the other!

Recommended Reading:

Marx and Engels: *Manifesto of the Communist Party*

Marx: *Preface and Introduction to a Contribution to the Critique of Political Economy*

Engels: *The Origin of the Family, Private Property and the State; Socialism: Scientific and Utopian; Ludwig Feuerbach and the End of Classical German Philosophy; Anti-Duhring*

Mao Zedong: *On Contradiction; On Practice*

Communist Manifesto: The little book that changed the world (*Vanguard* April 2011)

February marked the one hundred and sixty-third anniversary of the publication of *The Communist Manifesto*. In November 1847, the Communist League, a secret association of workers in Germany, commissioned Karl Marx and Frederick Engels to draw up for publication a theoretical and practical programme for a new party of the working class.

The *Communist Manifesto* appeared in February 1848, the year revolutionary storms spread across Europe. Since then, this work has inspired millions of revolutionaries who have struggled for socialism in many countries. The success of revolutions in Russia, China, Cuba and other countries can, in part, be traced to this remarkable little book. Lenin, Mao Zedong and Fidel Castro were amongst those inspired by it.

In his preface to the 1883 edition, Engels summed up the basic thought running through the *Communist Manifesto*. He wrote; “economic production and the structure of society of every historical epoch necessarily arising therefrom constitute the foundation for the political and intellectual history of that epoch; that consequently (ever since the dissolution of the primeval communal

ownership of land) all history has been a history of class struggles, of struggles between dominated and dominating classes at various stages of development; that this struggle, however, has now reached a stage where the exploited and oppressed class (the proletariat) can no longer emancipate itself from the class which exploits and oppresses it (the bourgeoisie), without at the same time for ever freeing the whole of society from exploitation, oppression and class struggles.”

Note here that the term proletariat is used for working class and bourgeoisie for capitalist class.

The Communist Manifesto begins with a succinct outline of class society and class struggle written from the perspective of historical materialism (see *Marxism Today in Vanguard* Feb 2011).

The class struggle

Since the breakdown of primitive communal societies, the history of all existing society has been the history of class struggles: “Freeman and slave, patrician and plebeian, lord and serf, guild master and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted,

now hidden, now open fight, a fight that ended either in a revolutionary reconstruction of society at large, or the common ruin of the contending classes.”

Modern capitalist society has not done away with class antagonisms. Instead, it has established new classes, new conditions of exploitation and oppression and new forms of struggle. Capitalist society has simplified class antagonisms. Two major classes face one another, the capitalist class and the working class. The capitalist class owns the means of production and employs wage labour. The working class does not own the means of production and must sell its labour power and bring into existence commodities for the capitalist class to maintain its position.

As the *Manifesto* states: “Of all the classes that stand face to face with the bourgeoisie today, the proletariat alone is a really revolutionary class. The other classes decay and finally disappear in the face of modern industry; the proletariat is the special and essential product.” As for other groups in society; “the bourgeoisie has stripped of its halo every occupation hitherto honoured and looked up to with reverent awe. It has converted the physician, the lawyer, the priest, the poet, the man of science, into its paid wage-labourers.”

Manifesto is not a dogma

Following the analysis of class struggles and capitalist society, *The Communist Manifesto* lists some practical measures, which could be taken by the working class, when it becomes the ruling class and is able to “use its political supremacy to wrest, by degrees, all capital from the bourgeoisie, to centralise all instruments of production in the hands of the state, i.e., of the proletariat organised as the ruling class; and to increase the total of productive forces as rapidly as possible.”

While taking note of these words, it is also true that in the years since, a considerable amount of experience has been accumulated, which has, in the first place, enriched what is contained in the *Manifesto*.

There is a deeper understanding of the need to pass through stages in the transition from capitalism to socialism and that these stages differ from place to place. There is a deeper understanding of the concept of the united front, where the working class allies to itself other sections of society to bring about revolutionary change.

Such new developments are natural. Nothing remains static. Knowledge must be enriched by practice. If such an enrichment does not occur over time, knowledge will be transformed into its opposite – dogma. This is not

what *The Communist Manifesto* was ever intended to be. The little book laid down some general principles. These have been verified by history, notwithstanding certain differences in their application, depending on the particular conditions of each country and time in its history.

Learning from experience

In the years after the publication of the work, the working class gained considerable revolutionary experience in the February revolutions of 1848, the Paris Commune in 1871 (where it learned lessons that could not have been anticipated earlier).

During the Paris Commune, for example, the working class learned from the first time that it held political power, that they cannot simply lay hold of the ready made capitalist state. It had to be destroyed and a new kind of state put in its place. Further experience was gained throughout the Twentieth Century. More experience is being gained in the Twenty First century.

The *Manifesto* also states: “The communists disdain to conceal their views and aims. They openly declare their ends can only be attained by the forcible overthrow of all existing social conditions.”

Of course, it would be silly to interpret these words as suggesting that every

single communist should shout their position from the rooftops. Certain things must be concealed from the class enemy, care must be taken that communists work with others in a way that does not isolate them. But these words do mean that the organisation of communists, the Communist Party, must put forward a principled, clear cut, far-sighted position. It must never compromise itself to the ideology and lies peddled by the capitalist class.

It is fitting to finish with the final words of *The Communist Manifesto*. “Let the ruling classes tremble at a communistic revolution. The proletarians have nothing to lose but their chains. They have a world to win. Let the ruling class tremble. Working men of all countries unite!”

Political consciousness and mass work (*Vanguard* November 2011)

Different levels of political consciousness among the people require revolutionary activists to work and organise in a number of different ways.

Most working people in the day to day battles for workplace rights and conditions, democratic and human rights, protection of the urban and natural environment, public and community services, and peace in the world, invariably come up against one or another aspect of US imperialist domination and capitalist exploitation without consciously recognising the economic and political class system of imperialist domination and oppression.

In Australia the majority of unorganised masses are working class, but are largely influenced by the ideas of bourgeois social democracy. The cynicism of parliamentary politics has deepened in recent times with the global economic crisis of capitalist overproduction.

The attacks on the people intensify and the working class is more than ever compelled to rely on the strength of its own organised mass struggle outside parliament, to defend the people and move a step forward towards realisation of its own destiny.

Mass Work

Communists work at all levels defending the people from the economic crisis and promoting the upsurge of an independent anti-imperialist mass movement. Within the anti-imperialist mass movement there are different levels of consciousness and struggle.

Communists play their part in leading the progressive demands and struggles of the masses, while exposing the connection between the day to day problems and the different aspects of imperialist domination of Australia.

There are natural connections to the masses in workplaces, communities and social networks. Other connections are in mass organisations, single issue groups, and struggles which can inform, educate and mobilise broader sections around particular issues.

Experience of struggle creates opportunities to draw lessons and raise alternatives to the present status-quo such as the nationalisation of key industries, demonstrating the effects of multinational domination of Australia, and taxing the rich corporations, not the people, to pay for the monopoly capitalist economic crisis.

The essential and critical task is to

listen to the people, deeply know their lives, struggles and concerns, and to understand the level of mass consciousness and preparedness to struggle.

Communists assist and lead people in struggle, not only in the day to day battles for reforms within capitalism, but importantly, use the science of Marxism to offer explanations of people's situation and actual experiences, and to put forward ideas of an alternative vision for the future.

Mass organisations

A deeper level of political consciousness is reflected within organised groups such as mass organisations, issue groups, trade unions, community groups and the like.

There may be some recognition of the nature of US imperialism in terms of global military domination and aggression, but often this is not connected to its economic, political and military domination in Australia.

For some, imperialism means only political and military aggression. They don't see the economic imperatives behind the aggression, the class rule of corporate monopoly capitalism. Others see only economic aggression as expressed through globalisation and free trade agendas, and somewhat separate from the political and military

role of imperialism.

Our political work should promote and strengthen the people's mass organisations, while exposing the links between US imperialism and the local ruling class.

Communists are deeply involved in the struggles of the people, working out immediate tactics of struggle, mobilising the people and offering Marxist explanations on the nature of imperialist domination and how it overshadows economic and political life in Australia.

Political work in mass organisations should promote common interests across people's organisations, and where possible, link immediate struggles to opposing and resisting imperialist domination. Among the activists, we develop and promote immediate demands of struggle, working class leadership, the mass line method, and put forward an alternative vision for the future around relevant issues.

Left activism

Many left activists see the need for organisation, solidarity and militant struggle, and are attracted to intermediate levels of activism. The danger of so-called "left activists" is that they mostly confine their activities to their own narrow, and very small, left circles. They frequently suffer

from left-bloc isolation and often see themselves as above and separate from the mass of people rather than a part of the people. Most are genuine and sincere people, but the pressures of bourgeois sectarianism and left-blocism isolates them from the majority of the people and can lead to ultra-leftism and adventurism.

Our political work at this level should promote out-going activities that welcome and involve broader sections of the people. We need to encourage the activists in ways that bring them closer to the people, not further apart. And we also need to encourage activists to keep up their natural mass connections in the people's organisations, workplaces and community.

Revolutionary organisations have no place for bourgeois self-promotion and self-serving interests. The mass line that seeks unity of all forces opposed to imperialism, and respects the differences within the united front on other matters, is the only way a broad anti-imperialist united movement of working people can be built.

Revolutionary organisation

The highest level of political consciousness is that represented by conscious revolutionary organisation, i.e. communist organisation and discipline. The Communist Party of Australia (Marxist-Leninist)

constantly makes a serious, genuine and sustained effort to improve its political work, and to build practical alliances with other fraternal forces opposed to US imperialism and committed to socialism.

Obviously, members of the CPA (M-L) are not the only genuine people who see the need for revolutionary change, for deep seated and thorough national independence, and for the victory of socialism. We have a programme of a revolutionary process connected by stages in Australian conditions, and a certain method of organisation that places greater emphasis on mass work. Practice and experience over time will test our methods, as it will others. Our work is constantly reviewed and adjustments are made in line with changing circumstances.

Nothing is static

Between the different layers of political consciousness, there is movement and crossover. They are not isolated and static; it's a dialectical relationship

Mass work, the mass line, patient and meticulous hard work and collective discipline are some of the hall marks of a revolutionary organisation striving to serve the people and build an anti-imperialist mass movement.

"While we recognise that in the general development of history the

material determines the mental and social being determines social consciousness, we also – and indeed must – recognise the reaction of mental on material things, of social consciousness on social being and of the superstructure on the economic base. This does not go against materialism; on the contrary, it avoids mechanical materialism and firmly upholds dialectical materialism.”
(Mao Zedong On Contradiction August 1937)

The Capitalist mode of production: a destructive rift for the planet's ecology and humanity! (*Vanguard* November 2011)

The current Carbon Tax controversy highlights the limits of capitalism's capacity to tackle the monumental issue of climate change. The Carbon Tax is not even a useful interim measure for turning around global warming.

The political promoters of the Carbon Tax, Labor and the Greens, are only deluding ordinary people, unsuccessfully it should be noted, that this will be the historic first step in dealing with climate change in Australia. However, the biggest obstacle to effectively deal with global warming and climate change is the capitalist market system itself!

The major polluters, the coal and electricity corporations, have little interest in the change-over to renewable energy sources, for they can pass on the Carbon Tax as an extra cost to consumers.

Some of the climate initiatives from the Carbon Tax are positive, such as the closing down of dirty power stations (with huge subsidies to the power companies), energy efficiency programs, biodiversity protection and carbon farming ventures. However, these are too little too late. Capitalism is just not fast enough at tackling global warming!

Emissions Trading

Then, to compound the problem, the Carbon Tax will be replaced in 3 years time by an emissions market trading scheme (ETS). Regardless of the greenhouse caps, there are no guarantees the ETS will even achieve the reductions of Labor's inadequately small 5% emissions target. In reality, the ETS is a licence to pollute and enables capitalism to pursue new opportunities to seek profits at the expense of the planet's damaged environment.

Inviting the coal and energy corporations to trade in carbon credits, and financial speculators to deal in derivatives in an ETS, is as bad as asking Dracula to run the blood bank! The Australian parliamentary parties, whether they be Labor, Greens or Liberal will never compel the multinational corporations to change over to cleaner sources of energy by *regulation* – the only effective method of dealing with the impending climate catastrophe.

Marx on the exploitation of nature

As Karl Marx pointed out, the exploitation of nature is as necessary to the profit system as the exploitation of the working class!

Close attention was paid by Marx

to the German chemist, Justus von Liebig's investigation into the crisis of soil fertility by capitalist agriculture. He offered the first convincing explanation of the role of soil nutrients – nitrogen, phosphorous and potassium for the growth of plants. Marx then provided an incisive analysis of its broader social and environmental implications.

He argued that capitalist agriculture produced a “metabolic rift” by its inevitable exhaustion of nutrients from the soil. The expansion of agriculture under capitalism saw new technologies introduced to achieve increasing production and profitable farming methods which, however, broke the soil's nutrient cycle. The consequence of this saw the redundant peasants forced out of the countryside into the swelling cities as factory fodder, creating the polluting metropolis we have now become so familiar with!

Capitalism's answer to increasing soil infertility which it caused was to exploit the use of natural (guano) and then artificial nitrogen fertilizers, which only exacerbated the fertility problem in the long term!

No truer words were spoken than by Marx in *Capital*, Vol. 1 when he stated: “All progress in capitalist agriculture is a progress in the art, not only of robbing the worker, but of robbing

the soil; all progress in increasing the fertility of the soil for a given time is a progress towards ruining the more long-lasting sources of that fertility... Capitalist production, therefore, only develops the techniques and degree of combination of the social process of production by simultaneously undermining the original sources of all wealth – the soil and the worker.”

What capitalist industrial and agricultural innovation had achieved was to alienate and separate both city and country, and then undermine the planet's ecology for the sole purpose of capital accumulation. It had broken the nutrient cycle! Agricultural production was taken away to the cities, robbing the vital nitrates and phosphates that in the past were returned to the soil, consequently degrading the land.

Previously most of the pre-capitalist populations lived off the land in a self-sufficient manner, where a healthy mutual exchange between human populations and the environment existed, that maintained the nutrient cycle. Now that less people were needed to work on capitalist farms due to new technologies, they were forced out of the countryside, through processes such as in England with the “Enclosure Act”, and concentrated into the cities, to be exploited in urban factories.

The huge industrial and population

expansion that concentrated in cities inevitably created accumulated waste and pollution that damaged the environment and the health of city populations.

Marx noted that recycling of organic wastes were of limited concern for capitalist societies. He remarked in *Capital*, Vol. 3 “In London... they can do nothing better with the excrement produced by 4.5 million people than pollute the Thames with it, at monstrous expense.” Capitalism has left a legacy of polluted environments the world over that present populations now have to come to terms with and clean up.

Climate crisis is a crisis of capitalism

Currently, the crisis of the capitalist industrial and agricultural system has pushed carbon emissions to reach 450 parts per million. That will cause the planet to increase its temperature by 2 degrees or more. The dramatic rise in global warming will cause catastrophic environmental damage to the Earth by the middle of the 21st century. In fact we are seeing environmental devastation happening now.

There can be seen a vicious cycle of development that occurs within the capitalist mode of production. The physical separation of people and animals from croplands resulted in the lack of nutrients being recycled. This created the need to use larger

amounts of artificial nutrients. The lack of nutrients on crop farms saw the obverse occur in cities, where these same nutrients accumulate in urban areas and agri-business animal factory farms as waste. As a result of the vast distances involved, the accumulated nutrients are not restored to the major crop growing areas due to the high financial and energy costs. A destructive rift takes place between production and the ecology that sustains life on this planet!

Sustainable socialism

According to John Bellamy Foster, a US Marxist, there are positive experiences of sustainable production from the non-capitalist world. In his book, *Ecology against Capitalism*, he states “... in China under Mao, things were different... Mao’s emphasis on local food self-sufficiency in each region helped to reinforce these practices and, together with the encouragement of local industry, slowed down urbanization at the same time as impressive advances were made in agricultural production... In Cuba, the economic crisis of the Special Period has been caused by the cancellation of favourable trade agreements with the collapse of the Soviet Union. Lack of funds to purchase fertilisers and pesticides from abroad created an interest in reducing the use of such materials, and organic production techniques have become a mainstay of Cuban

agriculture, with attention paid to nutrient cycling issues.”

Scientists point out there is limited time to start to reverse the destructive effects of global warming. Climate change will occur, but it can be mitigated by effective regulatory action. This requires a reversal of industrial production based on exchange value for the pursuit of profit. Instead a planned economy needs to be established where renewable industries are built for the purpose of use value (to meet peoples' needs), therefore not exhausting the environment and destroying the planet's ecology.

Waiting for capitalism to do the job, through a Carbon Tax and or an Emission Trading Scheme is a death sentence for the planet. To save the Earth and humanity requires capitalism to be closed down and sustainable socialism to be implemented!

Lenin's The Three Sources and Three Component Parts of Marxism (*Vanguard* October 2012) by Duncan B.

Lenin's The Three Sources and Three Component Parts of Marxism, written in 1913 is a handy introduction to the basic principles of Marxism.

In developing his theories, Marx drew on the three main ideological currents of his time – German philosophy, English political economy, and French socialism.

Lenin wrote, “The Marxian doctrine is omnipotent because it is true. It is complete and harmonious, and provides men with an integral world conception which is irreconcilable with any form of superstition, reaction, or defence of bourgeois oppression. It is the legitimate successor to the best that was created by mankind in the nineteenth century in the shape of German philosophy, English political economy and French socialism.”

Philosophy

The philosophy of Marxism is called materialism. What is materialism? Engels put it in a nutshell in his philosophical work Ludwig Feuerbach, “The great basic question of all philosophy, especially of modern philosophy, is that concerning the relation of thinking and being, of spirit to nature... Which is primary, spirit or nature? The answers which the philosophers gave to this question

split them into two great camps. Those who asserted the primacy of spirit to nature and, therefore, in the last instance, assumed world creation in some form or other... comprised the camp of idealism. The others, who regarded nature as primary, belonged to the various schools of materialism.”

Dialectics

Dialectics is an essential part of Marxist philosophy. Marxist dialectics teaches us, as Engels put it, “that the world is not to be comprehended as a complex of ready-made things, but as a complex of processes, in which the things apparently stable no less than their mind-images in our heads, the concepts, go through an uninterrupted change of coming into being and passing away...”

This way of looking at the world helps the workers to see that capitalism is not eternal.

The Materialist Conception of History

Historical materialism is one of Marx's great contributions to philosophy. “Historical materialism” means the view of the course of history which seeks the ultimate cause and the great moving power of all important historic events in the economic development of society, in the changes in the modes of production and exchange, in the

consequent division of society into distinct classes, and in the struggles of these classes against one another.”

As Marx wrote in his *Contribution to the Critique of Political Economy*, “The mode of production of material life determines the social, political and intellectual life process in general. It is not the consciousness of men that determines their being, but on the contrary, their social being that determines their consciousness.”

Political Economy

Marx devoted considerable attention to the study of the economic system of capitalism. His monumental work *Capital* is the result of his studies.

Central to the capitalist economy is the concept of surplus value. The wage-worker sells his capacity for labour (labour power) to the owner of the factory, the capitalist. During his working day, the worker works to add value to the raw materials supplied by the capitalist.

The labour of one part of the day is enough to cover the cost of maintaining himself and his family (wages), while for the other part of the day he must work to create *surplus* value for the capitalist. Surplus value is the source of profit, the source of wealth of the capitalist class.

Socialism

Marx did not invent Socialism. Socialists and socialism had been around for many years before Marx. Socialism before Marx was what is called utopian socialism. Utopian socialists criticised capitalism and dreamed up fanciful schemes to end it, but they could not explain how the capitalist class exploited the workers or point to the social force which is capable of creating the new society.

Class Struggle

Marx also did not discover the theory of class struggle. Class struggle has gone on ever since classes emerged from primitive societies – from the struggles between slave-owners and slaves through the feudal system to the modern struggles between the capitalist class and the working class.

Marx wrote on this point to the socialist Joseph Wedemeyer in 1852, “As to myself, no credit is due to me for discovering the existence of classes in modern society, nor yet the struggle between them. Long before me bourgeois historians had described the historical development of this struggle of the classes, and bourgeois economists the economic anatomy of the classes. What I did that was new was to prove: 1) that the *existence of classes* is only bound up with *particular historical phases in the development of production*; 2) that the class struggle necessarily leads to the

dictatorship of the proletariat 3) that this dictatorship itself only constitutes the transition to the *abolition of all classes* and to a *classless society*.

The Lesson of Lenin's Article

Lenin wrote in *The Three Sources and the Three Component parts of Marxism*, "People always were and always will be the stupid victims of deceit and self-deceit in politics until they learn to discover the *interests* of some class or other behind all moral, religious, political and social phrases, declarations and promises. The supporters of reforms and improvements will always be fooled by the defenders of the old order until they realise that every old institution, however barbarous and rotten it may appear to be, is maintained by the forces of some ruling class. And there is *only one* way of smashing the resistance of these classes, and that is to find, in the very society which surrounds us, and to enlighten and organise for the struggle, the forces which can – and owing to their social position, *must* – constitute the power capable of sweeping away the old and creating the new.'

In Australia that power is the Australian working class and its allies.

Class struggle and the State apparatus (*Vanguard* April 2013)

by *Alice M*

In their detailed analysis of classes and class struggle Marx, Engels and Lenin paid a great deal of attention to the decisive role of the coercive state apparatus in enforcing the rule of the class that holds the economic and political power in society.

Their investigations into the historical origins of classes and class struggle showed that the state apparatus arose at the time when human society divided into two main classes – the exploited and oppressed majority who create all the wealth (surplus value) in society, and a small minority who own the means of production, exploit the vast majority and keep the surplus value for their own class.

The job of the capitalist state machine is to suppress the resistance and struggles of the working class, and ensure that the exploitation by the minority class is not interfered with or disturbed by the majority working class of the exploited population. In his 1919 lecture on *The State*, Lenin said, “The state is a machine for maintaining the rule of one class over another.”

Today’s monopoly capitalist state is made up of the armed forces (army and police), jails, the public services, the courts, the extensive legal system

and the mass media. The capitalist state is administered by parliament, the CEO (Chief Executive Office) for the ruling class.

Ted Hill, the founding Chairperson of the CPA(M-L) used these general truths of the coercive state machine exposed by Marx, Engels and Lenin, to examine the particularities and characteristics of Australia’s imperialist dominated capitalist state. His analysis deepened the revolutionary working class consciousness and advanced Australia’s revolutionary theory.

Marx, Engels, Lenin and Hill pointed out that the state apparatus takes many different forms, reflecting the historical, economic and social conditions of the time. The capitalist state uses both the open force and the deception as a means to suppress resistance and challenge to the main order of the capitalist class rule. Both the open and the deceptive coercion of the capitalist state are two sides of the same coin, often used simultaneously.

There’s the open violence and suppression by the armed forces – the army and the police, including the secret police, and imprisonment of rebellious workers. There’s also the coercive state machinery of the

upper levels of the public service and the bourgeois legal system that administers and enforces the capitalist class exploitation.

The monopoly media is an essential part of this capitalist state's superstructure. It vigorously imposes the ideology and interests of the monopoly capitalist class, and tries to crush or silence the voice and the will of the people when resistance and rebellion of the working class disturbs the smooth operations of the capitalist exploitation.

The imperialist dominated capitalist state has always used both of these forms of state repression and coercion.

From the British colonial armed forces' bloody and violent repression of the Aboriginal people, the violent putting down of rebellious convicts, the Eureka uprising of 1854, the struggles of shearers and maritime workers in the early 1890s, to the Chifley Labor government using the army to crush the striking coal miners in 1949.

More recently we have seen the 1998 MUA struggle, police attacking striking workers on the picket lines, the secretive Commonwealth Crimes Act and the more deceptive, but no less effective, suppression of working class struggles through the capitalist legal system in the form of the penal

powers in the 1950s and 1960s, the BIIC, the ABCC, WorkChoices, Fair Work Australia and many thousands more anti-worker laws designed to paralyse working class struggle and gut workers' collective organisation.

In the struggle between construction unions and the giant Grollo construction company in November 2012 the state deployed most instruments of the state machinery to suppress construction workers' battle for safety in their workplace. More than one thousand armed and riot police were dispatched to the peaceful picket line.

Simultaneously, the capitalist state activated many of its anti-worker laws against the union and workers, and the capitalist mass media went into full drive spreading lies and propaganda to discredit and demonise the just fight of construction workers.

In Australia's present conditions, the capitalist state can largely rely on coercion by deception, through its legal system and the mass media, in the suppression of the exploited working class.

Nevertheless, in spite of the coercive state machinery surrounding the working class, all the improvements to workers rights and conditions had been wrung out of the capitalist class

through workers own struggles. They are important concessions forced on the ruling class by the organised and militant actions of the working class.

Through these actions the working class deepens the understanding of class struggle, the capitalist system and the role of its coercive state.

We encourage activists to study – *Engels' Origin of the Family, Private Property and the State*, Lenin's lecture on *The State and The State and Revolution*, as well as Ted Hill's *Revolution and the Australian State*.

From study and discussion of Mao Zedong's work, *On Practice* *(Vanguard October 2013) by Bill F.*

Written in 1937, *On Practice* was delivered as a lecture by Mao to combat subjectivist methods of thinking such as dogmatism and empiricism, which were hindering the struggle of the Chinese people against the Japanese invaders.

The work explains the process of development of ideas and concepts, and the process of testing and validating ideas and concepts through practical application. It is sub-titled “On the relation between knowledge and practice, between knowing and doing”.

The word ‘practice’ was used by Mao to embrace all the varied forms of human practical activity – the struggle for material production, the class struggle, scientific experiment and the struggle for knowledge, and both personal and collective direct experiences in social and cultural life.

Of the struggle for material production to meet the human need for food and shelter, Mao said, “...Marxists regard man’s activity in production as the most fundamental practical activity, the determinant of all his other activities... through which he comes gradually to understand the phenomena, the properties and the laws of nature, and the relations between himself and nature; and

through his activity in production he also gradually comes to understand, in varying degrees, certain relations that exist between man and man.”

Mao makes the point that, “Man’s social practice is not confined to activity in production, but takes many other forms – class struggle, political life, scientific and artistic pursuits; in short, as a social being, man participates in all spheres of the practical life of society... class struggle in particular, exerts a profound influence on the development of man’s knowledge. In class society everyone lives as a member of a particular class, and every kind of thinking, without exception, is stamped with the brand of a class.”

This process of understanding the physical and natural laws and social relations develops as “human social activity in production develops step by step from a lower to a higher level and that consequently man’s knowledge, whether of nature or of society, also develops step by step from a lower to a higher level, that is, from the shallower to the deeper, from the one-sided to the many-sided.”

Marxism

As history unfolds, human knowledge expands and gradually leaves behind the darkness of ignorance,

prejudice and superstition. The development of large scale industry, social production, science and global trade meant that, “man was able to acquire a comprehensive, historical understanding of the development of society and turn this knowledge into a science, the science of Marxism.”

Marxism could only arise in this modern era, when the era of small scale production characteristic of earlier feudalism and aristocratic privilege had been overthrown by capitalism and its relations of production. This was the essence of the revolutionary wars in Europe in the seventeenth and eighteenth centuries and later.

The new and unique features of capitalism were studied exhaustively by Karl Marx and Frederick Engels and formed the basis of their dialectical materialist theory of human knowledge. As Mao puts it, “... dialectical materialism has two outstanding characteristics. One is its class nature: it openly avows that dialectical materialism is in the service of the proletariat. The other is its practicality: it emphasizes that theory is based on practice and in turn serves practice.”

From this overview, Mao then proceeds to examine the process of acquiring knowledge, testing it in practice, refining it through thought, and then re-applying and re-testing it

at a higher level.

Perceptual stage of knowledge

At birth we have no knowledge, only instincts and our five senses. In almost no time, we experience warmth and cold, light and shadows, noise and the sound of voices, the sensations of touch, discomfort and sometimes hunger. Everything is impressions, perceptions, unprocessed by thought because there is as yet no knowledge or experience to form conclusions.

In life, when we encounter new phenomena, new things, new events and circumstances, the process of understanding and acquiring knowledge is the same – it starts with our sensations and perceptions, through which we acquire some minimal or even partial knowledge. “In the process of practice, man at first sees only the phenomenal side, the separate aspects, the external relations of things...This is called the perceptual stage of knowledge, namely, the stage of sense perceptions and impressions.”

These perceptions and impressions then build on the practice, on the life experiences and knowledge already acquired.

Rational stage of knowledge

Mao continues, “As social practice continues, things that give rise to man’s sense perceptions and

impressions in the course of his practice are repeated many times; then a sudden change (leap) takes place in the brain in the process of cognition, and concepts are formed.”

As the brain processes the data coming in from the senses, it searches for patterns and associations, trying to make sense of it all. As more data, experience, practice takes place, quantitative change gives rise to qualitative change and a breakthrough occurs. These are “Now I get it!” moments when there is clarity, whether it’s learning to count, learning a language, or understanding the class interests of potential allies and foes in the course of class struggle.

Sifting the various concepts leads to the higher stage of making conclusions, of drafting theories and plans, as Mao says, “Proceeding further, by means of judgement and inference one is able to draw logical conclusions... This stage of conception, judgement and inference is the more important stage in the entire process of knowing a thing; it is the stage of rational knowledge.”

Revolutionary practice

But Marxists are not content with just “understanding the laws of the objective world and thus being able to explain it”. Marxists seek to apply “the knowledge of these laws actively to change the world.”

Therefore, conclusions, theories and plans must be tested in the real world of class struggle, in the practice of revolutionary struggle, to see if they are valid. “The active function of knowledge ... must manifest itself in the leap from rational knowledge to revolutionary practice... This is the process of testing and developing theory, the continuation of the whole process of cognition.”

Mao notes that, “whether in the practice of changing nature or of changing society, men’s original ideas, theories, plans or programmes are seldom realised without any alteration.” This may be because objective conditions have not developed sufficiently, or our knowledge is incomplete or not accurate, or often because of wishful thinking that “lags behind reality.” And, even when there is apparent success, he warns, “... man’s knowledge of a particular process at any given stage of development is only relative truth.”

Political errors occur when proper social investigation is neglected and actions are based on superficial knowledge (empiricism) or a theoretical formula is dogmatically applied (adventurism).

“Idealism and mechanical materialism, opportunism and adventurism, are all characterised by the breach between the subjective and the objective, by

the separation of knowledge from practice.”

This only leads to isolation of the revolutionary forces, as they either trail behind the masses or run ahead only to disappear over the horizon.

In summary

“Discover the truth through practice, and again through practice verify and develop the truth. Start from perceptual knowledge and actively develop it into rational knowledge; then start from rational knowledge and actively guide revolutionary practice to change both the subjective and the objective world. Practice, knowledge, again practice, and again knowledge. This form repeats itself in endless cycles, and with each cycle the content of practice and knowledge rises to a higher level. Such is the whole of the dialectical-materialist theory of knowledge, and such is the dialectical-materialist theory of the unity of knowing and doing.”

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.

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.

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.

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.”

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.

Australia' 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.

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.”

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.

Ballooning foreign debt ties Australia to imperialism (*Vanguard* August 2011)

Over the years a number of articles have appeared in this paper about Australia's foreign indebtedness. Continuing this fine tradition, selected information from a 2009 Australian Parliamentary Library Research Paper detailing the data and trends associated with Australia's foreign debt, gives us some insights into Australia's financial 'state of play'.

For the period 1976 to 2008 in Australia, "the level of gross foreign debt increased from \$8 billion, to \$1,072 billion." Such an increase represented a jump from 9% to 95% of gross domestic product (GDP) over that time frame. The report's author, Tony Kryger, states that at 95% of GDP, the 2008 level of gross foreign debt was "its highest level ever."

Gross foreign debt is defined as the total of non-equity (equities = shares) liabilities accrued by Australian residents from overseas sources. Included in gross foreign debt are such things as bonds, "loans, advances, deposits, debentures and overdrafts". Foreign debt is distinct from capital inflow connected with foreign investment, as the former carries with it "the obligation to pay interest" as well as the principal.

Subtracting the lending of Australian

based entities to overseas entities from the gross foreign debt gives the net foreign debt. Comparing the annual growth in gross and net foreign debt in the period 1976 to 2008, we see that gross foreign debt rose 16.7% on average each year, whilst net foreign debt rose 17.8% on average during the period in question. What this means is that Australian lending overseas has not risen as fast as Australian borrowing from overseas.

Who is doing the borrowing?

Since the late 1990s there has been a marked decline in total public sector borrowing as a percentage of gross foreign debt. From 1980, when public sector borrowing accounted for 44.3% of the foreign debt, the downward trend really kicked in when public sector borrowing dropped from 31.8% in 1997 to 25% in 1998. In 2008, the public sector accounted for just 8% of Australia's total foreign debt.

By way of contrast, private sector debt (which has made up the lion's share of gross foreign debt for decades), has ballooned out from 55.7% in 1980 to 92% in 2008.

Since 1992, financial corporations have been the major borrowers, such that, of the total Australian gross foreign debt of \$1,072 billion, 74% of that figure was attributable to financial

corporations, with the share of non-financial corporations at 18.1%. Clear from the figures presented here is the absolute rise of Australia's gross foreign debt and the pivotal role that finance capital has played in continuing this trend.

The cost to Australia is enormous. The interest that has to be paid on the overseas borrowings was \$42.7 billion in 2007-08 (bearing in mind that the interest liability fluctuates according to the rise and fall of interest rates). This interest liability represented 3.8 % of GDP. So 3.8% of the value of all goods and services produced within Australia was required to meet the interest commitment on the gross foreign debt.

Moreover, most of the debt has been initiated by finance capital and therefore would not necessarily be earmarked for *productive* investment. A proportion of the borrowings would be used speculatively in such things as currency trading, share and bond trading, for instance.

Australia's chief creditors

For much of the period 2001 to 2007, the chief creditors of Australia by country were: the United States and the UK, with Hong Kong, Singapore and Japan as lesser lights. The composition by country of Australia's gross foreign debt in 2007 breaks

down to 22.2% (\$226 billion) held by US based entities; 23.4% (\$239 billion) held by UK based entities, with 32.4% (\$330 billion) held by 'Unallocated' which in this instance means international institutions and international capital markets which have not been allocated a country of origin.

Compare this with the situation in 2001. Then the leading creditor was the US, with 26% (\$127 billion) out of a total of \$498 billion gross foreign debt. The UK in 2001 held 17% of Australia's gross foreign debt and Japan 7% (\$86 billion and \$32 billion respectively).

What such levels of debt do is put an incredible amount of political and economic power into the hands of overseas based financial corporations; 'who pays the piper, calls the tune'. The increased levels of Australia's gross foreign debt are in large part a consequence of neoliberal policies adopted by the mainstream political parties in this country.

The role of ideology

Neoliberalism, the ideology of late twentieth, early twenty-first century capitalism, has been disseminated as the 'commonsense' approach to the systemic problems of contemporary capitalism.

An integral part of the process of

disseminating this ideology is that played by the mass corporate media. As we have seen with the unfolding of the 'Hackgate' scandal in the UK, the intimate connections between big business (which in this case includes media conglomerates such as Murdoch's) and the State and the mainstream political parties not only promotes corruption, but also, amongst other things, acts to establish an ideological consensus.

What is needed to overcome Australia's increasing level of indebtedness and the vicissitudes of neoliberalism is a more just and equitable society. One based on an independent, socialist Australia.

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.

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.

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.

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.

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.

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.

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.

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 and 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.

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.

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.

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.

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 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.

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.

Cultural imperialism and media propaganda (*Vanguard* February 2013) by Bill F.

This article draws on several previous Marxism Today articles on this topic, with some minor changes and updating.

Cultural imperialism is the process of social influence by which a nation imposes on other countries its set of beliefs, values, knowledge and behavioural norms as well as its overall style of life. This definition certainly explains the stranglehold that the US has imposed on Australian culture.

Marxists hold that the superstructure of society, the ruling ideology, the political institutions, state apparatus and cultural way of life arise from and reflect the interests of the dominant class in society.

In feudal society, the dominant culture reflected the interests of the land-owning aristocracy. Under colonialism, the dominant culture reflected the interests of the ruling class of the occupying colonial power, such as the British colonial and neo-colonial domination of Australia right up to the Second World War.

Under the current rule of the monopoly capitalist class, the dominant culture reflects the interests of the most powerful and greedy section of the

monopoly capitalist class which is closely allied to foreign imperialism.

The ruling class in Australia champions the interests of US imperialism in particular, using a tiny clique of local sell-outs with close connections to the largest and richest foreign corporate monopoly groups and financial institutions. The Business Council of Australia is the most prominent mouthpiece for this class rule by the dissemination of policies and attitudes that assist US imperialism to penetrate all aspects of life in Australia – economic, political, social and cultural.

As Marx and Engels observed in *The German Ideology*, "...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."

Critical to the ruling class are the owners and major shareholders of the local mass media, especially concentrated in the Murdoch, Fairfax and Packer companies with their investments in many industries and

links to international finance.

A major role (self-appointed) is to use their control of the mass media, i.e. radio, TV, internet, newspapers and magazines, etc, to justify and promote the ‘globalisation’ agenda of the main US and European corporate monopolies. This is done directly through editorials and feature articles and indirectly through biased reports and regurgitated handouts from various government, commercial and political lobby groups.

None of it questions the sacred idols of ‘foreign investment’ and ‘free trade’, the pillars of imperialism. None of it criticises or even questions the right of US imperialism to invade other countries and conduct illegal murder with drones. None of it criticises or questions the “conga line of suckholes” (Latham was on the money there!) knocking on the back door of the US Embassy and spilling their guts to this foreign power.

Television News

Commercial Television News is a good example of how the outlook of the ruling class is promoted. It is watched by millions of Australians every night and is the only source of information for many people. Unfortunately, it is mainly spin and trivia, the most useful bit being the weather forecast, while commercial advertising takes up more than a third of the time-slot.

Local news content usually means shots of politicians making brief statements or commenting on another politician’s brief statement. Often, some footballer has belted someone in a nightclub and we get to see it all again in the Sports Report. Then there’s the ‘human interest’ story; the police reporter; the court reporter; the ambulance chaser – snippets of news to titillate, but never anything of depth. Trivia for the masses!

The international news is invariably from the USA; a statement by Obama on a conflict in the Middle East or Africa; the US point of view on the economic crisis in Spain, etc. For variety, sometimes the British BBC gets a run, but puts the same position as the US. This is then referred to as the “international community” and is heartily endorsed by our subservient politicians.

More recently, large segments of the international news have been given over to the detailed ins and outs of the US elections and the situation in Congress, featuring US politicians and commentators. No such detail is ever presented on issues in countries such as New Zealand, Japan or China, which are also important to Australia.

As for reporting the struggles of the working class, the struggles of the people, forget that! When was the last time a strike by workers or a community

struggle, was actively supported? It has never happened. Even when there are huge demonstrations in opposition to government policy, interviews with organisers and supporters are inevitably cut short and often the focus was on trivial matters such as blocking the streets!

Not to let the ABC and SBS off the hook – they do the same, but are more sophisticated. For example, the ABC's Q and A program brings up some of the real issues, but confines them to scoring points for either Labor or Liberal.

Bread and circuses

Beyond this core of calculated propaganda and manipulated information is the broader, more general ideology of capitalism, promoting individual selfishness, consumerism and divisive racism. As Australia has become more and more a satellite of the US economic and political empire, the moral values and ideals of Australian capitalist society have shifted from British parliamentary democracy to the more aggressive pro-imperialist stance demanded by the US.

The invasion of investment capital by American corporations and the increasing influence of the US in Australian political and military circles have been accompanied by a pervasive promotion of the culture,

trappings and diversions of American middle class society.

Television, movies and popular music are three powerful vehicles for US cultural imperialism. A glance at the TV guide reveals that the majority of the programmes will be US news, sitcoms and soap operas. These imported programmes promote the lifestyles of the US and swamp Australia's cultural heritage and destroy its cultural identity. In Australia, Hollywood fills our cinemas and American popular music blares out from TV and radio stations twenty four hours a day.

The "stars" and "heroes" are often self-righteous, aggressive individuals who display neither humility nor humanity. The seemingly harmless and often brainless "sit-com" shows depict the life of the affluent American upper middle class. Their houses are full of consumer gadgets; they wear snappy clothes and hardly seem to work at all. When they do appear, the workers are shown as bit players; servants, uniforms in the background etc., "nobodies" who provide an audience to cheer on the super-heroes. Either that, or as violent, ignorant thugs who have to be controlled or eliminated by the more enlightened middle class. Class divisions are reduced to "winners" and "losers". There is no place for collective struggle, for cooperative action, for the idea that ordinary people might have courage

and wisdom too.

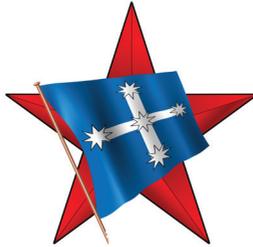
The advertising and fashion industries are geared around this rampant individualism. They use all sorts of clever gimmicks to make working people aspire to the wealth and comfort depicted on American TV. American language and expressions are copied, complete with accents. American sporting events and personalities are heavily featured and the artificial hype is copied by sporting bodies in Australia. There is even a shameless attempt to promote Thanksgiving and Halloween! This cultural conditioning seeks to chain people to the system of imperialist-capitalism.

Australia's national identity

In spite of this onslaught, there is resistance by wide sections of the people who really enjoy Australian art, literature, film, drama, poetry, music. Surely the aim must be to expel US imperialism from Australia and build a truly democratic Australia, an Australia with its own culture, an Australia where we can sing our own songs and watch our own stories.

We all need to produce and promote an Australian culture that has an anti-imperialist, working class and multicultural content, rather than being narrowly nationalistic; content produced by artists and performers who are closely connected with the Australian people and can express the

peoples' opposition to US imperialism. Any attempts to break through the thought control of the media monopolies should be welcomed and defended from attacks.



Communist Party of Australia (Marxist - Leninist)
www.cpaml.org
info@cpaml.org

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