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ACTU/ALP Accord

*Cockatoo Dockyard construction.
After almost a year of operation, the prices and incomes accord reached between the Labor Party and the ACTU before the election is in danger of being superfluous to the Hawke government's operations. The document negotiated over many months between Labor spokespeople Ralph Willis and Bill Hayden was taken over by Bob Hawke and Paul Keating and consequently underwent some transformation of purpose.

Although Willis, as Industrial Relations Minister, retains some involvement in the workings of the accord, the main control over its implementation rests with the deregulation advocate and neo-Howardite Paul Keating. In this context, the role of the accord as facilitating an interventionist economic policy has been reversed.

The accord seems to be developing into an agreement which limits union accord wages, facilitating the redistribution of income from wages to profits and enables improvements in various economic growth statistics, without doing anything about unemployment. This suits Hawke's purpose perfectly. As he told the ACTU Congress in September, "Only a healthy Australian economy will provide employment and good standards of living for all its people".

Potential use of the accord to create jobs through industry development policies has apparently been forgotten. This is perhaps a cynical view and, hopefully, will prove to be wrong. But there is not much else one can conclude from the government's actions over the past nine months.

Although the government, predictably, claim that much of the accord has been implemented, a look at the actual document shows the reverse to be true. The areas where much has been implemented have mainly been the supportive policies, such as occupational health and safety, social security, education and migration. And while a union interest in these matters is to be welcomed, they are, in a sense, peripheral to the main thrust of the accord.

The accord's crucial sections relating to wages, prices, jobs and tax reform, show the government's real level of commitment. It is in these areas which could lead to substantial redistribution of income and job creation, but the government has, instead, avoided pursuing either.

The accord provides for the maintenance of real wages over time. A centralised wage fixation system has been set up, maintaining real wages to a limited extent (the wage increases are not automatic). As part of this system, the union movement has, almost unanimously, agreed not to pursue extra claims.

But the government has delivered little on its side of the deal. A prices surveillance authority (to control price increases) is about to be set up — but it is a "toothless tiger" in Clive Duigan's words. Petrol, postal and phone charges are the only areas to come within the authority's jurisdiction! Control of non-wage incomes, like doctors' fees, and share dividends, has been ignored.

The accord says: "On taking office the government will substantially restructure the income tax scale to ease the tax burden on low and middle income earners". The government has made vague references about a review of the tax scales next year, which might lead to some reform two years after it has taken office. But substantial tax reform (including the introduction of wealth taxes) seems a long way off.

The accord notes that the "paramount objective of economic policy is the attainment of full employment. Industry development policy should be integrated with macro-economic policy to achieve this goal". This is an unequivocal commitment which the government has managed to ignore completely.

Although some fairly cosmetic details of the industry development policy may have been implemented (such as the revamping of the Australian Manufacturing Council), opportunities presented to the government for concrete industry development have been missed. A good example of this is the shipbuilding industry.

A series of government defence contracts for construction of various ships was under consideration for most of this year. Thousands of jobs were under threat unless Australian dockyards, in Sydney and Melbourne, received the contracts (as promised during the election campaign).

When seen against the background of the accord commitments, there would seem to be little question that the Australian dockyards should get the contracts. But the government, heavily influenced by the bureaucracy, has stuck to past traditions of using the main criteria as competitiveness with overseas dockyards, with job creation and industry development relegated as priorities.

The Williamstown dockyard, of course, did get contracts for the construction of frigates for the Navy — but only reluctantly, with dire warnings being given by the Defence Minister about the need for fewer disputes if the contracts were to be kept. But the real crunch came with the Vickers' Cockatoo dockyard in Sydney — which had pressured the government for the awarding of a contract to build a second new supply ship for the Navy.

The contract would mean the maintenance of 1,000 jobs at the dockyard, and thousands more in the industry generally. It would also mean retention of the skills of workers built up with construction of the first ship — in the past loss of contracts has seen loss of such expertise, and the consequent erosion of the industry's ability to become viable.

But no — the dockyard isn't competitive, the money isn't there. There is a major gulf between the policies enunciated in the accord and the operations of the government which must be bridged. The union movement has consistently seen the accord as something which needs campaigning for. The rank and file must be mobilised to have the accord implemented.

This is certainly happening in some industries — such as at Vickers' Cockatoo — but whether these mobilisations can be sustained and eventually succeed remains to be seen.

— Martin Peers.
In our previous issue Herb Thompson examined the political and social impacts of mining and the land rights struggles of Aborigines in Western Australia. In this concluding article, he gives some insights into the attitudes of the mining companies and the impact of the resources boom on Aboriginal communities already struggling to survive....

Herb Thompson

Police arrest blockaders at Noonkanbah Station, 1980.
I

n the Kimberley region of northwest Australia, minerals have, until recently, played a minor role in the region's development. This will change dramatically in the 1980s. The full weight of mineral development, construction camps, and all of the social chaos that goes with this for Aboriginal people will be seen over the next decade. The only major projects in this region during the 1970s were the BHP iron ore mines on Koolan and Cockatoo Islands in Yampi Sound, offshore from Derby. These islands are accessible only by boat and aircraft and have not been a source of disruption for Aborigines in the area.

Recently, however, there has been an explosion of interest by a number of corporations in the entire Kimberley region. Mining claims and exploration activities are now scattered right across the Kimberley in the name of companies such as CRA, BHP and AMAX; and a host of other smaller Australian companies or larger transnational representatives. This exploration and mining activity directly threatens Aboriginal control over the land, their culture and their self-reliance.

In the northern section of Noonkanbah station, more than 30 companies, among them AMAX, CRA, BHP and MIM have lodged mining claims for diamonds alone. Ellendale station, a few miles to the north, was the site on which CRA discovered the first major diamond pipe. Because of the large number of claims and companies involved, activity at Noonkanbah has sometimes been frenetic. Also, onshore oil exploration permit EP97 covers Noonkanbah and surrounding areas. The permit is held by a consortium led by AMAX Petroleum.

With reference to Noonkanbah and the Kimberley, this section will concentrate on examining the two corporations operating with the highest profiles, AMAX, Inc. of the United States and CRA Ltd., a subsidiary of the Rio Tinto Zinc mining empire of England.

AMAX, Inc. began as the American Metal Co. in 1887, changing its name to American Metal Climax after acquiring the Climax Molybdenum Co. in 1957. The name was changed again to AMAX Inc. in 1974. AMAX is an integrated producer of base and specialty metals. It is the world's largest supplier of molybdenum and a major supplier of Tungsten. In addition to its interests in non-ferrous metals, AMAX is the third largest coal company in the U.S. and owns 50 percent of Alumax Inc., a large aluminium company.

AMAX continues to invest heavily to diversify within the sectors of natural resources and energy. In 1978, about 75 percent of its $3 billion worth of property, plant and equipment was less than five years old. Its principal affiliates include Alumax — 50 percent; Botswana RST Ltd — 30 percent; Tsumeb Corp. Ltd. in Southwest Africa — 30 percent; Roan Consolidated Mines n Zambia — 20 percent; and O'okiep Copper Co. in Southwest Africa — 17 percent. In 1975, Standard Oil of California (one of the Seven Sisters) purchased 20 percent of AMAX. British Petroleum also holds 7 percent of the company. After AMAX had earned record profits of $771 million in 1980, Standard Oil attempted a complete take-over, making the largest single offer in history of $4.3 billion. AMAX directors recommended a rejection of the offer to shareholders and Standard Oil later withdrew it.

The company first entered Australia in 1963 to examine the iron ore deposits at Mt. Whaleback in the Pilbara of Western Australia. In 1964, AMAX was joined by CSR Ltd., and in 1966 by BHP Pty. Ltd. in order to establish the Mt. Newman Mining Co., the only major project which AMAX has moved into the production stage in Western Australia. The Mt. Newman Mining Co. began producing iron ore in 1969, and between 1972-79, the iron ore company contributed a total of $266 million to AMAX's total pre-tax earnings, at a yearly average return of 19 percent.

The major components of success for AMAX were outlined in an article in 1976. According to this article the elements of success included: diversification of its natural resource base; avoiding environmental conflict; pursuing extensive research and development programs; investing in politically stable areas; and using a 'direct hands-on' management style. To these components Ritchie Howitt adds: financial practices; and treatment of indigenous people.

It was two weeks after Ralph Nader had visited Australia and warned that the corporate state was upon us — "the unholy alliance of government and multinational corporations against the people" — that West Australians were provided with a striking example of theory in action. The state government of Sir Charles Court went to extraordinary lengths to help AMAX Petroleum to fulfil its contract to drill for oil on the Noonkanbah Aboriginal cattle station 1,400 miles north of Perth. AMAX was acting as the managing component of a joint venture which also included Whitestone Petroleum International —

"I run an oil business and we have never had these problems before — not with Indians. We are sick of being given hell by the press and the communists over there (in Australia). If the Aborigines want to talk to me I am in my office any time, in Houston."
32 percent; Pennzoil Aust. — 29 percent; Australian Consolidated Minerals — 5 percent; Yom Oil — 5 percent; and AMAX held 29 percent.

During this confrontation the president of AMAX Petroleum was contacted by reporters at his office in Houston, Texas, U.S.A. The response to questions by Mr. Lloyd Parks was very revealing. He made the point that “the State Government was telling AMAX what to do at Noonkanbah”. He then went on further to say: “I run an oil business and we have never had these problems before — not with Indians. We are sick of being given hell by the press and communists over there. If the Aborigines want to talk to me, I am in my office any time, in Houston.”

If we take only part of the above statement that “we have never had these problems before” and subject it to closer analysis, we find that, in fact, nothing could be further from the truth. According to Howitt the following information is pertinent since “AMAX faces legal challenges from Indians all over the United States”.

AMAX has been named as a defendant in an action brought by a group of Navajo Indians in the U.S. District Court in Arizona on December 19, 1979. This action claims damages of $10 million for personal injury or wrongful death resulting from employment in certain underground mines on the Navajo Reservation which were operated by the Climax Uranium Corporation (merged into AMAX in 1961) between 1950-65.

ANAMAX, a 50 percent subsidiary of AMAX in Arizona, U.S.A., has been a defendant in a legal action since 1969, brought by the Papago Indians. The action seeks to restrain the company and other water users in the Santa Cruz River Basin from using excessive water and interfering with the water rights of the Indians.

AMAX successfully negotiated a mining agreement with the Colville Confederated Indian Tribes of Washington, U.S.A., to mine a mountain of low-grade molybdenum on the Reservation. The problem is that the mountain, Mt. Tolman, is sacred to traditional Indians in the area. As one observer of the negotiations argued:

This mining project has been the focus of serious divisions in the tribal population with many of the older members opposing further development and modernisation and the younger, more educated members favouring economic development believing that the reservation population must accommodate itself to contemporary conditions.

The agreement with the Colville Tribes is reminiscent of the situation with the Ashton Joint Venture in the Kimberley. AMAX offered members of the Colville Confederated Tribes $6,000 each per year, plus money for tribal development programs in return for the right to turn Mt. Tolman into a 1,200 foot deep pit two miles long and one mile wide. In the words of the Indians themselves:

... land is the only certainty. This is what impels persistent opposition to mining despite the promises of payments from AMAX. Money is tempting said one tribal member.... but the future of our children is at stake here. I'd rather leave them a homeland than buy them a motor bike.

An interesting difference in sentiments was elicited by Ritchie Howitt in an interview with AMAX’s Western Australian Regional Exploration Manager in May 1980:

... the problem (at Noonkanbah) was at least partly caused by do-gooders such as teachers and university people going up to places like Noonkanbah and telling people they should stand up for their rights. There is, of course, nothing wrong with that, but the same
people are very strongly opposed to apartheid in South Africa, and yet they are saying that Aborigines in Australia should, for example, get royalties from mining on leasehold land — a right which no European has ...  (He said that while he) recognises that Aborigines are a special group, which should have reserves and so on, they should also accept that they are a conquered race, (Howitt’s emphasis).

CR A Ltd. has been one of the dominant institutions in Western Australia since the early 1960s when it established the Hamersley iron ore project. Since then the economic and political position of CRA has been solidified through the establishment of some of the largest mineral projects in the world, a number of them in Western Australia itself.

It is pointed out by the companies and state government that the Pilbara has provided immense social and economic benefits to the state in the form of infrastructure, wage payments, royalties and export income. At the same time, Pilbara development has shown even more clearly the vast differences between the living standards of most non-Aboriginal people and the poverty and social degradation of the Aborigines. One need only compare the company towns of Dampier and Wickham with the predominantly Aboriginal community at Roebourne. This situation will likely become even more disparate during the next decade with the development around Karratha associated with the production of Northwest Shelf gas.

From the very beginning, in 1963, when Hamersley Iron began construction, Roebourne was used as a regional bordello. Roebourne had the only significant hotel in the area and the only major concentration of females, Aboriginal women coming into town with their families as they moved off the pastoral stations. Prostitution offered the only means of survival for some Aboriginal women, and for others the only means to gain access to the high-living, fast-spending of the 4,000 construction workers newly located in the area.

During the construction phase, Hamersley did employ a number of Aborigines on the railway line being built between Dampier and Tom Price; but since then very little employment has existed for Aborigines with the mining companies. It has been pointed out that:

The policy of mining companies concerning the employment of Aborigines differed somewhat. Hamersley Iron stated that their policy was to employ Aborigines on the same basis as any other labour. Since most recruitment is in Perth such a policy would seem to exclude Aborigines from their work force, and our own respondents believed that the company policy was not to employ them. Cliffs Robe River, whose plant is much nearer to Roebourne, appeared to accept rather more responsibility. We were told that at one time Cliffs had actually provided a bus to transport Aboriginal employees from Roebourne to Cape Lambert but that the Aborigines were incapable of attending regularly for employment.7

Another official report noted in 1978 that:

The mining developments (in the Pilbara) have not as yet provided a great deal of direct employment for Aborigines due partly to the absence of appropriate skill and partly to the fact that many of the new areas of development are remote from the few major centres of Aboriginal population ...

At the present time, Hamersley Iron does not have more than a few Aboriginal employees, and does not have an effective Aboriginal employment program. A small number of men are employed at the 7-mile workshop of the company — normally about 9 workers per day. The leramugadu Aboriginal community has a contract with Hamersley to hire workers on an hourly rate/daily basis. The contract is separate from awards covering other workers in the iron ore industry. The workers bring home about $240 each fortnight ($3 per hour) and some of the proceeds are put into a community fund. Although the relationship between the company and the community has existed for five years it is still handled on a token basis with little concern for expanding the numbers of Aborigines employed on a full-time basis.

Very few Aboriginal people live in the mining towns of Wickham, Dampier or Karratha. They are still primarily concentrated in Roebourne, seen as outcasts by many workers living in the mining communities. There is every reason to assume that, ten years from now, a similar situation will exist in the Ellendale, Argyle, Kununurra geographic triangle of the Kimberley. Few lessons appear to have been learned with Roebourne standing out as a clear example of what to expect, on a larger scale, both geographically and in numbers of people, as 'development' proceeds unfettered in the Kimberley. As Howitt concludes:

Fundamentally, my assessment is that mining, like so many other things happening to and around Aborigines

"Patriotism" and "nationalism" are used to deflect the discussion away from Aboriginal land rights, or the relationship between the cultural survival of a people and the pursuit of profit by mining companies.
in Roebourne, is not seen as a thing over which they can have any control or influence. It is something to be accepted and coped with rather than actively resented. Like all the ‘government people’ and so on, it is just there. After so many broken promises, it seems the people cope at least partly by dis-engaging from attempts to control change and by putting all their effort, quite reasonably, into surviving.9

Shifting our attention from CRA’s activity in the Pilbara during the 1970s, we must note CRA’s move northwards to the Kimberley, which will be a focus of activity for the company in the 1980s. In the Kimberley, CRA is presently engaged in two major projects: the Ashton Joint Venture, soon to become the largest producing diamond mine in the world; and the Mitchell Plateau Bauxite Co. which is doing feasibility studies on the large bauxite deposits at Mitchell Plateau and Cape Bougainville in the far northwest.

With respect to the Argyle diamond deposit, and keeping in mind the Australian Mining Industry Council (AMIC) guidelines, CRA has been accused by the Kimberley Land Council of the following violations:10

1. CRA refused to accept repeated definitions of sacred site boundaries by Aboriginal community representatives, in meetings with CRA staff, on the basis that the information was verbal and unauthoritative;
2. omitted to employ an Aboriginal elder to define the site boundaries despite two written requests from the W.A. Museum to do so;
3. refused to await the outcome of the company’s application to the Museum for permission to mine the site; and,
4. was able therefore to plead the defence, under Section 62 of the Aboriginal Heritage Act, of lack of knowledge that the area was a sacred site.

CRA then divided the Aboriginal people in the area by making a monetary settlement with one of the communities to confirm their rights to mine in the area. While AMAX virtually ignored the Noonkanbah Aborigines, leaving the state government to handle the dispute, CRA carefully developed strategies to bolster its image and create divisions between and among the three major Aboriginal communities at Argyle (Turkey Creek — Warmun community; Dunham River — Woolah community; and Glen Hill — Mandangala community).

CRA is clearly setting the example.

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history of the world when people have had so much wealth they have been called upon to defend it. While there are problems in the relationship with Aborigines and while there is a requirement of trying to make certain that the ways in which we operate alongside the Aboriginal community are to their benefit, there are also other responsibilities to the world and to the Australian community.12

This response is very much in line with the rhetoric and strategy of public persuasion outlined in the AMIC public relations campaign. 'Patriotism' and 'nationalism' are used to deflect the discussion away from Aboriginal land rights, or the relationship between the cultural survival of a people and the pursuit of profit by mining companies. In the bill passed by state parliament (Diamond Ashton Joint Venture Agreement Bill, 1981) no specific reference is made with regard to the Aboriginal population. However, in the second reading speech, it is noted that, "after 25 September 1980 when, following an agreement with the recognised Aboriginal custodians of Argyle Aboriginal sites, the government gave its consent to the joint venturers for work to proceed on its tenements covering the Argyle prospect". There is an element of deja-vu in the Argyle Agreement based on a statement given by Carnegie some years ago at Trinity College, Melbourne. In his address he stated:

'It is quite possible that if we had looked at the problem of the Aborigines in Weipa in 1959 in the way in which we would now, that we would do something different.'13

In Weipa, on the western coast of Cape York in northwest Australia, are found the largest and richest bauxite reserves in the world. These reserves are controlled by Comalco, an associate company of CRA Ltd.

Comalco began negotiations in early 1957 for the mining rights at Weipa with the Queensland Mines Department. There were no negotiations with the Aborigines whose Reserve sat right on top of the bauxite under consideration. While the government was mildly responsive to the Mission authorities in charge of the Reserve, for some compensation, Maurice Mawby, the exploration director, refused to attend any meeting to discuss compensation.

In 1957, the Commonwealth Aluminium Corporate Agreement Act was passed allowing Comalco leasehold over the bauxite deposits for 105 years. The Act made no mention whatsoever of Aborigines, or of the Aboriginal Reserves being converted into a mining lease by the Act. For purposes of legal and financial simplicity, they didn't exist. Dr. Noble, Minister of Health and Home Affairs, dismissed any notion of royalties for Aborigines on the grounds that the royalty rate was too low to support the Aborigines.14

During the first five years of operation, Comalco earned over $160 million in profits and paid $27 million in taxes. Over the years, bauxite at Weipa has been a major profit spinner for both Comalco and the CRA Group. In 1979, profits amounted to $59 million followed by record profits of $75 million in 1980. Yet, after 20 years of operation, only 25 Aborigines out of several hundred in the area have jobs with Comalco.

What Roderick Carnegie would do differently may be portrayed by the AJV strategy at Argyle, some of which has already been outlined above. First of all, the Aboriginal community was split into factions by isolating small groups of individuals and offering money payments; individual Aborigines were made into power brokers with some of the resources gained relative to the resource starved communities surrounding the area; the original agreement with the Mandangala community was extended to include the Warmun and Woolah communities but only on the basis of separate negotiations. Those people who signed first received the best conditions; Department of Aboriginal Affairs officers and ex-Aboriginal community advisors were put on the CRA payroll as 'liaison officers'; and a public relations campaign was started to show CRA as a 'good neighbour'. The Mandangala community is to receive $240,000 for capital works and $100,000 per year for the life of the mine. The Turkey Creek and Woolah communities received money for capital works and programs of $100,000 and $40,000 respectively. To exert control over the communities, CRA is working with the Aboriginal Development Commission and the Department of Aboriginal Affairs to make sure the money is well spent. This strategy is very different from the one used at Weipa, or that used at Noonkanbah by AMAX.

The corporate activity and style of CRA Ltd. is very much in keeping with its parent RTZ Ltd. in England. The management style was developed by Sir Val Duncan, ex-chairman of RTZ as is clear in the quote below:

(Sir Val Duncan) believed we should create a Rio Tinto company in each of the principal mining countries, which in turn would control a series of

Aboriginal sacred sites are being destroyed, their land is being bulldozed, fenced and carved up, their fishing holes and game areas are being decimated. The companies are doing it, the governments are permitting it and trade unionists are ignoring it.... Another culture is being sacrificed to the golden calf of profitability.
... operations within its own territory. The local Rio Tinto companies should ... be totally identified with their host countries. The directors ... senior management ... (and) operators would as far as possible be local people and there would be representatives from local companies on the Parent Company Board. Thus there would always be ... agreement on the aims of the individual companies and the Group as a whole. Local participation in the equity of the overseas companies was essential ... to ensure local identification with the fortune of various operations.15

This style of management is transferred to the local level wherein CRA has control of the AJV which is identified as a company indigenous to the Kimberley. Operations of the AJV are "as far as possible" represented by local people with knowledge of the area and of Aboriginal people. Local participation is purchased in the form of pay-offs to the Aborigines most immediately affected by mining so as to minimise disruption and criticism of the transnational control.

From the 1960s, it has been a basic component of RTZ's strategy to concentrate investments in politically conservative, white-dominated former British colonies such as Australia, South Africa, Zimbabwe and Canada. This style of investment is not conducive to any real understanding of people who wish to be left alone, such as the indigenous people of the Kimberley.

The final area of concern, relevant to CRA's economic expansion, is the Mitchell Plateau area in the far north of the Kimberley. CRA's interest in the bauxite-aluminium mineral base has been evident in CRA's buy-in to the Mitchell Plateau Joint Venture. The Joint Venture consists of CRA Ltd. — 52.5 percent; Billiton Aluminium — 10 percent; Sumitomo Aluminium — 10 percent; Marubeni — 5 percent; and Sumitomo Corp. — 5 percent.

It is hoped, dependent on the international market, that production of bauxite and alumina could start in 1987. Feasibility studies in 1981 are thought to have cost $15 million. The deposit itself holds 410 million tonnes of bauxite. Siting a plant near the deposit would require a township of 750 people. There is a natural harbour at Port Warrender capable of taking ships up to 70,000 tonnes.

CRA has also increased its share in the Cape Bougainville deposit close by to 67.5 percent. Others include Alcoa — 22.5 percent; and Billiton Aluminium — 10 percent. During 1982, work in both areas has concentrated on extensive field programs to evaluate the ore and to determine the best way of benefiting the ore.

People within the Kimberley Land Council have indicated serious concern with the increased mining company activity in the Mitchell Plateau area. A group of elders from the Mowanjum and Kalumburu communities were brought south as guests of the Mitchell Plateau Bauxite Co. to view the Alcoa bauxite mining and refining operations. These two communities comprise the Worora, Ngaringin and Wunambul tribes and are the traditional owners of land in the Mitchell Plateau area of the northern Kimberley. A spokesperson, Mr. William Balgowan, of the company said that when they launched the feasibility study they got in touch with the communities. A community advisor to Mowanjum, Mr. Patrick Pohl, said representatives from the communities want to co-operate fully and had worked with the W.A. Museum to determine the location of sacred sites in the area. "The leaders of the communities want to co-operate so that the area will be developed and community members can be employed in the mining operation."16 How this operation can possibly be any different from Weipa has yet to be explained. The main difference appears to be in the emphasis on public relations.

The AJV recently rejected a submission from a firm which advised it that Aborigines would ultimately win their battle for a better royalties deal. The firm, International Public Relations Pty. Ltd., had tendered for the venturer's public relations account. Instead, the $315,000 lobbying and publicity account went to a rival firm of Eric White Associates.

Given the relative merits of the public relations tenders, an AJV brief observed that the "Eric White Associates' perception of the scenario is consistent with regard to our own. IPR, on the other hand, believe that those dedicated to securing a larger share of mining revenues for Aborigines will ultimately succeed and that our best policy is to position ourselves to conduct these negotiations. This is a fundamental difference of view — and IPR is to be commended for its candor." The brief then eliminates IPR on the grounds that it would not work effectively for goals it considered unattainable.

According to the AJV brief, the primary public relations objective is "sustaining the Argyle Agreement signed with the Glen Hill Aboriginal community and isolating this agreement from the general debate on Aboriginal land rights, while encouraging community acceptance of the company's policies towards its Aboriginal neighbours". It is evident that the original occupants of the land have been redefined as 'neighbours' throughout the brief.

Further, "the path to success on the Aboriginal issue is not via active participation in the broad public debate on Aboriginal land rights ... (but rather) through a vigorous lobbying campaign of key decision-makers at state and federal levels", according to the AJV.17

It is now clear that the Australian Mining Industry Council, rather than specific companies is to take up the 'broad public debate'. The AMIC, in late 1981, began to enter the public arena vociferously, arguing the potential irreversible damage which would be done to the mining industry should Aboriginal land rights be taken seriously in the political sphere.

The so-called 'resource boom' has resulted in a mining invasion on the lands inhabited by Aborigines for over 50,000 years. Aboriginal sacred sites are being destroyed, their land is being bull-dozed, fenced and carved up, their fishing holes and game areas are being decimated. The companies are doing it, the governments are permitting it and trade unionists are ignoring it. The crisis of capitalism exists in the Kimberley, albeit in a more subtle and less publicised manner. Another culture is being sacrificed to the golden call of profitability.

A spokesperson for the Warnum Aboriginal community, Mr. Rammel Peters, recently said: "It's hard for white people to believe, but this mining has been bad for us. We would like the miners to leave, but we know we must have them about for at least 30 years." He said the miners had recently unearthed two old Aboriginal graves near a drilling site. "All the people think that was bad dreaming and now everybody is angry."18

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ALR Summer 83
THE EXCITEMENT:

The political dynamism of "Eurocommunism", once hailed by sections of the left as a means of maintaining the relevance of marxism to industrial democracies, seems to have faded. Has it been sabotaged? Betrayed? Or just run out of steam?

INTERNATIONAL

Upper: PCI members and supporters at Rome railway station wave off migrant workers who take a train to go back home to southern Italy to vote in the June 1976 election.

Lower: Elated PCI members after election results in 1976 show that the party has won an additional 82 seats in parliament with 33.8% of the vote.
The excitement and high hopes roused by the spread of Eurocommunism in the '70s have passed. Far from being "the spectre that haunts Europe" as was claimed at the time, the talk now is about the "crisis of Eurocommunism".

In the mid-seventies, there appeared to be real prospects of several Eurocommunist parties, specifically the Italian, French and Spanish Communist Parties, entering the governments of their respective countries. The United States exerted heavy pressure on its European allies to prevent this from happening. The Americans were especially concerned that the influential Italian Communist Party should not enter the government of that country. Henry Kissinger openly declared in April 1976 that the establishment of communist governments in Western Europe would lead to the collapse of the Western alliance and to the isolation of the United States. The entry into government by the communist parties of Western Europe, he warned, would lead to a fundamental change in all American politics (see "Kissinger sees Nato end if Europe elects Reds", New York Times, 7.4.1976).

Behind the scenes and away from public scrutiny, all possible means were used to block such a possibility. The killing of Aldo Moro in May 1978 by the Red Brigades is claimed to be connected with these efforts, as Moro was the leading Christian Democrat figure in Italy who favoured the entry of the Italian communists into the government. So far, the forces which are striving to prevent this have been successful.

Although the French communists have since entered the government of their country, they are playing a subordinate role to the Socialist Party. For years, the strategic thrust of the French Communist Party was aimed to avoid the very situation in which they now find themselves — as a junior partner to the socialists.

In the last elections in 1981, the Communist Party dropped from 22.8 to 16.6 percent, thus losing a quarter of their voters. The Socialist Party, on the other hand, increased its vote from 22.8 percent in 1978 to 36.6 percent in 1981.

The Spanish Communist Party likewise did not realise its optimistic expectations. After achieving legality in 1977 it was unable to extend its electoral support beyond 10 percent. It had hoped to do much better. Since then, the Spanish Communist Party has declined both in membership and electoral support. Moreover, it has suffered from serious internal divisions and, as a result, has lost some of its most experienced leaders.

There has certainly been a decline of Eurocommunism going beyond the three main countries which, together, form the core of what might be called the strategic aspect of Eurocommunism. In order to evaluate the

**EUROCOMMUNISM AT THE CROSSROADS**

- Upper. PCI activists in a small car equipped with loudspeaker and posters drive into back lanes propagandising party policies and selling publications near Palermo, Sicily, 1976.

- The three leaders of the major Eurocommunist parties: Enrico Berlinguer of Italy, Santiago Carrillo of Spain and Georges Marchais of France.
nature and reasons for this serious problem one has to separate two aspects of what has come to be known as Eurocommunism — the ideological and the strategic aspect. While these two aspects are closely connected and interact, they are nevertheless distinct.

The crisis of Eurocommunism is essentially a crisis of its strategic aspects.

The term "Eurocommunism" arose in 1975. But its roots and the ideas and views underlying it go back further into the post-war years.

The major impetus for its development, however, was the 20th Congress of the Communist Party of the Soviet Union in 1956. The revelations of the crimes of the Stalin era sent shock waves throughout the communist movement. It led to a more critical examination of the Soviet model, and independent thought began to develop in some communist parties. The Soviet-Chinese conflict of 1959-61 and the subsequent break-up of the monolith added a further spur to these developments. The Italian communists were the first to respond to the 20th Congress. They conducted open and critical discussions on the implications of the Khrushchov revelations throughout their party and invited others on the left to participate in these discussions. As a result, the Italian Communist Party did not suffer the same exodus of significant groups of intellectuals as occurred in other communist parties, notably the French Communist Party. The Australian party, which clamped down on open and critical discussions, similarly lost a large number of intellectuals from its ranks.

Nevertheless, the impact of the revelations of the 20th Congress continued to reverberate throughout the communist movement. In Australia it led to the growth of independent trends in the Communist Party, to a Charter of Democratic Rights being proposed, for example. It reached its high point at the Party Congress in June 1967.

The Prague Spring and the subsequent events in Czechoslovakia in 1968 were the next major catalysts for the development of Eurocommunist views in a growing number of advanced industrialised countries with democratic traditions. It developed at different paces and in specific ways in individual countries. These included some non-European countries such as Japan, Mexico and Venezuela.

Despite significant differences and peculiarities, and with these reservations, one can nevertheless broadly identify these common features of Eurocommunism:

- Independence. The Eurocommunists stand for the complete autonomy of each party. They reject any notion of a world centre, or direction of the party by an outside body. They insist on the inalienable right of each communist party to determine its own policy on the basis of the economic, political and social conditions and cultural traditions of its own country, and to do this freely, without any outside interference or pressure.

- Democratic Commitment. This involves a conception of a democratic road to socialism on the basis of the existing democratic institutions and their extension. It means a full and unequivocal acceptance of pluralism, that is, the free and unfettered operation of all political parties and groupings and regular free elections. It includes a clear and firm undertaking to accept freely the verdict of popular elections, if their outcome means the replacement of an existing government. The Eurocommunists see this as a "correct" view about society, nature and human thought which is applicable everywhere.

- Against Dogmatism. The Eurocommunists reject — albeit with different degrees of clarity and consistency — the dogmatic view of Marxism which prevails in the Soviet bloc, with its associated claim for a single "correct" path to socialism based on and extending them fundamentally in the area of the existing socialist countries. While there are some differences in the model envisaged, they all project a pluralistic, democratic, free and open society which guarantees to maintain existing democratic rights and to extend them fundamentally in the area
of the economic life and in the workplace.

There is an increasing emphasis on self-management and decentralisation of power, with democratic control of all areas of social life.

The Eurocommunists are — in varying degrees — critical of the denial of some human rights in the existing socialist countries. They are also critical of the exaggerated centralisation of power and the bureaucratisation of the economic and political structure in these countries. They have, again in varying degrees and with varying consistency, moved away from the Leninist party structures. These are based on the principles of what is called "democratic centralism". In practice, this has often meant almost unlimited power for the leadership of the party, without any real say by the membership, strict discipline and the operation of the so-called "transmission belt system", which subordinated other organisations to the communist party.

There has been a general democratisation of these parties, but with significant variation in degree. There is an ongoing discussion on the role of political parties, their relations with other organisations, and the problem of rank-and-file involvement. These changes within the Eurocommunist type parties are still evolving, and vary widely from country to country. But their impact extends well beyond these parties in several directions. They affect some of the remaining non-Eurocommunist parties in advanced industrial countries and other socialist forces. Their ideas also have an impact on some people in the existing socialist countries.

In that sense it can be said that the ideas, concepts and policies of the Eurocommunists are still advancing, spreading and evolving, despite the fact that these parties along with other socialist forces face serious problems and have suffered setbacks. They are also grappling with new questions and issues which are thrown up today. These include the complex problems of self-management, the relations to social movements, especially the women's movement and the environmental movement, and the role of political parties as such, which is being questioned by a growing number of people in Western countries.

The strategic aspect of Eurocommunism was that of a West European model of socialism based on the coordinated efforts of the communist and socialist forces in Italy, France and Spain. In the 'seventies this was not an unrealistic or utopian perspective. The communist parties of these countries were growing in influence, as were other socialist forces. Broadly based governments with a popular mandate and a common perspective to reshape their societies in a socialist direction seemed a possible, even a likely development.

There was growing co-operation in this period between the three main West European Eurocommunist parties. In July 1975, the Italian and Spanish communist leaders met and issued a Spanish-Italian Communist Parties Declaration. This was followed in November 1977 by a meeting between the leaders of the French and Italian communists, leading to a joint declaration in which the two strongest West European communist parties declared their commitment to a democratic road to socialism. This marked the belated adherence of the French Communist Party to one of the fundamental concepts of Eurocommunism, and was seen as a hopeful sign that the main Eurocommunist parties were forging ahead in unity.

The high point in the development of Eurocommunism was the marxist meeting in March 1977 of the three leaders of the Italian, French and Spanish communist parties. But events soon developed differently. By the end of 1977 it became clear that the expectations of Eurocommunists to soon enter the West European governments were not being fulfilled. The Spanish communist vote of 9.4 percent in the first free elections in Spain since the '30s was considerably less than they had expected. In the important election in France in March '78, the Union of the Left failed to achieve the hoped-for majority. It was weakened by the preceding attacks of the French Communist Party on the Socialist Party. The Communist Party received 20.5 percent of the votes, and the Socialist Party 22.2 percent. It was a serious setback for the left. It was also the first time in post-war France that the socialist vote surpassed that of the communists.

In the parliamentary election in Italy in June '79, the communist vote declined from 34.4 percent in 1976 to 30.4 percent. It was the first time in post-war Italy that the P.C.I. vote fell. Until then it had been rising steadily in each successive national parliamentary election.

By then, significant political differences had arisen also between the French and Italian communists. The Eurocommunist dream of a common breakthrough in France, Italy and Spain was clearly fading. The impasse is continuing.

What went wrong?

All communist parties in advanced industrial Western countries face the problem of how to adapt to present-day realities. Their countries are undergoing significant changes in the economic and social structures, and consequent shifts in public attitudes, values and behaviour. Generally, these parties have been slow, even resistant in some cases, to grasp the

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French Communist Party to one of the new social movements, the changing public attitudes to political parties and new forms of political practice. Some of the reasons for these difficulties are canvassed here.

These parties were formed under the impact of the Russian revolution of 1917. They grew out of, and developed in, circumstances which were very different from those of the world in the mid-eighties. They developed during the years of stalinism with its ideological and organisational features. To a large extent, their origin shaped them. Despite changes, especially after the 20th Congress of the C.P.S.U. in 1956, they retained features of their original character. It is against this background that they face the problem of how to transform their parties into effective bodies to cope with the new and complex problems that confront them today.

Because of their origin and history they still tend to be associated in the public perception with undemocratic practices. Negative events in Eastern Europe wash off on all communist parties, even those which are publicly critical of those events. Afghanistan and the events in Poland reacted on the whole communist movement.
There remains in the public mind a degree of suspicion about the genuine nature of democratic commitment given by communist parties about the character of their relationship to the Soviet Union and about the ultimate certainty of their independence.

There is a fear, based on experience in the history of the communist movement that, once in power, they may try to make sure that they remain in power, despite the commitments to pluralism that they may have now.

The revival of the cold war towards the end of the '70s added fuel to all these reservations and fears. In this situation, the socialist parties were able to present themselves as an attractive, credible, democratic and socialist alternative to the communist parties, and mostly overtake them in popular support. The response of the communist parties to these problems and the challenges they present differs from country to country. Those parties which have established firm roots in their country face these problems differently from those which have remained small and which are battling to maintain their relevance in political and social life.

But even between the larger parties the situation differs widely from one country to another. The French communists are in a contradictory and difficult situation. Although, after more than 35 years, they are now in the government, they could not have achieved that in more adverse circumstances. The party which had emerged as the strongest West European communist party after the Second World War, with a vote of 26.1 percent in the '40s, declined to 16.6 percent in the Mitterrand election victory in 1981. Moreover, it lost nearly a quarter of its votes in the space of one election (from 20.5 percent to 16.6 percent).

The P.C.F. has shown a reluctance, even a fear, of making changes, a fear of new ideas and new initiatives. Its policies, both internally and externally, have been contradictory and characterised by zig-zags. The sharpness of the P.C.F. attacks on the Socialist Party after 1977 had the opposite effect from the one intended. Far from reducing support for the Socialist Party, it was the Communist Party which lost support. Rather than enter into broad alliances, the P.C.F. tended to withdraw to the "safety" of its own traditional base, the blue-collar workers' trade unions. It is suspicious of the new social movements, and has manoeuvred itself into a ghetto, policies and developments in the country.

The Spanish communists gained well-deserved prestige for their heroic struggle against the Franco regime. Their serious internal problems arose around the personality and method of work of the former secretary, Santiago Carrillo. A long-standing leader who made an impressive contribution to the elaboration of some of the theoretical tenets of Eurocommunism, he was nevertheless rigid and unbending in an old-style leninist conception of democratic centralism. This contradicted in practice some of the theories he expounded and led to a rigid, stifling style of leadership which left little room for open discussion and a democratic party life. It prevented controversial questions from being debated in a free atmosphere, undermined morale, led to the loss of some valuable leaders, a membership decline, and reduced public support. The Italian communists are in the most favourable situation. They recognised the problems of adapting their party to meet the new conditions earlier than others. They have worked on their transformation consistently and over a long period, taking great care to take their members and supporters with them. They are removing, one by one, those aspects of their past, ideological and organisational, which are fetters on their growth.

Nevertheless, even they are not free from the problems which affect all communist parties. In the last election they significantly reduced the gap between themselves and the Christian Democrats. The D.C. vote declined from 38.3 percent in 1979 to 32.9 percent in 1983. But the communist vote also declined in this period (from 30.4 percent to 29.9 percent).

They continue to face the problem of how to make further advances. They remain as far from government as they were before the election. Their attempts to develop a viable strategy in co-operation with other socialist forces on a European scale will take time.

The problems which face the communist movement are complex and world-wide. Some parties confront them more seriously than others. What is certain is that those parties which refuse to take up the challenges confronting them face an inevitable historical decline.

Bernie Taft is a member of the national executive committee of the communist party.
With Labor governments in four states and in Canberra, one of the more distinctive features to emerge so far has been the difference in style and direction between the various state and federal policies and governments.

While any definitive assessment is not possible, sufficient time has passed for some critical review of Labor's responses to government and the economic crisis.

In the following four articles, the characteristics of the governments in Canberra, Victoria and Western Australia are examined in an initial assessment of Labor's performance so far.
Unlike the Whitlam government, the Hawke government did not come to power on the crest of a wave of hope and desire for change backed and influenced by significant independent mass movements such as the movement against the Viet Nam war and the then young and growing women's and environmental movements. Nor did it offer a vision of far-reaching reforms in the grand style of Whitlam, though many of the ALP's 1983 policies are better thought-out than in 1972.

In only one key policy area, unemployment, did Hawke offer a vision of a clear alternative, and that issue is, and will remain, a key test of his government's performance.

However, Hawke did offer a vision of a different style and approach to discussing and determining policies: his "national reconciliation and consensus" formula which, it must be said, probably had a lot of attraction for many voters, including the swinging voters of the middle ground.

In one sense, this formula is itself a policy, though Hawke has so far given it remarkably little substance and content other than the watering down and overturning of official Labor policy. It should be noted that, unlike most Labor leaders, and much of the left, Hawke recognises the power and appeal of a general concept, if it taps some need and feeling among people.

Although the Hawke victory did not generate the same heady hopes and high expectations as the Whitlam victory, Hawke's performance has disillusioned and dismayed many ALP members and supporters in a remarkably short time. Hawke's personal standing in the wider community is still very high, but in the ALP branches and the organised labour movement, there is considerable antipathy to Hawke personally, and disappointment with the line taken so far by the majority in Cabinet and caucus.

Frontrunners in the disappointment stakes are the government's shabby and unprincipled treatment of David Combe was a major disappointment.

The government's shabby and unprincipled treatment of David Combe was a major disappointment.

In foreign policy generally, Hawke has put in one of the most slavishly pro-US performances of an Australian Labor Prime Minister, somewhat offset by Bill Hayden's cautious determination to carve out an independent Australian position within the American alliance.

This difference of emphasis and policy between Hawke and Hayden on international affairs could well become a significant issue within the government. While Hayden is cautious, even conservative, on many foreign-policy issues (and along with Hawke is willing to sell out East Timor in the name of not angering Indonesia), he is genuinely committed to Australia having an independent role in foreign affairs within the framework of accepting the American alliance.

Hawke, on the other hand, clearly wants Australia to accept virtually every US action and point of view in world affairs, either through agreement with US policy or because he does not want to provoke the US into destabilising his government. Either way, his pronouncements on international issues are hardly distinguishable from Fraser's and, so far, he has only been kept in check by Hayden, the caucus and Labor's policies.

On some important issues, the government has delivered on its promises, notably over the Franklin dam, the setting up of Medicare, raising the dole (slightly), appointing an ambassador for disarmament (though the government's stand on this issue is timid, and somewhat undermined by its uranium decision), moving for some electoral reforms, and a bill of rights, introducing anti-discrimination legislation (even if watered down in certain respects), and granting Aboriginal land rights at Uluru, covering Ayers Rock.

All of these moves show the value of Labor governments compared with Liberal/National ones, as well as providing new space and levers for progressive social movements which wish to campaign for more radical policies. A different example of the value of Labor governments over Liberal ones was the government's release of the report, suppressed by Fraser for 18 months, which showed that foliage from Laos claimed to have been affected by Soviet-supplied "yellow rain" was, in fact, a fake.

Yet, while the government will be judged by many according to its performance on various particular
issues, the manner and timing of its coming to power inevitably make its handling of the economy the central issue for most.

It is here that the government's greatest failing shows bright and clear: its lack of any long-term strategy for a sustained economic recovery which provides jobs for all who want them, and tackles the crippling economic and social imbalances produced by the current crisis.

The only "strategy" — if such it can be called — of Hawke and Treasurer Keating is to manage the crisis with fairly standard and even conservative economic techniques while hoping for "something better to turn up" by way of a US-led world economic recovery.

Some reforms and mild redistributive measures have been thrown into this mix, and Labor went for a bigger Budget deficit than the Liberals would have, but otherwise Hawke and Keating showed very little independence from the standard Treasury line. (In response to a question from former Treasurer Howard the day after the Budget, Keating proudly told Parliament that he'd read and agreed with every line of Budget Paper No. 2. This is traditionally where Treasury sets out its own views about economic prospects and policies, and in several places there are clear digs at, and disagreements with, official Labor policy.)

In fact, Hawke and Keating have effectively changed Labor's economic policies, or at least the government's priorities for implementing them. For the moment, they've got away with it, despite the many useful opposition noises from important sections of the ALP and the wider labour movement.

Hawke and Keating reportedly argued that Labor first had to establish its "responsible" credentials with business before getting on with Labor's more far-reaching reforms. This argument was accepted by centre forces such as Finance Minister Dawkins and Industrial Relations Minister Willis, who apparently wanted a bigger deficit and more expansionary policies, but agreed to go along with the Hawke/Keating line for the time being — until the 1984 Budget.

This Hawke/Keating "strategy", first expressed through their obsession about the Budget deficit, has virtually blinded them to vital issues such as real job creation, a coherent industry-development policy, and a strategy for handling the new wave of job-displacing technology which will be set in motion by any economic
recovery. One can only conclude from Hawke's mid-year scathing remarks about the British Labour Party, that such long-term issues are only considered by utopians lying under banyan trees.

Ken Davidson, economics editor of *The Age*, consistently and persuasively argued against the Hawke/Keating line on the Budget deficit, and put the case for a larger deficit based on Keynesian ideas of raising the demand for goods and services by an expansionary policy which would lift the purchasing power of those who really need it.

Davidson pointed out that whatever economic recovery is taking place in the US results from Keynesian-type policies of tax cuts, big defence spending and large deficits, not from pursuing the monetarist line which the Reaganites have now abandoned.

(Nothing could more expose the anti-social contradictions of capitalist economics than that the latest US worry is whether the recovery is now getting out of hand and should be slowed down to prevent it from producing a new surge in interest rates — not because it's producing too many jobs, which it certainly isn't.)

A key measure of Mr Hawke's performance on economic policy is his own statement in his pre-election policy speech that the "first and foremost" issue is "the right of every Australian to a job".

Writing in *ALR* just after the March 5 election, I commented that "... even Labor's worthy and difficult aim of creating 500,000 jobs in three years will only lower unemployment 'by a couple of percent', leaving it at 8 percent in three years' time, assuming no further economic decline".

Since then, the picture has become even bleaker, with a government report forecasting, and key ministers such as Mr Willis conceding, that unemployment rates of around 10 to 11 percent could continue for quite some time. And Mr Hawke has made yet more murmurings about society recognising the alternative lifestyles as one way of tackling the unemployment problem.

The March *ALR* article argued that the right to a job for all was most unlikely to be achieved if the "free market" were left unchecked and uncontrolled. Further, that the central issue was some social control over the vast amounts of capital slopping around the financial institutions looking for the most profitable investment.

Social control, it was argued, does not necessarily mean outright socialist measures or nationalisations, which are neither the ALP's platform, nor its election mandate. It would mean, however, government requirements that certain portions of the funds held by financial institutions should be invested in new job-creating industries, or at the very least be made available at low interest rates for those wishing to set up such industries.

Some unions have, in the past, raised the issue of how superannuation funds are used. These funds are a form of saving by workers, yet those workers have no say in how the funds are used. More control by unions and worker representatives would be a step towards ensuring better use of super funds for socially useful purposes, rather than for speculative purposes or as another source of funds for big companies.

A related issue is the funding of the government's own Budget deficit. Socialist economist Ted Wheelwright, speaking after the Budget, at a Marxist Forum seminar in Sydney, backed up the call by former Labor Treasurer Jim Cairns, that the deficit should be funded by borrowings from the Reserve Bank.

This could mean much lower interest rates being paid on the public debt than the current usurious ones paid to private lending bodies. It would also mean that the government's own bank would earn the profits, rather than the private sector.

These are just some of the many possible measures which the government could take within its current policy platform and philosophy, and to fully implement its election promises. Those in the labour movement who take seriously the "right of every Australian to a job" should press vigorously for the government to adopt such measures if current government policies and the current economic system fail to deliver that right.

The government's ability to deliver on some key promises is also severely hampered by the absence so far of a coherent industry-development policy, and of a worked-out approach to the introduction of job-destroying technology and, more generally, to the possible effects of new high-technology industries.

These are admittedly difficult and complex issues and it would take time to develop a coherent and workable policy, let alone carry it out. (And, let's face it, no one in the labor movement has yet developed detailed policy proposals.)

The problem is that the dominant forces in Cabinet do not seem at all concerned to even investigate such issues, let alone develop more detailed policies.

However, there are encouraging signs that the left and some centre forces within the government have recognised both the government's lack of a policy and their own lack of an alternative to raise in caucus, the party and the wider labour movement. There is growing recognition of the need to work on an alternative economic strategy which can focus the debate over the weaknesses in the government's current strategies.

This is an issue which should involve the broad left in the whole labour movement, and in which different sections and groupings should contribute views and proposals. Leads on what can be done have been given by the Metal Workers Union in publications such as *Australia Ripped Off*, and by the Victorian branch of the Railways Union with its proposals for its own industry, the public railways.

The ALP/ACTU Accord on Economic Policy still remains the major focus for mass work around alternative proposals, and for further development of alternatives. Many of the commitments and ideas in the Accord have yet to be fully implemented, and there will inevitably be struggles inside and outside the government over how, and how quickly, it should be implemented. There are also different interpretations of the Accord's provisions.

So far, the left has not popularised and publicised enough some key provisions in the Accord. Without more developed mass understanding of these, rightwing forces in the government will probably win such struggles over interpretation and implementation.

The growing support for a tax reform campaign by the labour movement could be a significant first step to overcoming these problems.

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When John Cain finished his speech at last April's rally for nuclear disarmament, he received a standing ovation from most of the 60,000 listeners.

On seeing this, a NSW friend remarked that if Neville Wran had spoken at such an occasion there would have been a demonstration against him.

To a certain extent, the applause reflected the popularity of the state government's legislation declaring Victoria nuclear free, but it also indicated the general level of support for the Cain government throughout the community.

Eighteen months after the election of the first Victorian Labor government in 27 years, its popularity is still high, the media and employers have favourably received its second Budget, it has won a number of by-elections convincingly, and its standing in the party and the trade union movement is substantial.

What's behind Cain's seemingly magic touch?

Yet Hamer had sowed some important ground in areas of enlightened social ideas and urban planning which created the climate for a future Labor government.

The Cain government, in its emphasis on projecting seriousness, sobriety and realism, has avoided appearing to be too much of a radical break with the past, while the Liberals' incompetence is an added bonus.

The replacement of Frank Wilkes by John Cain as ALP leader signalled the party's determination to win the 1981 election, and to reject the in-fighting and doctrinal purism of the past. Cain and his key ministers have taken significant heed of Wran's way of doing things, particularly his use of the media to project an image of youth and dynamism. In Victoria, this involved more than Cain; he was joined by Steve Crabb, Rob Jolly, Tom Roper and David White, all bright young (or youngish) men committed to change but with a pragmatism necessary to reassure a nervous electorate in the Liberals' traditional jewel.

Yet electoral pragmatism is only one aspect of a government which would have to be the most radical of any in Australia. Discussing ALP politics in Sydney and Melbourne is like discussing two different parties which, fact, they are, in large part. The Victorian ALP is far more ideological and committed across all party factions than is the case in NSW. The Centre Unity are dismissed as grubby opportunists by many on the left, yet it is one of that faction, Rob Jolly, who, with Cain, put the most radical economic perspective heard at the Economic Summit. It is David White, also from that faction, who has worked with left unions to establish industrial democracy mechanisms in the State Electricity Commission of Victoria (SECV), as Steve Crabb, another Centre Unity member has allowed in the transport industry.

Unlike the Right, the Centre Unity is committed to significant policies of reform. They represent the traditional position of social democratic forces; that is, achievable social reforms won via parliamentary power.

Nevertheless, factional battles do emerge and the Centre Unity is not happy with its position in the government following the forced resignation of Bill Landeryou and the election of Jim Kennan over a Centre Unity candidate for the vacant Cabinet position. Landeryou's resignation was necessary to keep the government's image of squeaky clean incorruptibility intact.

Along with the commitment to efficiency is one to more open decision making and another to greater social equality — goals which, to some not inconsiderable extent, have been achieved.

The Cain government has advocated, and to a significant extent pursued, an expansionary neo-Keynesian economic policy which meets with approval not only from the unions and the ALP left and centre left but, given the high concentration of demand-sensitive manufacturing industry in Victoria, from sections of capital as well. This is reflected in its continuing honeymoon with the powerful Melbourne Age. (One concern in the government about the Fairfax take-over of the Age is that this honeymoon could be abruptly terminated.)

The economic stimulus provided in the two Jolly budgets seems to be having an effect, with economic indicators such as employment,
Bob Hawke at Federal Unions Conference, February 1983. To Hawke's right is Johi. Maynes of the FCU. The hostility to Hawke within the Victorian ALP is more deep seated than many would realise. This is strengthened by the belief of many on the left that Hawke is behind moves to reaffiliate the four NCC unions to the Labor Party as a master plan to win control of the state branch for the Centre Unity.

Cain understands very well the need to maintain electoral popularity, and has placed a great deal of emphasis on media image. The maintenance of a central pool of media staff rather than allowing each minister to employ a press officer ensures a co-ordinated media approach, whereby ministers don't compete with each other, thus ensuring that an image is kept before the public of a young, dynamic team doing things.

This has also allowed a carefully packaged delivery of impending government decision to pre-warn the public. By a skilful use of media "leaks" and ministerial statements the public is gradually introduced to change. This assists the image of the Cain government as one of well thought out and planned responses. It is not a government which has appeared to be panicked into hasty actions, unlike its federal counterpart.

The government has effectively taken up issues which cost little, but which have enormous community popularity, such as opposing the Victorian Football League's attempt to move the Grand Final from the Melbourne Cricket Ground to the inaccessible and marshy VFL Park at Waverley, or the civic reception accorded to marathon runner Cliff Young. There is nothing particularly innovative about this approach — it is, of course, very much a populist strategy, and one which most political leaders try; some, such as Malcolm Fraser, with notably less success.

While great efforts are made to win and maintain support from traditionally Liberal-supporting groups in Victoria, Cain has also recognised the need to maintain support from his own constituency, the party itself, and the unions. Bearing in mind that the left is stronger in the Victorian ALP than in any other state, the government's success in avoiding open party conflict, or any serious dispute with unions is remarkable (although the next few months could see that start to crack as a result of cutbacks in health, education and transport, and a restructuring of priorities).

Cain is assisted by the very strong hostility to Hawke from the Victorian left which values having a government whose policies can be counterposed to those of the federal government.

While the whole party has been permeated with the euphoria of being in government after 27 years, it is cognisant of the need to ensure that it is not a one-term government. The general harmony has been achieved by very conscious efforts from Cain and his ministers to fulfil the expectations of the labour movement and to ensure that consultation takes place, avoiding the frustration created when party activists believe they are being locked out of decision making.

Cain takes very seriously the role of
The government has taken significant initiatives in areas of particular concern to the trade union movement, including employment protection, technological change, workers' compensation and occupational health and safety. The legislation introduced by the government in these areas has largely coincided with ALP policy and the views of the trade union movement, and represents important reforms which do not eat into state revenue. In all these areas, the legislation is about increasing the rights and powers of workers, particularly those most vulnerable, such as redundant and injured workers.

Both the employment protection legislation and the workers' compensation amendments were rejected by the state's Upper House, where the Opposition has a majority. Cynics might say that rejection enabled the government to appear to be trying to make significant reforms without having to wear the political flak of legislation strongly opposed by business. The same may well be true of the occupational health and safety legislation where employers are campaigning heavily against the proposed vesting in union safety delegates of the right to issue prohibition notices against unsafe work practices.

A cynic might also ask whether Victoria would have been declared nuclear-free if there were uranium deposits in the state, although the nuclear-free legislation has aborted feasibility studies by the SECV into nuclear power generation in Victoria.

Clearly, the Cain government is genuinely committed to reform; what's lacking is a strong movement which would enable the government to carry out those reforms.

In part, the absence of this movement reflects the weakness of the left within the parliamentary party, and particularly within Cabinet, where its position could perhaps be compared with that of the communists in the French government — they have a place so long as there is no attempt to move outside the established parameters.

The problem is compounded by the traditional views of many trade unions to non-industrial issues. An attitude of "leave it to the politicians" helps to create something of a vacuum. Essentially, what is missing is a long-term strategic perspective of reform. Rather, there is a tendency to be somewhat piecemeal in approach, particularly in the sensitive areas of revenue raising and expenditure cuts. It is in these areas that the greatest political courage is needed, but also where the groundwork is imperative.

Without a concerted campaign to build support for the long-term priorities of the government, the demands of well-established and powerful conservative interest groups will prevail. Such groups are by no means confined to business interests, but include the AMA and public service mandarins.

The imposition of a two percent on all departments, in preference to a priority review of all government expenditure so that spending could be targeted in line with Labor's objectives, was necessary for political reasons: that is, to prevent ministers fighting intolerably among themselves, and to present an appearance of equity. While this approach might be unavoidable at this time, there needs to be far more debate about the criteria by which priorities are determined, and how scarce resources should be allocated to avoid simply continuing the old ways of doing things.

These discussions are occurring, but they are not systematic. The problem is a lack of perspective and adequate public explanation. Already, this is leading to protests in high spending areas like health and education which could allow unions and community groups to form an oppositional bloc.

In conclusion, it is clear that the Cain government has thrown up some important issues for the left. Its election represented a major defeat for traditional conservative political forces. It is a government committed to implementing policies developed by the party and the broader labour movement.

It is also, however, a government dominated by social democratic notions of reform. It can be expected to pursue and attempt to implement the ALP platform which brought it to power, but this cannot be achieved without a deeper understanding and commitment to the issues outside parliament.

For the left, the government represents a major challenge. Whether the left can develop the mass political pressure and policies to take this government forward, with the possibility of winning a significant shift in the political balance of forces is open, but unresolved. The responsibility for that development rests directly with the broader left and, in particular, with the left within the trade unions and the ALP.

Ian Fehring is a Melbourne lawyer and Linda Rubenstein is a trade union officer. Linda is a member of the national committee of the communist party.
When Labor won government in Western Australia a few bare weeks before the federal victory, a flurry of interventions followed — culminating in the mini-budget series in late June. The Karri forest Shannon River Basin was saved, the Fremantle-Perth railway line was reopened, discussions with industry and the development of a micro-electronics industry in Perth began. In June, the Premier, Mr. Burke, announced a series of measures to redistribute the burden of state expenses from the less well off to the better off. At one end, low income earners and welfare recipients were offered much reduced electricity charges (in comparison with the Liberal government's subsidies to ALCOA). At the other end of the scale was the much publicised announcement of public service pay cuts, of which the Premier's was the greatest. By comparison, the federal government appears to have done very little. However, As Anne Summers has suggested, this is not so much because the government has been inactive, but because the press has handled most of it in a low key fashion and the left (those with whom we discuss the meaning of politics) consider that what has been done is not enough.

The Franklin was saved; a wages and incomes policy adopted; the East Timor situation improved; Medicare is undergoing its stormy passage through parliament; the Economic Summit was held and EPAC established; extra legislation against tax evasion has been introduced; Senator Susan Ryan is announcing plans for "cottage-industry" communes for the unemployed; Mick Young, before his resignation, had set in train a whole series of investigations on the funding of election campaigns, four-year terms for parliament and so on; Senator Gareth Evans had gathered representatives of the states together to discuss various legal reforms. Some of these strategies are still "in the wind". Nonetheless, there is considerable activity. However, is that activity sufficiently radical?

When the federal budget was brought down in August, even the capitalist press reacted with criticism of its non-expansionary nature. This can be seen from the table below where the increase in proposed spending was 16 percent over the previous year — compared with 19 percent for the Fraser budget of the year before. This table also reveals that Fraser's last budget was brought down with an eye to the upcoming election. It was more expansionary than the budget of 1980-1 when expenditure only increased by 14 percent.

The Hawke government's commitment to Medicare is also revealed by this table. Outlays on health decreased by 20 percent between 1980-81 and 1981-82 but then increased by 18 percent. The present budget proposes an increase of 25 percent. On other social welfare issues, the differences between the two governments are not so clear. Social security expenditure responds largely to the number of beneficiaries, although the present budget raised the level of receipts to some beneficiaries and sought to redistribute them away from higher wealth-holders (e.g. some old age pensioners). Housing expenditure has not risen by as much as it did under Fraser while urban and regional development is about the same as the two-year average for the Fraser budget. Education spending has increased by less than for the two previous years. However, this is a good example of the importance of the content of expenditure rather than the amount. The Fraser government subsidised private school pupils at a higher rate than it did public school pupils. The Hawke government is redressing that gross inequity.

It is sometimes argued that a Labor government should spend more on welfare and less on subsidies to the private sector and the repressive apparatuses of the states than liberal governments. The redistribution of commitment away from law and order is shown by a fall from a 25 percent to a 17 percent increase. A redirection of expenditure is more obvious with assistance to secondary industry which has actually fallen in absolute terms after rising by 21 percent and 12 percent.

Nevertheless, the budget is not clearly a labor document. It reflects the commitment of the government to containing the deficit to the magical $9.5 billion while still allowing some redistribution of expenditure within those constraints.

Should the budget have been more expansionary. Should there have been more welfare and economic initiatives?
Counting votes at the 1983 ACTU Congress. If the unions do not present a coherent policy and a united front, EPAC will be used against the left — just as corporatism has been used against the left in Britain.

Critics of the Hawke government say yes. However, they are comparing the actual government with an ideal socialist, or at least social democratic, government. The Hawke government is found wanting because it has not introduced a major socialisation of the means of production, redistribution of income, and so on. Some critics hope that the Hawke government is consciously moving slowly in order not to frighten the electorate (and big business), in order to stay in power for a number of terms. Softly, softly, catchee monkey ...

If, indeed, this is the strategy, it is fraught with pitfalls. At certain stages choices will have to be made between sections of business and the labor movement. The economic cake is shrinking and the knife that cuts it must be wielded with ever more delicacy. Some commentators (e.g. Dow, Australian Society, February 1983) argue that the only solution is to make the cake grow again. Only an expanding economy will avert the fight over distribution. However, economic expansion requires a vigorous intervention into economic policy making. It will require investment by the government in the economy; it will require forcing the inefficient industries (e.g. textiles and footwear) to die while providing retraining and re-employment for those thrown out of work; it will require massive restructuring of industry; it will require a larger budget deficit.

I believe that if the Hawke government does not do this, it will lose government in the near future. Unemployment will continue to rise — as more industries are exposed to overseas competition and more companies move offshore to cheap labour havens in south-east Asia. Economic activity will continue to decline, eroding the tax base and therefore the redistributive potential of the government.

The Hawke government has created forums for the labour movement, e.g. EPAC (Economic Policy Advisory Council). Possibly for the first time in Australia's history, unions have a legitimate place in policy making. However, this is an unaccustomed role for unions; their leaders could be swamped by government and business. In order to exploit the full potential of this forum the unions must take up a position; in order to do this they will require better and different information from that which they have now. They must demand access to company records, to government departments, to the universities and other tertiary institutions. Knowledge about how the economy is performing and how it could better perform must become their right. Only with information to match that of the capitalists can the labour movement use EPAC to achieve its goals.

Additionally, the unions must present a united front. They will need to settle on policies which redistribute wages (e.g. flat rate rather than percentage increases) and for particular sections of the workforce — women, migrants, those displaced by technology. They must also deal with the issues of unemployment and an appropriate social wage. Economics and welfare cannot be separated.

Chilla Bulbeck is a lecturer at Griffith University, Brisbane.
The prices and incomes accord and the government's recently announced steel industry plan will significantly affect steel workers employed by the BHP. In October Mike Donaldson talked to Ken Kirby, a fitter at the Australian Iron and Steel Port Kembla Steelworks, and a member of the AMFSU Committee of Management for the South Coast, about the Labor government and its Prime Minister.

What do steelworkers generally think of the prices and incomes accord?

In my particular work area I held a meeting to explain it. The workers' general understanding of it is that it hasn't worked, I think. The accord stated that the government and the unions would have a prices and incomes accord, where they're supposed to do something about prices and the general condition of workers, as well as peg the wages at a level so that the industries can keep rolling on. I think most people on the job realise that it hasn't happened so far; all that's happened so far is that our wages haven't moved. Now that we've got this national wage package they have started to move again, but nothing's been done about the prices or anything like that. I think most people know of the existence of the accord, but think that it was one of those documents which was flaunted around, and that now it's been put into the too hard basket to gather dust like so many other things. I think that if you went and asked them, they would know what you're talking about but they'd also know that it's not working; it's just something people talk about.

What has the Labor government done for the steel industry?

So far, I think all they have done is that they have "saved" the industry, from the BHP's point of view, that is. They've propped it up so that it can continue to make a profit. But, for the workers who are left in the industry, they've really done nothing at all. They haven't improved conditions for us in any way; there is still going to be an ongoing and very substantial loss of jobs in the steel industry. The government didn't really prevent any retrenchments at Port Kembla; they moved after the company had already done its stuff. What jobs were saved, were saved as a result of the rolling stoppages campaigns directed and controlled by the delegates. So, for the company, they've done a job; for the workers, they've done nothing as yet.

What did Hawke actually promise steelworkers before he was elected?

Hawke said at a meeting of the Ironworkers' national council that he would guarantee a viable steel industry and that there would be no further retrenchments. While he might have appeared to stop the retrenchments by offering the company more money, and while he might have kept his promise of making a viable steel industry, once again I say that he hasn't done anything for the workers. Jobs are still being lost to the industry, and the communities in which the steel plants are located are going to continue to suffer. What he's done is...
that he's using workers' money to develop a high technology super efficient steel industry which is going to adversely affect the communities in which it is situated because there will be mass unemployment. Hawke hasn't looked past that, to see alternative plans for the people.

The government says that it is not paying the assistance to the Steel Division of the BHP. Where is it going?

It's going to the customers of the steel division, as I understand it, the people who buy steel from the BHP. They're going to be paid a bounty for buying the steel. While it mightn't be going to the primary producer of steel, it's certainly going to the BHP subsidiaries which buy steel from them, which is the same thing. Places like Tubemakers and Comsteel buy the steel from the steelworks and make it into something else; they get a bounty, but are actually owned by the BHP.

What is really rank is that many of these companies receiving the bounties are BHP subsidiaries and affiliates, and are not covered under the no more retrenchments agreement. These workers are under threat of the sack, from what I've been told. The bosses are always saying to them that if they don't get such and such an order, if productivity drops below a certain level because of the economic whim of the market, they'll retrench if they have to. As I said, they haven't been offered any job security, even though they're still participating in the plan and even though they're owned by the BHP.

What about the Steel Industry Authority that has been set up under the Steel Plan?

I'm deeply sceptical of this Steel Industry Authority. Let's face it, it's assumed that the company, the workers and the government can come together for the benefit of all three parties. Well, maybe that would happen if the three were equally weighted, but the labour movement is at a severe disadvantage in situations such as where it is under-resourced and not as well informed. The government has no guarantee that the information which the company will provide to the authority — and that's the only place from which information can come — will be accurate and honest. How are people on the authority going to know when they're being fed a line? The government hasn't put into place any legislation which guarantees access to company accounts, order books, investment plans. I'm not too happy about the person whom the ACTU has chosen to represent the unions, either. He's not from the industry, not even from one of the steel regions.

What has this steel plan done for Hawke's credibility on the job?

I think most people think it's a good thing. On the job, they see it as the right thing for Hawke to do, but I think that most people there see it from a narrow point of view. They know there will be no more retrenchments, but they don't see it in an overall picture. In Port Kembla, the company has destroyed 7,000 jobs, one-third of the jobs in the steel works, and at least as many again outside it. Workers tend not to think of what it will be like in the future, what will happen to their kids, about the area in which they're going to live in, and really, probably, die in. They don't look at it like that, they only think about it in the short term. There's been a lot of hype about the whole thing. It's been pushed by the government, pushed by the company, and in one way the unions have fallen down, they haven't pushed a critical line hard enough, taken an alternate view.

What do the steelworkers with whom you work think of the Labor government in general, and of Hawke in particular?

Three months ago they thought he was the saviour; now they've got a view of him as just about the same as all politicians, and have the same distrust for him, I think. They think this for a number of reasons, and they're not always right in their assumptions, either, but he's now slipped back into the mould of just an ordinary old politician; he's not going to be a saviour; he's done a few good things, and done a few bad things. He's got a better public image than Fraser ever had, and so he scores points on that, but now most look on him as just another politician, doing the same thing as the rest.

But now the honeymoon's over people are starting to realise that it's just another government. Of course, he's just won two grand finals and the America's Cup all on his own, and that's helped him a bit (but he lost on the Caulfield Cup).

When we were going down to Canberra just after Hawke was elected to meet Button and the government, to try to save the last round of retrenchments, I was trying to stir up a bit of action on the job to get different telexes and that sent to Hawke saying: you promised to do something about it, let's do it now before the company reaches their levels which they long ago decided that they wanted jobs to be reduced to. Overwhelmingly, they believed the whole election campaign thing and thought he was going to be God. I was getting quite a few heated arguments with blokes saying, "Christ, he's only been in power ten minutes and you want him to do something straight away. Give the man time, he's going to do it, he'll come through". But we didn't have time to sit back on our backsides; time was of the essence; we couldn't let him do it in his own time.

But now the honeymoon's over; people are starting to realise that it's just another government. Of course, he's just won two grand finals and the America's Cup all on his own, and that's helped him a bit (but he lost on the Caulfield Cup). He's been putting himself forward and there'd be a certain group who would still think he could walk on water, but it's died off a great deal. That's the way I look at it, anyway. Though, of course, everyone reckons that Fraser was a lot worse than Hawke, which is good to hear. Some people still think that Bob Hawke is a socialist, and that he will do the sort of things that Whitlam set out to do, but that he's no mug. Where Gough failed, everyone reckon's, is that he tried to introduce these things too quickly, got everybody off-side, and lost. Whereas they think that Bob Hawke is going to take his time, get everyone on side, and sneak it in while no one's looking. You know, how can you sneak things up on multinational corporations? You can't.
One of the most effective and political cohesive campaigns to emerge in Victoria in recent years has produced a strong alliance between unions and passengers over the future of the state's public transport system.

How have Victoria's rail workers managed to break through the isolation imposed by hostile governments and inconvenienced commuters? And what are the implications for future campaigns in this and other areas?

*Upper. Public Transport workers demonstrate in the days of the Hamer government, Melbourne, September 1980.*
M ost of those who campaigned against the Liberal policies of fare increases, line closures, maintenance cutbacks and freeway obsession are evaluating the Cain government's performance by the same yardstick. Have they stopped the freeway projects? Have they opened the closed lines? Have they opened new services and improved the existing ones? Have they replaced the architects of the old policies with new pro-public transport people, and so on?

On-time running has greatly improved, employment has increased particularly in the tramways, some of the closed lines have been reopened, a tram line has been extended, there are staff on all stations, the 38-hour week was granted without major concessions, there is better consultation with unions and users, there is a new organisational structure and a new fare system which offers the potential of more efficiency and coordination, and a program to give trams priority over other traffic has been announced. That's on the positive side.

There has been no significant shift of resources from private to public transport, two expensive freeway projects are continuing, big fare rises have just been announced, and staff cuts are threatened. The reorganisation of public transport bureaucracy did not trim the lurks and perks of the top brass, millions have been spent on new tall poppies (mainly former rent-a-car executives) who offer only the wasteful, slick and superficial practices of private enterprise management. The new boards give representation to the motoring lobby but not to public transport or community activists. That's on the negative side.

I think that activists need to be concerned with more than the achievements of the government in those areas where the Liberals were deficient. In the long term, public transport policies are moulded by community attitudes and by the relative power of unions and community groups on the one hand, and the bureaucracy and motoring lobby on the other. That is not to say we should go soft on the government over its failure to fulfil promises. Quite the contrary, the activists who oppose the fare rises and the new freeways are the backbone of the movement which will change community attitudes and increase the power of the pro-public transport movement. It is simply to say that if the movement restricts itself to the tactics and strategy it had under the Liberals then it is accepting the same relative position of opposition it had under the Liberals. Policy making is given over to the other side; we simply react; we stop some of the bad things but generally things keep on rolling along in the same old bad direction. If the movement restricts itself to judging the government in this oppositional way it will be part of the government's perceived failure in the public transport area. This will make the return of the Liberals more possible.

S ome things have been achieved under this government and much more can be achieved. This is because the movement (not just the government) has certain strengths. Building on these strengths is the key to a strategy which, in the longer term, will improve the government's performance, and its chances of staying in office. The strength of the movement arose in the fight against the Liberals; it now needs to develop a strategy beyond the notion that "the government should be left to carry out its promises and when it doesn't, we will oppose it".

One of the important strengths of the movement has been the unions' involvement. Six or seven years ago, both the rank and file and the leaderships of the unions generally regarded transport policy as none of their business, although the decline of the industry was leading to poor amenities and working conditions, demoralisation and loss of industrial strength. The main industrial weapon, the strike, was used by the Liberals to paint a picture of a declining, chaotic industry which should be cut back. This view of the inevitable decline of a chaotic, inefficient, strike-prone industry was very widely held in the community. This was fertile ground for the development of new tactics and directions in the unions. Nonetheless, it was a long hard battle against traditional ideas and practices. For example, many tram conductors had little sympathy for the passengers who constantly abused them for the problems of a run-down service. And new tactics aimed at strengthening the movement for better public transport such as non-collection of fares, selective bans, and work-to-rules required a much higher level of union organisation than the traditional strike tactic. In many cases, an isolated tram crew would have to refuse the orders of an inspector and thus risk discipline or the sack. Such actions required a high level of understanding of the issues involved, and a high level of confidence that the trade union would back the workers.

This required the regrowth of job bulletins, job committees and organisation for its success. A group of activists with such a clear and consistent strategy was also needed (especially since these ideas were unpopular at first). The Communist Party played an important role in this.

The unions' involvement greatly strengthened the impact of the community groups. The extensive knowledge the rank and file have of the system was tapped in different ways. Many members believed that it was the bosses who had all the knowledge (except their own immediate boss whom they knew to be a dill). By increasing the members' knowledge of the overall plans the bosses had for the system, members could see the relevance of their own local knowledge. It was then possible for the rank and file to suggest ways of overcoming the problem in the services, and to then gather community support for their proposals. This breakdown of the barriers between politics and unionism offers the potential for a big shift democratic control.

T he biggest weakness in the movement under the Liberals, and still, today, under Labor, is the failure to decisively break the strong hold of certain conservative ideas in the community. There is a general belief that public transport deficits are an enormous burden on the taxpayer and this belief restricts support for growth. There is also a general view that public transport only caters for a minority, that most people want to use or have to use a car and, therefore, more roads must be provided. It is in response to these ideas that the Minister, Steve Crabb, has backed the new freeway projects, put the roads lobby on the new boards,
appointed private enterprise marketers to increase “efficiency” (reduce the deficit), and failed to shift resources from private to public transport. I think Steve Crabb is wrong to cave in to these ideas but it is equally wrong to think that he alone can change them. The strategy of the movement and the government must be to begin to shift resources from private to public transport in such a way that it shifts the dominant ideas on this question.

Planning of Melbourne has been left up to the greedy developers and the motor car industry. There is widespread popular opposition to the consequences of this — pollution, lack of community, closure of local shops, lack of mobility, rundown of public transport, traffic, accidents, noise unsafe local streets, and so on.

Discussion on these questions dominate in local papers and at local councils. The popular feeling on these issues should directly counter the ideas that public transport only caters for a minority and that public transport deficits are too big a burden on the community. However, while people will fight fiercely to keep cars out of their own street, they often act as if what happens in the street next door is none of their business. Transport is seen as a matter of individual choice, not something which will be altered by community planning. Our strategy must be to link the concerns about transport and planning at a local level to strengthen our challenge to these policies at a city-wide level. This will change the dominant ideas and greatly strengthen the power of union and community groups.

It is not a question of throwing away our methods of agitation, propaganda and the development of the resources and abilities of the activist few, but rather of seeking to arm these activists with a strategy which will make our ideas the conventional ones. Of course, work to develop support and activity within the ALP and its branches is very important, but it is the extra-parliamentary movements (the unions and the community groups) which are crucial. The ALP will respond to the pressure of the movement. The Communist Party can play an important role in the development of an effective strategy through our ideas and discussions and also because of our independence from the ALP. This independence allows us to put our relations with the movements and its activists ahead of electoral concerns.

At the present time, the strategy of the government is contradictory — there are some things which the movement can support and develop while there are others that harm the development of the movement.

The government has placed a great deal of emphasis on better marketing of services. Advertising, cleaner carriages, on-time running, better timetable information, etc. will achieve some significant short-term improvements. However, it is essentially little more than better serving of the existing demand. The demand needs to be changed. Currently, it is reflected in subsidies to private motor travel through low parking charges, and government payment for roads, for services to meet the car-based sprawl, accidents, pollution, etc. The low level of demand is also a reflection of the absence of sensible planning of shops and workplaces and the absence of neighbourhood, local and district centres which can form the basis of public transport nodes. Without this, public transport does not form a reliable network such that, if you want to do something different after work, it is still practical to use public transport.

With the reorganisation of transport there is an attempt to use resources more efficiently to meet demand. This leads to a concentration on radial services to the city which, because of decades of car-based planning, is a declining market. Concentration on radial services also ignores the importance of a network if public transport is to be a viable alternative to the car. Apart from the radial peak services to the city, public transport is seen as serving the disadvantaged — the transport poor. The disadvantaged are less mobile — make less demand — and their benefits are always the casualties of budgetary restraint. The demands of those without access to cars will always be subsidiary to those of the car users until there is a change in town planning.

In the context of existing demand, the policy of better utilisation of resources will quickly take the government down the same road as the Liberals — line closures, job losses, lower level of service (e.g. no more conductors). On the other hand, more efficient use of resources in the context of planning for decreased car dependence will mean more jobs overall and better services. In this context, some new technology, new work practices, transfers and retraining offer a more secure industry rather than a threat to jobs and conditions.

It is the slogan of better utilisation of resources that has led the minister to appoint those former rent-a-car executives to senior positions.

There have been some developments which will assist the projection of a strategy away from meeting existing demand towards reducing car dependence and strengthening those movements which support this. I will discuss a few of these developments.

Some of the recent disappointments such as the fare rises and the go-ahead for the freeways, together with the
roads lobby threat to the good policies, have led to some of the pre-election forces getting together again. This includes conservation, energy, transport action, and community groups, local councils, unions and parliamentarians. There is growing recognition that simply protesting against the bad decisions is the other side of the "leave it up to the government policy". There is an attempt to develop a long-term alternative strategy to link transport and planning policies, strengthen the movements and change public opinion. Already, local councils are taking initiatives in this area — formulating progressive policies and acting to pressure and support the government to carry out policies to reduce car dependence. Success in this area depends on involving those concerned to protest at the failings of the government while not collapsing into a simple oppositional strategy. Those interested in a particular reform will not become interested in a broader strategy if their particular issue is forgotten. The strategy must not become subordinate to the interests of an ALP government, or it will fail.

The policy currently being implemented which will do most to build a strategy for reduced car dependence is the tram priority program. Here, the government is challenging the established ideas and the roads lobby. Under the slogan of the fairway, the idea is being sold that it is in the interest of the community to make tram trips faster and more reliable. Just the existence of the policy has raised the level of debate on these fundamental issues in the community.

Tram priority was included in ALP policy because of the union and community movements before the election. Since the election the tramways union has been involved on a day-to-day basis with the implementation. The organisation of the committed can be a dismal failure when challenging the strength of the militants and create new activists. The tasks are such reforms arises from more risk and under pressure but, because of the process described above, we will achieve something significant. The use of the new information and rights before it is too late. To make effective use of the new information and rights will require considerable changes in the unions themselves as well as training and resources.

The government has retreated to some extent and the scheme is still at risk and under pressure but, because the process described above, we will achieve something significant. The value of reforms which increase the access to information and the involvement of the union rank and file is evident. Rank-and-file support for such reforms arises from more immediate demands. Campaigns over recent years have developed an understanding that the stresses of inadequate running time, long shift portions and traffic strain are related to ulcers and heart disease. Tram priority and improvements in the service offer some potential improvement. Previously, these things were seen as either the passengers' business, or "facts of life".

I think this illustrates the need to clearly develop two levels of work — propaganda and activity that develops the strength of the militants and activists, and activity and propaganda which challenges conventional ideas in a way which will impact wider forces and create new activists. The tasks are not the same and both are successful. Propaganda which may be successful in organising the committed can be a dismal failure when challenging established views in the community. The organisation of the committed is, of course, critical to any shift in the broader community.

Another reform which has the potential to shift the balance of forces is the consultative procedures laid down in the new Transport Act. Unions and user groups will have much expanded rights to information about planning and budgeting, and proposals for organisational and technological change. To deal with this important matter in detail would require another article but the consultative mechanisms were initiated by the unions. A three-day seminar for shop stewards throughout the industry concluded that this was an important issue to take up in the restructuring of the Authorities. Under the new procedures, the independence and freedom of unions and management to

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PHOTO ESSAY

Women For Survival

Pine Gap

November 1983

1. Sign and wreath outside the Alice Springs courts while women's cases come before the magistrate. (Fiona Moore)

2. Double our Numbers banner. (Fiona Moore)

3. Celebrations after the reading of hundreds of support telegrams. (Fiona Moore)

4. Parallel line-ups where the Pine Gap gates once stood. Protesters sang into the faces of police for several hours. (Fiona Moore)

5. Pine Gap community singing. (Susan Midgely)

6. Emily Gap — where the men's support group camped. (Fiona Moore)

7. Theatre at Pine Gap. (Susan Midgely)

8. Women cooling off after breaking through the fence on Sunday (Fiona Moore)

9. Part of the march to the main gates — November 11. (Susan Midgely)
The "sunrise" industries policy has undoubtedly been a major political success for the new ALP federal government. Against a backdrop of continuing crisis in Australian industry, the "sunrise" industries appear as symbols of hope and regeneration, promising a bright new industrial dawn, and giving credence to the election propaganda of a "campaign of national reconstruction". Moreover, they are said to be the harbingers of the so-called "technological revolution".

"Sunrise" industries are the rising sun of a mighty new movement of new technology, changing the entire face of industry in roughly the same way as the advent of steam and mechanisation changed the face of Britain during the Industrial Revolution.

This statement, from the chairman of the Australian Scientific Industry Association, was quoted in an article on the front page of one of the leading Australian daily newspapers recently. The prominence and implicit credibility given such an extraordinary claim highlights the urgency of the task for the left in deciding where it stands in the midst of an apparent "revolution". Are the "sunrise" industries really going to be our industrial saviours and, equally importantly, are our existing industries really doomed to eventually disappear into the industrial "sunset"?

Before attempting to answer these questions, however, it is as well to recognise that the "sunrise" industries policy is not a peculiarly Australian product. It represents, in fact, another manifestation of the general social phenomenon, apparent in all the major advanced industrial countries today, of an increasing preoccupation with the economic, social and political consequences of technological change and scientific development.

In large part, this increasing preoccupation is a response to the profound social, political and moral implications of the new developments in areas such as genetic engineering and the like. But it is also, though less obviously, a consequence of the continuing international economic downturn. With traditional strategies for the stimulation and even mere maintenance of economic growth in capitalist countries having, for the most part, failed over the last decade or so, policy makers have increasingly turned their attention to the contributions of scientific and technological development. One of the most striking expressions of this new focus of attention was to be found in the communique of the June 1982 "summit" meeting of the heads of the seven major advanced capitalist nations:

The revitalisation and growth of the world economy will depend to a large extent upon co-operation between countries in the exploitation of scientific and technological development. Industrialised countries will have to exploit the immense opportunities presented by new technologies, particularly for creating new employment ....

In this sense, then, the March 1983 federal election presented Australia with an opportunity merely to fall in step with the rest of the capitalist world by voting .... for a new ALP government which had, as a central plank of its economic, industry and science and technology platforms, a commitment to special government assistance for 16 new "high" technology-based industries; the so-called "sunrise" industries.

Much of the credit (or blame) for the policy undoubtedly lies with the indefatigable energies of the new Minister for Science and Technology, Mr. Barry Jones. He was also the
A large part of the Labor government's strategy for employment rests on the claims of so-called "sunrise industries" — the futuristic industries based on microprocessors, computer software, genetic engineering and so on. But what are the implications of this policy for employment and for Australia's beleaguered manufacturing industry where most jobs are now located? Are the sunrise industries a promise or a threat? ....
person who first introduced the industrial metaphors of "sunrise" and "sunset" into the everyday lexicon of Australian political economy. It's probable, too, that Jones borrowed both these metaphors, and much of the intellectual baggage that goes with them, from America, where they seemed to enter the language about the same time as the emergence of the "Atari" Democrats grouping in the U.S. Congress, i.e. about mid to late 1981*. But they were almost unknown in Australia in the middle of 1982 at the ALP's biennial national conference when the new policy was first unveiled.

Strictly speaking, they were not actually a part of the science and technology platform adopted at the ALP's national conference, but only included in a paper prepared by Barry Jones to accompany the new policy. In fact, they were only initially slipped into the text in brackets, as can be seen from the following extract.

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... can a nation with only 15,000,000 people, a mere 4 percent of the English-speaking world, and whose high-technology industries are overwhelmingly under foreign control, make a transition towards newly developing types of high-technology ("sunrise") industries as wealth generators, and which will compensate for the long-term decline in employment in traditional manufacturing ("sunset") industries?" Leaving aside the etymology of sunrise and sunset for the moment, the question Jones asked clearly begs an answer. The answer he gave was, of course, yes, and the list of "sunrise" industries to be established was given as—

- biotechnology
- computer software
- bio-chips
- scientific instruments
- solar energy
- hydrogen generation and storage
- shape memory alloys.

By the time of the election, some seven months later, the "sunrise" industries metaphor had become part of the official policy and the list of new industries to be established had grown to 16. The policy had also, by the time of the elections, become incorporated in the manufacturing industry policy as well, and was, in fact, jointly released during the campaign by Barry Jones and John Dawkins, then shadow minister for industry and commerce. The following extract is from the manufacturing industry policy document released in February 1983:

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... It is a matter of urgency that Australia takes steps towards newly developing "Sunrise" industries as wealth generators, and to compensate

Old human error! More seriously, though, the policy established an entirely new principle in Australian industry and industry assistance policy: namely, the selection of a list of industries for special government assistance. In economists' vernacular, the ALP's new policy has put the government in the business of "picking winners" in the industrial market place.

To most conservative economists, with their child-like faith in the superiority of the free market, and a deep-rooted aversion to almost any form of government intervention, the sunrise industries policy is therefore an abomination. If "picking winners" is about picking future profit makers, they would argue, then this is best done by corporations and entrepreneurs, for making profits is their special skill; governments, they would argue, have a proven track record for picking losers — the Concorde being an oft-quoted example.

For my purposes here, this is largely irrelevant. More important, now that the ALP is actually in government, is deciding whether the industries that have been "picked" are, or are not, ever going to be "winners". Of course, this is impossible to predict in advance of their actual establishment and operation. But it is possible to get some sort of idea as to the probability of the chosen industries turning out winners by looking at the criteria used in choosing them.

Unfortunately, the criteria are nowhere clearly spelt out in the policy documents, and it is only possible to piece them together from various comments by Bob Hawke and Barry Jones. Hawke, for instance, in his campaign opening speech said that, "We will select new intermediate and high technology industries in which Australia has special skills and opportunities and support their establishment." But this is so general as to be useless. A more detailed exposition on the selection criteria was given by Jones to an industry conference earlier this year where he said that the list actually chose itself, and that the sunrise industries chosen fell into two different categories:

1. areas where Australia was at the leading edge of research and where an international market niche seemed likely, or
2. areas where Australia would itself provide a major market.

However, later on in the same speech he also claimed in respect of the selection procedure that

... we put emphasis on high potential sectors where we have a comparative and competitive technological
Leaving aside the question of what a "high potential sector" might be, it is fairly clear that the selection criteria change somewhat each time they are described. Looking at the list again, it is also apparent that "biochips" was considered eligible for inclusion in a list of only seven in July 1982, but not eligible for a somewhat larger list in February 1983. One is tempted to inquire as to whether our "comparative and competitive technological advantage" in "biochips" manufacture somehow evaporated in the space of only eight months. Variation between the two lists might be said not to matter very greatly, in so far as the lists are only meant to be "indicative" and not "exhaustive", but many have since taken the list to be very much fixed and, indeed, recent press reports refer to it as "the big 16". To add to the confusion, the report also described the list as 16 "categories" of sunrise industry. For good measure, the "big 16" were said to have been chosen because they are fields in which Australian technologists have made good progress despite poor financial resources.

The question thus arises as to the basis on which any such list of "key" industries should be chosen. The fuzziest of notions underlay the choice of the so-called "big 16". Orthodox economics would, of course, respond "comparative advantage". Certainly, this was cited as one of the rationales used in the ALP's (or Barry Jones') selection process but, looking again at the list, it is difficult to see that any of them are areas in which Australia has a clear comparative advantage. Indeed, one commentator recently claimed that "Australia has no obvious comparative advantage in high technology". He went on to demonstrate his point in somewhat humorous terms by listing the various advantages that have been claimed by the different Australian states in their attempts to attract high-technology industries:

... clean water for Canberra, pure air for Tasmania, tertiary education for Perth and Adelaide, the existing Australian electronics industry for Newcastle and Wollongong, "bright people" and "established reputation" for Queensland.

The concept of comparative advantage is obviously subject to interpretation in itself. Economic history textbooks, for instance, would put the best of my knowledge, still claim that the utter destruction of Japan's and West Germany's industrial bases in World War II gave those countries a subsequent comparative advantage in industrial development, due to their industry having to start from scratch with the latest and most sophisticated technology and capital equipment. Accordingly, I am almost prepared to accept Barry Jones' dictum that "... in the area of high technology industry, comparative advantage is not bestowed, but rather created" and, for the moment, forget about worrying as to how we are ever going to create in this country a comparative advantage in "fusion research", for instance.

Sunrise Industries or Sunrise Technology

The second problematic aspect of the list is related to the concerns arising from the poorly defined selection procedure. In short, the second problem is whether the "sunrise" industries are really "industries" or, in fact, whether they could be more appropriately called sunrise "technologies". Returning to the list again, it is fairly clear to see that some of the "industries" listed are quite product-specific, as it were, such as custom-made computer chips, while others, such as communications technology, are really very broad, covering, in fact, a generic field of products. Communications technologies nowadays include such diverse ranges of technologies and products as television, radio, telephony, satellite communications, etc. etc. Other elements of the list are only indirectly, or even not at all, related to products and would probably best be described as possibly very promising areas in pure science and technology research.

The list is, then, in itself, somewhat confused, and contains a heterogeneous range of products, generic fields in technology, and promising areas of scientific and technological research. Not surprisingly therefore, it has been the source of a good deal of confusion and has, as we shall see, caused a great deal of difficulty in implementation.

Unfortunately for the Atari Democrats, Atari Inc. ran into financial difficulties very shortly after they started using its name. To add to their embarrassment, Atari began laying off some hundreds of its workers and eventually closed up some of its American plants and relocated them in South East Asia.

The Policy Rationale: Post-Industrialism & Employment

The third problematic aspect of the sunrise industries policy derives not so much from the list itself, but from the accompanying rationale for the policy and, in particular, the claim that the urgency of the need to identify "key" sunrise industries deserving of government support rests, in large part, on the need to develop industries as wealth generators and "... to compensate for the long-term decline in employment in our traditional manufacturing industries".

The question of how much "wealth" and how much employment the new high-technology industries might generate was addressed in some detail at the IAC's public hearings on its new technology references early this year.

Clearly, there is little point in the government granting a great deal of assistance to an industry which is never going to produce a great deal of wealth or employment. Of course, at the same time, it is very difficult to predict with any accuracy what an "infant" industry's eventual employment and wealth-generating capability might turn out to be. The Department of Science and Technology, in its submissions to those hearings, was pressed to make some predictions, but was sufficiently cautious not to do so beyond pointing out that high-technology industries overseas had experienced high growth rates. The minister was, however, not so cautious in his interview published in the department's new glossy magazine "Ascent" (to the summit?)

He clearly believes that not only will the sunrise industries themselves grow quickly, but also that they will be major contributors to our aggregate economic growth.

I think it is fair to say that we have set out two major priorities, first, getting the sunrise industries going because of their economic impact on the community as a whole. It is a major growth factor. If we are going to get a 5% growth rate over a three year period as the Prime Minister has indicated,
CANADA'S CAPITAL
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Factor No.2
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Factor No.3
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The Ottawa-Carleton high tech community is one of the most exciting work environments in North America today. The camaraderie existing among firms such as Digital, Mitel, Bell Northern Research, Gandalf and Computing Devices coupled with access to the new Ontario Microelectronics Technology Centre and the national research establishment places the region at the forefront of new developments. A supportive infrastructure has emerged to help new ideas progress to commercial successes and many new startup firms exist because of this environment.

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*Canada is also banking on "high tech success". This advertisement was placed by the Commercial and Industrial Development Corporation of Ottawa — Carleton in a US magazine devoted to new technology.
The obvious fallacy in this argument is, as the IAC has put it:

The extent to which the development of nominated “sunset” industries could contribute to the employment and growth prospects of Australian industry depends as much on their absolute size as it does on their prospective rates of growth.

Looking once again at the list, it is obvious, not only that none are more than tiny industries currently, by traditional manufacturing industry standards (i.e. where they are, in fact, industries at all), but also that none are ever likely to be very large employers. The reality of the employment potential of the sunrise industries is, indeed, one of the most peculiar features of the whole sunrise industries policy. Any number of public statements by Barry Jones could be cited to show that he does not believe the sunrise industries will ever be large employers. Certainly, that is the general thrust of his book Sleepers Awake, and what he has told the federal parliament on at least one occasion. Moreover, he has even been fairly reliably reported as believing .... that Australia needs to foster strong high technology industries to create wealth, rather than employment, to allow a smaller proportion of the population to participate in the conventional workforce and keep a larger proportion in reasonable conditions outside it .

Thus, in so far as the policy was sold to the Australian people at the last election (and perhaps earlier to the ALP itself) as designed to "... compensate for the decline in employment in our traditional manufacturing industries", one could well say that the Australian people had been sold the proverbial "pup".

Sunrise versus Sunset: The Future of Manufacturing

The last problematic area in the policy that I would like to address is the nature of the "sunset" industries. As has become clearly apparent since the election, some industries have not taken too kindly to being so called. The term "sunset" industry in fact never actually appears in either of the relevant ALP election policy platforms, but has just as assuredly percolated into our everyday parlance as the "sunset" metaphor. Just as with the meaning of that latter metaphor, however, it is difficult to identify which industries it actually applies to. Barry Jones, for instance, in his enthusiasm to welcome the advent of the post-manufacturing society (or as it is sometimes called, the "post-postman" society), often blithely consigns the whole of the manufacturing industry to the "sunset" category. That is, he supposed post-industrial revolution began in Australia, through to 1973. The increase over the period was some 150,000 jobs. And although manufacturing employment has fallen quite dramatically since 1973, with a loss of nearly 250,000 jobs over the decade from August '73 to August '83, the fall has not been one of continuous downward slide. Most of the jobs, some 200,000 of them, were lost over the five years to 19/8. The current recession has also had a major impact with some 59,000 jobs disappearing in manufacturing during the last year (to August '83), but over the four years from August '78 to August '82, manufacturing employment fairly constant, even showing a slight increase. Similarly, over the three years to 1980-81, eight out of the twelve ASIC manufacturing industry subdivisions showed either a constant or a growing demand for labour.

Clearly, then, the future of manufacturing employment is a contingent matter. Given the right macro-economic conditions, and appropriate government policies, there is every reason to believe, from the evidence that manufacturing employment would begin to grow again. Indeed, the director of the Metal Trades Industry Association said much the same thing when he recently claimed that —

If the potential for the development of metal-based industries can be realised and we achieve employment growth in the order of that recorded after the 1974-76 recession, a minimum of 150,000 jobs could be created in the industry over the next seven years.

In summary, then, it needs to be pointed out that the decline in the absolute level of manufacturing industry employment which has characterised most of the last ten years or so, may not be as permanent as many would have us believe. Certainly, manufacturing continues to produce real wealth and, over the decade to 1980-81, showed real increases in the value of its gross product for all but two years (1974-75 and 75-76) out of the last ten. Thus, if the sunrise industries are only to produce more wealth, and not more employment, in coming years, and require high levels of industry assistance at the same time, one wonders what really distinguishes manufacturing as a whole from the sunrise industries in terms of what they are both expected to contribute to our economic future.

An Evaluation: Prospects and Promises

The great expectations that have been built up around the "sunset" industries policy are likely to be largely unfulfilled. It is, perhaps, just as well, then, for the ALP, that the emerging international recovery has reduced the necessity for the sunrise industries to be among the major contributors to the national economic recovery. One, at least an impressionistic measure of this reduced importance was recently to be found at the national technology "summit" where, over the course of the three days of the conference, the list of sunrise industries failed to come up for discussion at all.

Nonetheless, the budget and subsequent announcements have shown that the sunrise industries policy is still one of the main planks of the government's industry policy. The recommendations of the Academy of Technological Sciences Committee on High Technology Financing have been
almost entirely accepted, and some $200 million in tax deductions is to be made available to investors in companies financing other high technology companies over the next five years. It remains to be seen whether this scheme will actually finance a new venture capital market as envisaged, or whether it will merely attract “vulture capital”, seeking a new tax avoidance shelter. But, either way, it is still a large amount of government revenue which is being foregone — revenue which may well have to be made up in some other area of taxation.

Similarly, the government has announced a program of capital injection of $12.5 million every year, for the next five years, into the government-owned but autonomous Australian Industry Development Corporation (AIDC). More importantly, the AIDC’s borrowing limits have been almost doubled, from something in the order of $800 million to around $1500 million. And the reason given — to enable commercialisation of new CSIRO discoveries.

There can be little doubt, then, that there has suddenly been a comparatively large amount of government money made available for investment in new technologies.

To say that such a development, with little or no safeguards on the social impact of these new technologies, was a probability under a Labor government, would have been unthinkable only a few short years ago. Nevertheless, that is what is happening and, seemingly, with the approval of much of the population and the labour movement. ACTU policy is still that technological impact statements should be enforced on employers introducing new technologies, but even less is heard of prior consultations with employees and unions about technological changes should be compulsory.

What, then, does one make of the sunrise industries policy as a whole. Has it been, in fact, a very successful Trojan Horse, hiding a wholesale commitment by the state to a technological revolution, primarily in the interests of capital, under the guise of an illusory promise of new jobs in new industries for the unemployed. Or is it, instead, a necessary step in the maintenance of the future economic viability of Australia as an independent, advanced industrial trading nation?

There are no easy answers to these questions, however important they may be, and I shall not pretend that I can answer them.

There is, though, one very definite conclusion which can be drawn from all this: that is, that in contrast with the situation in the late 1970s, a type of technological determinism has once again achieved a hegemonic status in Australian society. It is impossible to give a brief and satisfactory definition of what technological determinism is but, in general terms, it refers to those social theories which ascribe social developments as having been caused by autonomous movements in technology, and/or which promote the idea that, for whatever reason, we have no choice but to accept continuing technological development along the same lines as in the past.

The idea can be readily perceived in the terms sunrise and sunset themselves. As metaphors for industries they clearly imply the existence of a cycle in industry development where each industry has a sunrise and a sunset period; periods determined not by general social factors, but by reference to something inherent in the technology incorporated in that industry’s products and/or processes. Thus, a sunrise industry is one built on new technology, while a sunset industry is one whose technology is old and “mature”.

In fact, of course, the economic situation of an industry is determined by a host of other factors besides the relative age of the technology used. Moreover, if the technology that is being used is reasonably modern, then the age of the technology is likely to be one of the least important factors explaining an industry’s relative health or sickness.

Thus, to the extent that the sunrise industries policy incorporates the technologically determinist thesis that certain industries are, because of something inherent in the technology they use, “sunset” industries, the sunrise industries policy is not only wrong, it is dangerous. Little wonder that Barry Jones was not invited to address the national economic summit. Adapting an old but venerable wisdom, where matters of new technology are concerned, let’s look long and hard before we say we have no choice but to leap.
It was not just the Australian left which was saddened by the recent death of Wilfred Burchett. During a lifetime of committed and courageous struggle, Burchett won the respect of socialists throughout the world, and earned the hatred of conservatives in similar proportions. ALR here pays tribute to the man who took an unshakeable stand with the world's oppressed and those struggling for freedom and change — a true internationalist.

Wilfred Burchett grew up in Gippsland, Victoria. He was born in 1911. The date is significant. It meant, for example, that Burchett was 19 in 1930, that in the first years of his manhood, he experienced all the rigors of the Great Depression.

The experience marked him for life — but not in the sense of embitterment, or anything of the kind. On the contrary, it seems to have strengthened him.

Writing in his autobiography *At the Barricades* of his gruelling experiences behind the lines with the National Liberation Front forces in South Viet Nam in the early 1960s, Burchett revels in telling how strong his legs were proving, and goes on to "thank his lucky stars" for his experiences trudging around Australia looking for work 30 years before.

Another important characteristic of the man dates from those early years. Throughout his life as a journalist, it was common for Burchett to be up and at his typewriter as early as three or four o'clock in the morning. He attributed this, quite simply, to his habit of getting up in time to milk the cows when he worked as a live-in farm hand on a Gippsland dairy property during the depression.

I had reason to be grateful for Burchett's early-morning ways when we were together in Paris in 1968. I'd given him a list of questions for an interview for *Australian Left Review*, and he still hadn't given me his replies when we wound up at a party together the evening before he was due to take off from Paris on an overseas trip. We were both determinedly knocking back large quantities of Ricard, a fearsomely strong yellow potion flavoured with aniseed, like Ouzo. Parting at one o'clock, we were both quite drunk. But I still remembered the interview, which I mentioned to him. "You'll have it in
the morning," he said. I knew his flight left at noon, and mentally wrote the whole thing off.

But there he was at the office next morning, his replies neatly typed. "You're bloody lucky to get this," he said, tossing the typescript on my desk. "After last night I overslept, and didn't wake up till five o'clock .... "

I have another, rather idle, recollection of Wilfred which is closely associated with booze. In Peking in 1959 for the 10th anniversary of the revolution, Gavin Greenlees, Wilfred and I were drinking in my hotel room. After days spent in an excess of banqueting, Wilfred lay down on my bed for a rest. He was soon fast asleep, firmly clutching his near-full whisky glass. Gavin and I watched enthralled as the liquor lapped the side of the glass, and we started laying bets as to how long it would be before he spilled some. He slept for just a few minutes short of two hours, woke, sat up, and carefully placed the glass — with its contents intact — on the bedside table. Greenlees and I were amazed. We'd always known Burchett as a steady character, but this was something else even after decades in journalism, Burchett's hands still looked like those of a working man, large and strong, moulded by the millions of movements they had made during his years of manual labour of various kinds during the depression years.

Of course, the depression left marks of a moral and political kind as well. He developed a spirit of identification with the underdog, and a healthy scepticism about a social system capable of producing economic cataclysm such as Australia was enduring at the time. These characteristics never left him either.

One final point about his formative years: as well as milking cows early in the morning, he studied until late at night. His brother Winston, who ran a lending library at the time, had given him books. These he proceeded to devour, in particular devoting himself to the study of foreign languages. Indeed, it was his grasp of German, acquired from the study of Winston's books, that got him his first break in London in the mid-1930s, and set him on the first great adventure of his career, helping Jewish families to escape from Hitler's Germany.

The rest of his story is better known: World War II in Rangoon, Delhi, China, reporting with the US Pacific fleet on MacArthur's island-hopping campaign, and then the event that was the highlight of his career until that time, perhaps of his whole career: becoming the first non-Japanese into Hiroshima after the dropping of the atomic bomb in August 1945. He thus became the first person in history to write on the mysterious radiation sickness that afflicted survivors of the bombing.

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Let one of his colleagues of that time, Jim Vine, of the Brisbane Courier-Mail, tell the story. I certainly couldn't tell it as well. Harry Gordon printed Vine's report in his remarkable 1976 book on Australian journalism, An Eye-Witness History of Australia. Gordon introduced it as follows:

"Once in a while, a reporter becomes a figure of news himself. Such reporters included Ernest Morrison, William Donald, Banjo Paterson; and much later, for various reasons, Douglas Wilkie and Alan Ramsey.

There is justification, occasionally, for one journalist to take a published look at another — as Paterson once did at Morrison. Here Jim Vine, the Courier Mail war correspondent, wrote about Wilfred Burchett.

Burchett had a flair for making news even in 1945 when he became the first newspaperman to enter Hiroshima, and later "liberated" five prison camps. Years later, reporting the Korean war from the communist side, he made news again. And again, in his long and finally successful battle to win back his Australian passport.

Jim Vine's report was published in Australian newspapers on 11 September 1945.

Jim Vine's report said:

A pocket handkerchief-sized Australian, Wilfred Burchett, left all other correspondents standing in covering the occupation of Japan.

Armled with a typewriter, seven packets of K. rations, a Colt revolver, and incredible hope, he made a one-man penetration of Japan, was the first correspondent into atomic bomb-blasted Hiroshima, and "liberated" five prison camps.

Burchett, a Sydney Daily Telegraph correspondent, was told by his office to get to Hiroshima somehow, but quickly.

The quickest and only way was by train, a 21-hour journey, but he got there, after standing all the way, six hours before a special batch of correspondents landed in a Super-Fortress.

For those six hours he was the only white man in Hiroshima, which had had a quarter of its population wiped out in a single bomb raid. The Japs did not exactly strew his path with flowers,
and the situation at times was tense. Before leaving Tokio, Burchett had arranged with the Japanese news agency, Domei, to receive his copy, which was to be transmitted on the Japanese telegraph, but the plans came unstuck when MacArthur placed the capital out of bounds. With the roads blocked, Henry Keys, of the Daily Express, London, also an Australian who was teamed with Burchett, tried three times in a day to get to Tokio from Yokohama by train, but was thrown off each time by provosts.

Burchett and Keys solved the problem by hiring an English-speaking Japanese to act as runner between Tokio and Yokohama, but the delay cost Burchett his scoop. As it was, he broke even with the Super-Fortress group, who had flown provosts.

Burchett and Keys solved the problem by hiring an English-speaking Japanese to act as runner between Tokio and Yokohama, but the delay cost Burchett his scoop. As it was, he broke even with the Super-Fortress group, who had flown provosts.

After Hiroshima, Burchett embarked on his one-man liberation tour of prison camps, visiting two on the West Honshu coast and three on the Inland Sea, before official rescue parties reached them.

At Tsuruga camp he sprang a masterly piece of bluff which caused hundreds of Japanese to lay down their arms and gave the inmates their first steak dinner in three and a half years. Here the inmates were alarmed at the increasing concentration of Japanese soldiers, all fully armed. Burchett sent for the camp commandant, known as "The Pig", refused to answer his salute and bow, and, with delighted American Marines for an audience, upbraided him soundly for not seeing that the surrender terms were carried out ....

When I first read Vine’s report in Gordon’s book back in 1976, I immediately sent a photocopy to Wilfred in Paris. He wrote back ecstatically, saying he’d been hunting for a copy of Vine’s report not only for years, but for decades, and here I’d sent it to him just when he needed it most (for a book he was writing for a London publisher). He went on to pay quite unwarranted tribute to my "telepathic powers...."

Much more could be said about Wilfred Burchett: about his behind-the-scenes role in a dozen different historical-diplomatic situations — with Wingate in India during the war, with Chou En-lai in Chungking a little later on, with Pham Van Dong at the Geneva Conference in 1954, and, most notably of all perhaps, with the Vietnamese and Americans in Paris and Washington in the ‘60s and ‘70s.

Through it all he remained unflappable, maintaining the calm and the dignity of the superb diplomatist which he had become. Partisan he was, yes. But he was absolutely tenacious in his pursuit of the facts, "the true facts" as he likes to call them, and intolerant of any sloppiness in colleagues less committed to the cause of accurate reporting than he.

There is little doubt that Wilfred Burchett, the man whose memory we honor here today, will in time receive his due, and be universally accepted as one of the genuinely great Australians of our times.

Already, in the days since his death, many people who have it in themselves to rise above the political pornography of the Cold War are acknowledging Burchett’s achievements in terms hardly heard from them before.

Peter Robinson, one of the keenest minds in Australian metropolitan newspaper journalism, writes that, together with Richard Hughes, Burchett was "among the most significant journalistic interpreters of Asia to the West over the past 40 years". He goes on: "Curiously, it is through the eyes of these two Australians that a significant part of the world’s newspaper readership came to know a bit more about Asia."

Robinson describes Burchett (whom he met at the Panmunjom Korean armistice talks) as "an intelligent and free spirit". He quotes Richard Hughes (whose politics would be several light years to the Right of Burchett’s) as nominating Wilfred "one of the best and bravest correspondents I’ve ever known".

Already, before Burchett’s death, that quirky conservative Max Harris had conceded that, in terms of authentically worldwide repute, Burchett just had to be acknowledged Australia’s "most famous" journalist.

The memory of the persecutions to which he was subject through the pettiness of Australian officialdom, anxious to score their Brownie points with Washington in the Cold War, will shrink to nothing.

Given the magnitude of his life’s achievement, the stature of Wilfred Burchett can only grow.

Malcolm Salmon was a correspondent in Vietnam in the 1950s and again in the 1970s. He is the assistant editor of Pacific Islands Monthly.

This tribute was one of several given at a meeting of friends and colleagues of Wilfred Burchett held in Sydney on October 14, 1983.
Hiroshima, which was atomic bombed on August 6, looks as though a monster steam-roller had passed over and squashed it out of existence.

In this first testing ground of the atomic bomb I have seen the most terrible and frightening desolation of four years of war reporting.

Thirty days after the atomic bomb destroyed the city and shook the world people are still dying mysteriously and horribly from its effects.

People who were not injured in the explosion are dying from something unknown which could only be described as the atomic plague.

Hiroshima does not look like a normally bombed city at all.

The damage is far greater than any photographs can show.

After you find what was Hiroshima, you can look around for about 25 square miles, and there is hardly a building standing.

It gives you an empty feeling in the pit of your stomach to see such man-made devastation.

I picked my way to a shack used as a temporary police headquarters in the centre of the vanished city.

Looking south, I could see about three miles of reddish rubble.

This is all that the bomb left of dozens of blocks of city buildings, homes, factories, and human beings.

Nothing stands except about 20 factory chimneys without factories.

Looking west, there are half a dozen gutted ruins, then nothing for miles.

The Bank of Japan is the only building intact in the entire city, which had a population of 310,000.

I saw people in hospitals who apparently suffered no injury, but are dying uncannily from the effects of the bombing.

For no obvious reason their health seems to fail.

They lost their appetites, their hair fell out, and bluish spots appeared on their bodies.

They then began bleeding from the ears, nose and mouth.

Doctors first diagnosed them as sufferers from general debility, and gave them vitamin injections.

The results were horrible.

Their flesh began rotting away from their bones, and in every case the victim died.

Minor insect bites developed into great swellings, which would not heal.

Slight cuts from falling brick or steel splinters caused acute sickness.

The victims began bleeding from the gums, then they vomited blood and died.

Nearly every scientist in Japan has visited the city to try to relieve the people's sufferings, but they themselves became victims.

A fortnight after the bomb was dropped they found that they could not stay long and suffered from dizziness and headaches.

In the day I stayed in Hiroshima — nearly a month after the bombing — 100 people died.
They were some of the 13,000 seriously wounded who are dying at the rate of 100 daily, and will probably all die. Forty thousand people were slightly injured. Counted dead number 53,000 and another 30,000 are missing, which means they are certainly dead. That is one of the effects of the first atomic bomb man ever dropped and I don’t want to see any more. While walking through this wilderness of rubble I detected a peculiar odor unlike anything I have ever smelled before. It is something like sulphur, but not quite. I could smell it where fires were still smouldering or bodies were being recovered from wreckage. I could also smell it where everything is still deserted. Japanese say it is given off by gas still issuing from the earth soaked with radio-activity released by the split uranium atom.

The people of Hiroshima are still bewildered and afraid. They walk forlornly through the desolation of their city with gauze masks over their mouths and noses. From the moment this devastation was loosed on Hiroshima the people who survived it have hated the white man.

The intensity of their hatred is almost as frightening as the bomb itself. Japanese authorities thought that the Super-Fortress which dropped the bomb was leading in a normal attack. When the plane passed out of sight thousands came out of shelters and watched the bomb descend by parachute. It exploded when nearly everyone in Hiroshima was in the streets. Hundreds and hundreds of people were so badly burned in the terrific heat generated by the bomb that it was impossible to distinguish their sex. There is no trace of thousands who were near the centre of the explosion. The theory in Hiroshima is that they were burned to ashes instantly by atomic heat.

The water in the city has been poisoned by chemical reaction. The Imperial Palace at Hiroshima, once an imposing building, is a heap of rubble three feet high. Scientists have noted a great difference in the effects of the bombing of Hiroshima and that of Nagasaki, attacked two days later. When the bomb dropped on Hiroshima the weather was bad, and a big rainstorm developed soon afterwards. Scientists believe the uranium radiation was driven into the earth, causing this man-made plague. At Nagasaki the weather was perfect, and scientists believe the radio-activity was dissipated into the atmosphere more rapidly.... Death came swift and sudden at Nagasaki, and there have been no after-effects like those at Hiroshima.

Wilfred Burchett,
Sydney Daily Telegraph,
6 September, 1945.
The Marcos Regime is in deep political crisis with a constant barrage of demonstrations in the cities and guerilla war in the islands and the countryside. His opponents can now be found in the villages and in the office blocks of the cities as the economic policies imposed by the U.S. through the I.M.F. and the World Bank grind down the living standards of a growing number of Filipino workers and smaller capitalists. The days of the regime are numbered as the ailing Marcos clings to power while his army cronies brawl over his successor.

The circumstances of my interview with Gerry de la Cruz in a provincial prison on Negros Island, 300 km. south of Manila, were trying. Just a few feet from the table where I sat, the guards were beating a slight prisoner about the torso and legs with a heavy table leg. But Gerry's story was more remarkable than the circumstances of its telling and it held my attention.

Gerry related the events which led up to his murder of Mr. Pereche, the manager of the sugar plantation where Gerry had lived and worked for much of his life.
Now 22, he grew up in the cluster of tiny workers' cottages crowded inside the plantation compound, and spent his school holidays doing light work in the cane fields alongside his parents. Gerry's aspirations for a high school diploma and a technical degree ended in 1977 when the manager, Mr. Pereche, announced an end to educational loans. Gerry, then 17, joined a crowd of a dozen ex-students who worked in the fields several days a week during the six months milling season, and spent the rest of the year just "standing by" in the compound. In 1980, management purchased several John Deere tractors and two sets of mechanical cane cultivation implements from Hodge Industries in Queensland. The new machinery rendered most casual labour redundant and, by 1981, Gerry's family, like many others, was feeling the pinch. Gerry's father, an ordinary field hand, reduced the family's food to an uncomfortable level and began asking for loans and second-hand clothes from neighbours.

One afternoon, Gerry and four unemployed sugar workers waited in the high cane along the road to the compound. As Mr. Pereche's Toyota
Like laborers across the archipelago, the sugar workers of Negros are thus double pressed. Massive capital investment in all industries has rationalized production and reduced employment. Since the declaration of Martial Law in 1972, the Philippines has accumulated a foreign debt of $16 billion, with some 2.6 billion of that total from the World Bank. Local banks, in turn, have made loans to large corporations and investors for major development projects. In Mindanao, extensive banana, palm oil and pineapple plantations have forced Christian and tribal small-holders into poorly paid wage labour or unemployment. The sailcraft fisherfolk who inhabit the strand about the archipelago's thousands of islands have recently found their catch dwindling in the face of competition from sonar-guided trawler fleets. Manila's legions of petty entrepren­eurs, jeepney drivers and market vendors are losing out to palatial, airconditioned shopping malls and government-financed bus companies. But as the job market shrinks, the country's post-war population explosion has spawned a vast reserve of unskilled labourers who are just now flooding into the workforce. Well over half the Philippine population is under 19. In the past five years, unemployment has doubled nationwide to 15 percent and reached 26 percent in Manila, and these figures probably conceal the true extent of the problem.

President Ferdinand Marcos' decade of dictatorship has seen a dramatic decline in living standards from a base that was already dangerously low. Economic indicators show a 30 percent decline in real wages between 1972 and 1978. The slide continues today. In 1982, there was a 16 percent increase in consumer prices and little wage increase for most workers.

It is not a simple matter of just feeling hungry. Most of the poor can still fill their stomachs with banana, rice and fish sauce. But such nutrition cannot resist the heat and disease of the tropics. A pediatrician working in a mining town in southern Negros told me that over 90 percent of the children in her area were infected with intestinal worms up to 20 cm. long and the thickness of a fat earthworm. The first time she dewormed the village children, the average number of worms per child was 60 and one child had 251. While most developed nations have an infant mortality rate below 25 per 1,000 live births, the Philippines has an average of 65. In poor areas like Samar Island, the rate is 80, and in Manila's Tondo slum district the infant death rate reaches 130 per 1,000.

Adults do not escape health problems. One factory physician told me that 75 percent of the 1,200 workers under his care had some degree of TB infection. "Most of my patients", said one rural doctor from Central Luzon, "carry TB in their lungs, amoebas in their intestines and inadequate nutrition in their stomachs — a situation that makes them exceptionally vulnerable to infectious diseases such as influenza, cholera and hepatitis." Five years ago the Asian Development Bank reported that average daily food consumption in the Philippines had declined to the lowest level in Asia.

After a decade of such unrelenting pressures, the country's workers and peasants now feel a very strong sense of anger and injustice. When Marcos declared Martial Law a decade ago, most were inclined to believe his promises of a revolution from above for the common man. Marcos promised land reform, social justice, the destruction of the old, corrupt oligarchy, and a new society. Ten years later, people have seen injustice from an abusive military, the creation of a rapacious new oligarchy of presidential cronies, massive land alienation, and a society more tawdry than the one it replaced. Perhaps more important, the constant erosion of working conditions and living standards has pushed most people into a grinding poverty that offends their fundamental sense of dignity.

Listening to this outpouring of anger from workers over the past two years, I was reminded of the inscription by the writer Nick Joaquin at the base of a massive bronze water buffalo in Manila's Luneta Park. I misquote from memory. "Like the Filipino tao (peasant), the carabao (water buffalo) is patient and long-suffering, but when finally aroused rampages in an uncontrollable rage."
of collapsing within a week, picketing continued night and day for four weeks, despite a dwindling strike fund and an escalating military presence.

When the Supreme Court declared the strike illegal on technical grounds, the authorities needed fire hoses and 200 soldiers to break up the picket lines. Although strike funds were exhausted, most workers refused to return to the mill until hunger left them no alternative. A year later, there are still 100 to 200 militants who prefer penury to capitulation. Through conversations with several of these die-hards, I gained the impression that their anger was over something more than just hours and wages. They were bitter about the government, the military who broke the strike, and the misery of their lives.

Although longer than most, the La Carlota strike is not exceptional. To attract export processing industries, the Marcos government banned strikes and held down wages until 1975. Between 1975 and 1979 there were 400 strikes led by a radical underground labour movement. In defiance of the government's own trade union confederation, these wildcat unions coalesced, on May Day 1980, into the "May 1st Movement", a million-member confederation with undefined ties with the underground Communist Party.

The most dramatic evidence of this growing anger is the sudden growth of the New People's Army in the past three years. Founded in 1968 by student leaders from the University of the Philippines, the Communist Party of the Philippines broke definitively with the old Moscow-line party and organised the New People's Army (NPA) to wage Maoist-style guerrilla warfare. The new party spent its early years in bitter internecine warfare with the old party — warfare which involved a number of assassinations in Manila and mutual betrayals to the Philippine Army's intelligence service. Once Martial Law was declared in 1972, the new party's student membership fled to the hills and joined the NPA. This early attempt at guerrilla warfare was rather like a children's crusade. Raised in the cities and indulged by their middle class parents, most NPA guerrillas stumbled hopelessly about the mountains falling victim to disease, insects, peasant informers or military ambush. Betrayals were common in these early years. In the mid-1970s, the NPA's ambitious expansion in the Bicol region of southern Luzon collapsed when the zone's number two commander bartered the names of his followers to the Philippine Army for amnesty and money.

When I came back to Negros in 1982, the change was remarkable. Supported by embittered workers and peasants, the local NPA organisation had grown into an effective guerrilla unit of 100 to 200 troops that controlled a sprawling liberated zone in the southern part of the island. After hearing Gerry's story and learning of growing NPA influence from workers on his plantation, I decided to spend a week looking into the face of this revolution.

Two hours' drive south from the provincial capital, Negros' broad coastal plain of sugar plantations rises into a vast, undulating plateau of forest and small farms. The plateau was not settled until the 1950s when pioneer families from the sugar districts began clearing small farms of five to ten hectares. A quarter of a century later, on the eve of the NPA's penetration, the plateau was still very much a frontier. Isolated farming families suffered raids from bandits, and women walking to and from remote fields were sometimes raped. Cattle rustling and random violence were endemic. Much of the land had been corruptly titled or claimed by wealthy urbanites, and land-grabbing threatened the future of many small farmers. Roads are bad, schools worse, and other services non-existent. There are virtually no doctors, hospitals or clinics. Only the Catholic Church seemed at all concerned. In 1969, the province's Bishop Antonio Fortich installed an antiquated sugar mill from Puerto Rico to provide additional income for the plateau's struggling farmers. The Columban order established a thin network of mission parishes staffed by Irish and Australian priests like Fr. Niall O'Brien and Fr. Brian Gore.
The NPA established its base on the southern plateau in the mid-1970s. During a week of intensive interviewing, hiking, and driving about the plateau, I met nobody who had anything but praise for the NPA which has created an effective government apparatus welcomed by frontier farmers. Rapists have been shot or buried alive. Stolen water buffalo, a farmer's most valuable asset, are recovered and returned. NPA officers mediate local disputes and prevent conflict from becoming vendetta. Several land-grabbers have been executed as a warning. When a lumber company security officer returned to work the 1,000 ha. he had stolen from small farmers, the NPA raided his camp, killing both him and his wife.

One afternoon I came across a remote hamlet where eight NPA troopers, armed with M-16s, were conducting a “seminar” for the young men of the area. The lectures were something of a morals lesson — respect your parents, work hard, don't fight with your mates and don't sleep with a woman before marriage. The NPA imposes no taxes and survives by raising crops in remote mountain fields or by buying their food from villagers.

As the NPA strength in the area grew, the local Philippines Army command sent in regular and irregular forces to suppress the revolt. Army task forces swept the plateau repeatedly — raping women, torturing civilians, executing suspected NPA supporters, stealing pigs and demanding bribes. For several years in the late 1970s, the Army unleashed a ten-man death squad led by a notorious killer. In the end, his reign of rapine became an embarrassment and he was gunned down, many suspect by the army itself. Since the NPA faded away as the army approached, neither tactic caused the guerrillas any serious difficulties. Quite the contrary. Military excesses strengthened civilian support for the NPA and angered the Church. After each military operation, the people complained to the Columban priests who demanded that their Bishop file a formal protest. Once a military police pack-raped a suspected NPA courier and confined her in a distant military hospital. The Columbans learned of the incident and forced her release. Late last year, the Army arrested Fr. Gore and Fr. O'Brien and charged them with subversion.

Last month, the NPA demonstrated its strength by marching 100 well-armed guerrillas into Candoni, the plateau’s only major settlement. The troops executed two local militia, seized weapons, and occupied the municipal hall for several hours. Candoni is not much — a few shops and wooden houses dotting a concrete road grid. But it is the first time that NPA forces have seized a town in Negros.

It is in the remote areas like southern Negros that the NPA has built its mass base over the past five years. The Marcos government has filled Manila and the secondary cities with spies and informers who regularly deliver NPA cadre for lavish rewards, while the lowland plains suit the Philippine Army's conventional search-and-destroy operations.

But, in the remote areas, the NPA has grown into a guerrilla force of 12,000. It conducts operations across the archipelago, and can claim liberated zones in the mountains of northern Luzon, the Bikol Peninsula in southern Luzon, Samar Island, Negros, Panay Island, and Mindanao in the far south. Mindanao, the Philippines second-largest island, will probably be the site of the first major NPA victories.

T he NPA has built up an extensive mass base and strong forces in the Christian areas of the island's eastern half. Recent NPA offensives have punished the army's Southern Command, and the regime responded last month with a heavily publicised airlift of Marine reinforcements, hosted by First Lady Imelda Marcos. The March 24 edition of The Bulletin Today, Manila's leading daily, headlined an army intelligence report claiming that the NPA plans to blunt the army's offensive by overrunning the army's main Mindanao bases. If these reports are accurate, the Mindanao NPA may be approaching main force strength.

By any standard, the NPA growth is impressive. But the guerrillas are still years away from their final march on Manila. In an archipelago like the Philippines, a long march becomes a long swim. As long as Marcos holds the loyalty of his 150,000 troops, he can maintain strategic control over the sea lanes and contain the NPA in their remote islands. Cut off from Manila by a natural sea barrier, the NPA cannot concentrate its scattered forces for an assault on Manila, a final offensive like Mao’s drive for Shanghai in 1949, or the Vietnamese Army’s push for Saigon in 1975. Given the current balance of forces, the NPA can only take power if the Marcos regime self-destructs. And even if the regime does collapse, the Communist Party will still have to form a broader coalition with elements of the old Manila oligarchy, the urban middle class and the military before the guerrillas can march into power.
The Marcos regime is indeed rotting from within. After 18 years in power, Marcos' cronies have become corrupt beyond imagination, the bureaucracy has ossified, and an entourage of scyphophants isolates the regime from the news of its decline. In its early years the regime showed some promise. Marcos declared a massive land reform to endow the nation's poor tenant farmers. He closed Congress, bastion of the provincial warlords, and wiped out several vast financial empires in the name of social reform.

Five years after the declaration of Martial Law, it became apparent that Marcos had created a new oligarchy of relatives, in-laws, cronies and allies. As $16 billion in foreign loans poured into Manila's banks, only those deemed "reliable" had access to credit. While the old elite stagnated, the new oligarchs scaled the financial heights. With the help of a call from Malacanang Palace, an inconsequential crony could gain access to, let's say, a $60 million loan for a sugar mill. Since Japanese contractors pay a minimum 10 percent kickback on their machinery, new sugar mills began popping up in unpromising locations in the late 1970s. Most have since gone bankrupt. The object of the exercise was, after all, a ten percent kickback, not a ten percent profit.

Much of the $16 billion in foreign loans has gone to massive construction projects — irrigation, dams, hospitals, hotels, government offices, highways, and great monuments like the Manila Film Center or the Folk Arts Theatre. The kickback starts at the top when a senior official demands that a 20 percent kickback be padded into the contract. As the inflated bid works its way down the system from general contractor, to subcontractor, to supplier — each adding a modest ten percent for himself — the total for kickbacks grows to as high as 80 percent of the overall contract cost.

Such systematic corruption also damages the environment. The survival of the 48 millions crowded into these narrow islands depends on a fragile balance between forest, water table and agriculture. Illegal logging of the forest watershed along the island spines has been a problem for some 30 years, but in the past five it has become a plague. Senior officials in the Ministry of Natural Resources take cash bribes for logging licences across the desk. Although Luzon's watershed is at great risk and the floods rise with each monsoon, the cutting continues unabated.

There was political method in this economic madness. Seeing a precise equation between political and economic power, the Marcos regime was trying to secure a permanent hold over the nation by crippling its potential enemies and strengthening its most loyal allies. By concentrating media, finance, manufacturing, commerce, primary industry, and transport in the hands of a few allies, the regime blocked any move against it from the centre of society. No conventional politician could ever hope to challenge such an enormous combination of political and economic power. The centre disappeared and politics has become a choice between Marcos and the NPA.

Reeling from these body blows, the Philippines economy stumbled towards collapse in 1981. The crisis began in January when a Chinese textile magnate named Dewey Dee fled the country, taking an estimated $100 million in stolen funds. Other leading financial figures followed, leaving heaps of bad financial paper that cost Philippine banks between $600 and $950 million. The Governor of the Philippines Central Bank later resigned quietly when it was discovered that his office had been accepting "commissions" from borrowers after approving their loans.

Once the panic set in, the whole fragile edifice began to collapse. Most of the 25 luxury hotels, built at a cost of $200 million, to house the IMF conference in 1976, went into receivership. Several new financial empires were taken over by government banks on very generous terms, and Marcos had to authorise a government bail-out package of several hundred million dollars to avert a total collapse.

Even the World Bank, which had previously supported Marcos with massive credits, began to have its doubts. Bank consultants found Imelda Marcos' prestige projects particularly galling. In 1974, she wreaked havoc with major construction schedules all over the country forcing the construction of the massive, 10,000-seat Folk Arts Theatre in just 70 days — to house, of all things, the Miss Universe Pageant. In early 1982 she spent $100 million to build a film palace and jet in stars for the First Manila International Film Festival. And, in between, there has been a steady succession of costly "prestige" projects.

In the wake of these financial scandals, Marcos moved to repair the damage with a bit of political cosmetic. For six months, elections and political ritual heralded the end of martial law and the advent of parliamentary democracy, the "New Republic". Once Marcos was elected president under the new French-style constitution in...
June 1981, the Reagan administration jettisoned Carter’s criticisms of the regime’s human rights record and despatched Vice-President Bush to toast Marcos at his inauguration. The Marcos-Reagan courtship was consummated last September with a triumphal state visit by Marcos to the White House, a clear signal to the Filipino opposition that it can expect no more help from mother America.

Most observers argue that the changes mean little, and Marcos is still a dictator in all but name. Clearly, the new parliament is a sham. Housed in a massive new building with an assembly hall the size of Sydney Opera House, the parliament meets only two hours a day, four days a week, a few months a year. The session I attended was devoted entirely to a routine debate over three clauses in a bill on registration of licensed professionals, lawyers and the like. But the new cabinet does represent a significant departure from Martial Law.

Reportedly, in response to pressure from the World Bank, Marcos appointed a prime minister, Cesar Virata, and five key ministers from the ranks of the country’s economic “technocrats” closely identified with the World Bank. The tensions between the technocrats and cronies have, for the first time in a decade, spawned serious political conflict at the centre of power.

These tensions broke into open political warfare in late 1981 over the so-called “coconut levy”. If the humble coconut does not seem the stuff of historic controversy, then remember that the Philippines is the Saudi Arabia of coconut oil. It supplies 85 percent of world coconut exports, and coconut oil comprises eight percent of the global trade in vegetable oils. Grown on 432,000 farms across the archipelago, usually by poor tenant families, coconuts are the country’s major export and the main livelihood for some 15 million Filipinos.

In 1974, President Marcos decreed that farmers would pay a 100 peso levy (approx. $10) on every 100 kilos of coconut. A year later, two key cronies, Defence Minister Juan Ponce Enrile and Ambassador Eduardo Cojuango formed the United Coconut Planters Bank, and the government ordered that coconut levy collections be deposited there interest-free for the “development” of the industry. Coconut farmers could then borrow back their own money at 10 percent interest. By 1982, levy collections had reached $900 million, a considerable capital by any standard, and one that has never been audited. With this financial backing, Enrile and Cojuango bought up the private coconut mills to form United Coconut Mills, or Unicom, and then forged an international marketing strategy with several major American vegetable oil traders.

In 1981, Unicom and its American allies moved aggressively into the US market, buying up oil stocks to corner the market and force already high prices even higher. Instead of paying these inflated coconut prices, American trades took advantage of a drop in soy bean prices and boycotted coconut oil. Prices nose-dived and Unicom was forced to sell its stocks at a $10 million loss. Seizing the advantage, the major U.S. vegetable oil firms launched a global offensive against Unicom. The U.S. Justice Department filed a price-fixing suit against Unicom, and its U.S.-based agents had to flee to Manila to avoid arrest. The U.S. companies then moved against Unicom in Manila by funding several Philippine political figures for a political attack on the coconut levy. Some sources claim that Benjamin Romualdez, Imelda’s brother, was the key figure in the attacks on the Enrile-Cojuango coconut empire.

Whatever the cause, the coco-controversy was the first serious political debate since 1972. For several months, Assembly member Emmanuel Pelaez launched stinging attacks on the levy from the floor of parliament. Prime Minister Virata, a man of great integrity, intervened in late 1981 and persuaded Marcos to suspend the levy. Several weeks later when Virata was abroad, Marcos responded to even greater pressure from cronies Cojuango and Enrile and restored it, a decision that humiliated Virata. The restoration sparked another round of divisive debate until Marcos called the main contenders to Malacanang Palace and banned further public discussion.

The coco-controversy served as a test of strength for the courtiers who would succeed Marcos. Although they hold the nominal seats of power, technocrats like Virata, whose personal honesty assures his political impotence, lack the political and economic strength to survive. Imelda’s faction is an obvious contender and she a likely candidate once Marcos is gone. Both Imelda and her daughter

Imee are members of the 15-person executive committee that Marcos has chosen to oversee the transition in case of his death or incapacity.

The Enrile-Cojuango team are also front runners in the race for power. Despite his relative obscurity, Cojuango has become enormously wealthy and powerful. Now the Philippines’ top taxpayer, he holds assets that include 18,000 ha. of prime sugarland, vast real estate holdings, and one of the largest stud farms and horse-racing operations in New South Wales.

As I was getting ready to leave Manila recently, I had some long conversations with several Filipino friends. The first was a greying matriarch, a descendant of one of the country’s oldest and richest families. We dined at her mansion and, as the servants brought course after course, she launched into the usual litany of criticisms of the regime — Marcos was corrupt, Imelda had wasted the national patrimony, the economy was in a steep plunge. As we moved on to sweets, she moved on to the NPA. “This may seem rather odd for a 70 year old lady, but I am convinced that armed struggle is the only salvation for our nation”. Were there others of the old oligarchy who thought the same way? “Recently, some have. If Marcos stays in power they may lose everything, but with the NPA they might salvage something.”

But the problem remains the NPA itself. “Their current line relies on the peasants and workers, and offers no opening to the old elite,” one management consultant friend told me.

Over coffee in a downtown hotel, a professor at the University of the Philippines who is active in the National Democratic Front
Communist Party's mass organisation told me that "There is a debate now in the party over our long term political strategy. Right now the line is to fight the two enemies — U.S. imperialism and the bourgeoisie. Frankly, I think it's stupid. Until the U.S. becomes neutral like it was in Cuba, the NPA can never win. The U.S. will do anything to keep its bases here. And until the NPA forms an alliance with the Manila bourgeoisie, like the Sandinistas did in Nicaragua, they will have to spend another 10 years in the jungle. This country just can't stand this kind of plunder much longer. Once we get power we are going to need all the capital we can get to repair the damage done to the land and the economy, to prevent this country from winding up a basket case like Ethiopia."

Such an alliance between urban oligarchs and jungle guerrillas at first struck me as improbable. Manila's high society shimmers with a sophistication bordering on the degenerate. But, despite the dazzle, the men tend towards passionate nationalism and the women towards Catholic moralism. Marcos offends on both counts. The business community bitterly resents his partiality towards cronies and multinationals; and for the moralists, Manila seems a Sodom standing as a testimony to the regime's corruption. Catholic social workers estimate that there are 200,000 prostitutes serving a foreign and domestic clientele in Manila; 16,000 for the U.S. Navy at Subic Bay; 10,000 for the U.S. Air Force at Clark Field, and lesser populations for tourists in the provincial centers.

The regime has promoted tourism as a main source of foreign exchange and ignored protests by the Catholic Women's League. Morality aside, the city's incredible pollution, intolerable congestion, growing violence and festering squalor have made life in the capital painful for everyone.

Its supporters point out that the NPA is already something of a coalition. Over the past decade, it has attracted an international beauty queen, a top graduate of the Philippine Military Academy, a brace of Catholic priests, and the deputy director of the Development Academy of the Philippines, the regime's own think-tank. The latter recruit, Horatio Morales, announced his defection at a banquet honoring him as one of the nation's Ten Outstanding Men of the Year. The Light-a-Fire Movement, which set off bombs in Manila hotels in 1980, was led by the Dean of the Asian Institute of Management, the country's prestige business school. The most convincing testimony to the old elite's disaffection came last September, following the execution of NPA commander Edgar Jopson in a Mindanao ambush. When its alma mater, the blue-blood, Jesuit-run Ateneo University, cancelled a memorial service under pressure of the army, its affluent alumni forced the university to hold the service. The 200 mourners included company directors, lawyers, and senior civil servants. One management consultant told me he attended to pay tribute to a "great Filipino patriot".

The Philippines has suffered two failed revolutions during the past century. Their fate was, in the end, determined by conflict between the Manila oligarchs and the mass of peasants and workers. During the Philippine national revolution of 1896, the Manila elite dallied with the new republic before deciding that independence in the imperial age was impossible. They eventually sided with the American colonial regime which crushed the infant republic, a decision which, unjustly perhaps, earned them the stigma among later generations as traitors.

A half-century later, the old Communist Party launched the Huk peasant revolt against the newly independent republic. Threatened by the party's promise of land reform, the oligarchs sided with the government and the CIA against the peasants. By 1954 the Huk revolt was crushed and the old party in disarray. If history and circumstances are any guide, the fate of the NPA's revolution may ultimately revolve about the same dynamic. Convinced that the old oligarchy is tainted by the original sin of their grandfathers' turn-of-the-century treason, the NPA has so far refused to broaden its coalition.

But, whatever their decision and the outcome of this revolution, the NPA guerrillas have already become a major feature on the political landscape of Southeast Asia.

Al McCoy teaches at the University of New South Wales. He is the author of The Politics of Heroin in South East Asia and an authority on the politics of the Philippines.
•Children run crying down a Viet Nam road in 1972 from the holocaust of their village. Phan Thi Kim Phuc is nine years old. She has torn off her flaming clothing and is screaming because she is in pain as well as mortal terror.

HENRY "NAPALM" KISSINGER
• Written by Denis Kevans to mark the recent visit of Henry Kissinger to an Australian Business Convention.

His name is Henry Kissinger, just call him Henry K.,
He's come to tell yuz what to do, he'll only stay a day,
He wants yuz all to listen, and to put him on the tape,
And he wants to collect the peppercorn for the North-West Cape.

Henry is a peace dove, coup coup, he says, coup coup,
He's brought disaster to the world, but that's what strong men do,
He is a man of classic mould, he's white as alabaster,
At buggering and ballsing up, he's positively master.

Success upon success, H.K., but could you tell me, Jack?
What has Henry got to do to get the sack?

How to be successful, that's what he'll tell the mob,
How to be successful, with a special word for Bob,
He'll tell Bob Hawke to keep Pine Gap in case he starts a war
He'll let 'Charisma' know, of course, a minute or so before.

Imagination's Henry's go, he builds upon the past,
From Auschwitz and Treblinka to a nuclear holocaust,
But no-one really understands how sad he feels inside
When getting his peace-keeping troops right into genocide.

Depressed? Oh, Henry gets depressed, burdens of the State,
Man of the hour, anguish of power, tragic is his fate,
One touch of his pen, and a million men and women disappear —
But Henry gets much more depressed with every passing year.

He just feels so unwanted, but he's tried to leave behind
His intellectual monument to all of humankind —
The murderers at the altar who shot Archbishop Romero,
The South American millions singing: Fight on, Companero!

Don't judge Hud too harshly, he has failings, justlike you,
He has planned the nuclear holocaust, he needs assuring, too,
You'll feel his sheer sincerity, when he tells you how and why,
You are wired to an early strike, and how you're going to die.

Don't call him a bum arms salesman, he's made the business boom,
When the war was lost in Vietnam, it increased his sense of gloom,
And he made a resolution, and, chucking out his chin,
Said: "Next time we go to war, we'll make sure that we win."
Success upon success, H.K., but could you tell me, Jack?
What has Kissinger got to do to get the sack?

Success! it dims the vision, the trickling tears that glint,
A statue in the Parthenon, the waiting masses squint,
Ready, drop the napalm, and shout a prayer to Jesus!
But no photographers allowed in the Santiago freezers!

What could be his monument? ONE demilitarised zone?
One Australian soldier weeping in his room alone?
A Turkish hunger striker? Victor Jara's severed hands?
Three million brave Vietnamese who died to free their land?

Cluster bombs, five thousand pounders from forty thousand feet,
Phosphorus bombs, and napalm, metal splinters in a sleet,
Bombs disguised as flowers, Oh, Henry, you were great!
And we're glad you've come to tell us how to run our country, mate.

Success upon success, H.K., but could you tell me, Jack?
What has Henry got to do to get the sack?

Why do you think on burning, is your guts, then, all alight
With the flames from all your victims who were torches in the night,
That lit your new dark ages and told us what you are.

Buddhists in the noonday, Hanoi children, too,
People burning, burning, as long as it isn't you.

In the darkness that lit the world afar,
That lit your new dark ages and told us what you are.

Buddhists in the noonday, Hanoi children, too,
People burning, burning, as long as it isn't you.
Success upon success, H.K., it's all a man can do,
And now your ultimate success, we're terrified of you.

Terrorist, your favourite word, terrorist, your favourite ploy,
Terrorist, you torture them, the fearless girl, the fearless boy,
Success upon success, H.K., but could you tell me, Jack?
What's the bastard got to do to get the sack?

— Denis Kevans
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Most women sense a diminution of self when they marry. "The wife of" is a title which can bring pleasure and a sense of pride, but one's individuality is, nevertheless, conditioned. The problem is compounded when the woman is the wife of a famous public figure, and may become unbearable should she become a widow, witness Jackie Kennedy.

Joan Jara was the wife of an extraordinary public figure. Victor Jara, the central character of this book, was a peasant, seminarian, communist, actor, director, musician and composer. He is identified as the artistic voice of the values embodied in the popular movement in Chile throughout the 1960s and '70s. The manner of his death is well-known. Hated by the military junta for using art in the service of the Popular Unity government, he died in the first days of the military coup which ended that brave attempt at social justice. Along with thousands of others, he was taken to one of Chile's stadiums. Recognised, he was tortured and beaten. His guitar-playing hands were smashed. His bullet ridden body ended up in a morgue packed full of men and women whose only "crime" was to give their support for an elected government with socialist aims.

As Victor's widow, Joan Jara has occupied a special place in the movement which has kept alive the world-wide support for the democratic forces inside Chile. She has brought up their daughters, travelled the world to speak of the crimes of the junta, popularised Victor's songs far beyond their natural constituency in Latin America, raised money, made films, and has produced, after three years' work, this beautiful and simple account of their lives together. For much of the last ten years, she has been a "professional" widow, acting in a public sense for Victor and for Chile. One senses that this has not been easy. The book is both an account of terrible times and an effort to reclaim life so that the tragedy of death is not the dominant factor. Whether you know the story or not, you will be moved, excited, distressed. I found myself hoping that somehow what happened would not happen. As the tragedy unfolded I learnt much of Chile in the years of the Popular Unity and, against the odds, felt optimistic.

Victor is not a political tract, it is a love story of a remarkable kind. Although the author is self-effacing, the chapter on her childhood is wonderfully evocative of an English girl in wartime London. Obsessed with ballet and influenced by the humanist-labour-feminist traditions of her middle-aged parents, she becomes a dancer, travels in war-damaged Europe, meets her first husband, and makes her home in Chile. When her first marriage failed soon after the birth of her first daughter, she took up with Victor, one of her students. They soon established a family and Joan gave birth to a second daughter.

In case one has the impression that this is a "Mills and Boone" romance (with politics), one should note the flashes of honesty describing a partnership where he is younger, while she is a "gringo" and, therefore, not fully confident of acceptance in Victor's circles. At this time she is essentially unpolitical while he is committed to both politics and art. Their marriage is not idealised — her temper sees to that — but they are civilised people who manage, among other things, to establish a friendship with her first husband and a splendid...
working relationship for themselves. She was Victor's wife but she was also Joan Turner, dancer, choreographer, teacher.

Since the story is essentially Victor's, Joan Jara recreates his childhood — the harsh life of a peasant in the south of Chile and the day-to-day existence in the shanty towns of Santiago. The reader can follow the experiences and influences which led to the evolution of Victor Jara as a politically conscious artist.

These early chapters are movingly and beautifully written while those of the three short years of the Popular Unity are a great social document. The middle section — the middle years — are more episodic, less profound and sometimes unsatisfactory for that which is left out rather than for what is there.

We learn that Victor was criticised for writing a song to honour Che Guevara, but not how he responded. We experience his profound delight in Cuba, and his positive, perhaps naive, enthusiasm for the Soviet Union and several other Warsaw Pact countries invaded Czechoslovakia. These are not idle questions, since one of the disuniting factors in the Popular Unity was about different notions of how democracy should be practised, and how social change could be achieved.

Joan Jara conveys a wonderful sense of liberation in the period leading up to, and at, the election of Allende as President of Chile. Through her eyes, a reader may participate in the mass enthusiasm, the incredible demonstrations, the creativity unleashed in millions of ordinary people. Joan, as much as Victor, participates in work which truly sets out to use art to serve the people. She dances and teaches in established schools but also with people in the shanty towns, in the factories and in the countryside. She helps design and produce great manifestations of mass participatory culture, sometimes in those stadiums which, later, became death camps. And while Joan and Victor were artists, they were also citizens taking their turn to organise food distribution in their neighbourhood as rightwing opponents of the government stepped up efforts to destabilise society. Joan's political education develops by leaps and bounds. The many changes in society, the disunity in the left, the growing awareness in those last weeks before the coup that they were already living illegally, are lived through Joan's experiences. Some may quibble with her version of events, but she tells it as she saw it and with a passion that cannot be ignored. Hers is one of the very few accounts of those momentous times when realisation grew that you would be damned if you did and equally damned if you did not.

It took many years to fully reconstruct the last days of Victor's life — some of that reconstruction was made through people who took great risks to contact Joan. British Embassy officials, friendly embassies and Joan — reverting to British ways and dressed in Marks and Spencer clothes — managed to remove from the junta Victor's music, some films and photographic records, and his children. Then began the years which culminate in this book.

The title and content underline that, in a new Chile, Victor's songs, his art and his politics will continue. Already, they are a part of the rising and ongoing struggle. A new generation sings his songs as people take to the streets against the junta, and protests take many forms. One is that unknown people ensure that his grave is constantly covered with flowers.

For Joan Jara, this book marks the emergence of a new talent. The dancer, teacher and passionate publicist has become Joan Jara the writer. Her book will warm spirits with its affirmation of love, its story of a family where the personal is political, its tribute to a people in struggle. It will anger every democrat against vested interests, CIA interventions and military power. It offers hope and optimism that Joan Jara's tragedy and the many other tragedies produced as a result of Pinochet's military rule will be put into perspective. People will reclaim the good and the beautiful in their lives. They will go on struggling and they will go on singing.

Mavis Robertson is the editorial co-ordinator of the ALR collective.
The recent Korean Airline disaster and the assassinations in Rangoon of members of the South Korean Cabinet have brought a sharp reminder of the continuing explosive situation in that area. This well-documented history of the still unresolved Korean War and of the events leading up to it could not have been more timely under the circumstances.

In the appendix to his book, Gavan McCormack points out that "from 1953, when the Korean War ended, to 1981, not a single monograph or scholarly article was published in Australia about the war". He spends some time examining and criticising the first book, which appeared in 1981, by Robert O'Neill, "Strategy and Diplomacy", Vol. 1 of "Australia in the Korean War 1950-1953". Among many of its omissions, McCormack singles out the omission of any reference to Wilfred Burchett's reporting from the North which he regards as extremely relevant and to which he himself refers a number of times.

Gavan McCormack examines questions which have caused much controversy. On which side actually started the war by invading the other, he does not come to any definite conclusion. On whether the Soviet Union was involved, he thinks there is little evidence that Stalin had any foreknowledge of the impending conflict. The only meeting Kim II Sung had with Stalin was eighteen months prior to the outbreak of the war, and McCormack considers this too early to be relevant. As for China, the American administration of the time dismissed China, in their ignorance, as a Kremlin puppet.

On the employment of germ warfare by the U.S. Army, he concludes, on the basis of material which has only recently become available, "and finally since it is now clear that for 25 years the United States lied to the world to cover up its acquisition of the Ishii unit's (the Japanese germ warfare unit which operated against China in World War II) grisly secrets and thus to protect the perpetrators of some of the greatest crimes against humanity committed during World War II the possibility that it may have lied in denying the Chinese and North Korean allegations of 1952 has to be treated with absolute seriousness. The case closed for thirty years has to be reopened".

The chapter "Australian Commitment" will be of special interest to readers. The story is an involved one, but McCormack's final sentence sums it up — "The goal of assisting Korea ran a poor second to that of currying favour with the United States".

Though an academic study, this book is very readable. The author is a senior lecturer at La Trobe University, has spent many years studying Japanese and Chinese, and has published many works on Japan, China and Korea. In 1980 he visited both Koreas as the guest of cultural organisations in Seoul and Pyongyang.
Question: “What’s Left?”
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The death of Joan Robinson at Cambridge on 5 August (just three months before her 80th birthday) has deprived the world of one of the great economic theorists and radical political economists of the twentieth century. At the same time, it suffered the loss of one of the very few women economists who had gained enormous international fame in this male dominated profession, even though she was never awarded the Nobel Prize in Economics she so fully deserved. As Tharos Skouras observed in a recently published essay on Joan Robinson’s life and work, these two distinctions achieved during her half century career in economics constitute also “the great scandals of the economics profession”. (Skouras, 1981, pp. 216-7.) Finally, the world lost an enthusiastic though occasionally uncritical champion of the socialist world, who argued strongly in support of a socialist road to economic development and vigorously campaigned against some of the more blatant injustices associated with capitalism ranging from unemployment to the arms race and the Viet Nam war. Fortunately, the world has not lost her as a profound teacher of economics and political economy: the enormous legacy of her published works ensures that her influence long survives her.

What does this legacy consist of? Although she wrote more than a dozen books commencing with her *Economics of Imperfect Competition* in 1933 — a book she rejected twenty years later because it was “a scholarly book” which did not provide “a suitable basis for an analysis of the problem of prices, production and distribution which present themselves in reality” — the best overview and appreciation of her lifetime work comes from a perusal followed by careful study of the five volumes of her collected economic papers published between 1951 and 1979 (their contents were recently reviewed and surveyed by Walsh and Gram, 1983). These range from her early essays on Euler’s theorem and the problem of distribution, the meaning of perfect competition and rising supply price to her brilliant polemics in *On Re-Reading Marx*, her critical essays on capital theory spanning more than two decades, her constructive essays on growth and development, international trade theory and her concern with the practical problems of inflation, unemployment, the third world and the economics of socialism. They also include literary gems such as, to take but two examples, her undergraduate parody of Beauty and the beast and her mature advice to Indian students on the teaching of economics. Fortunately, these volumes are readily available (together with an index compiled by two of her students — both incidentally, Australians) and thereby facilitate an essential investment for the serious young political economist who wishes to gather her accumulated wisdom at leisure.

Joan Robinson was born on 31 October 1903 into an upper middle class English family of radical dissenters and social critics with a strong Cambridge University background (her paternal great-grandfather was F.D. Maurice, christian socialist and Cambridge moral philosophy professor; her maternal grandfather, F.M. Marsh, was Professor of Surgery at Cambridge). She was educated at St. Paul’s Girls’ School and then at Girton College (Cambridge) from which she graduated with an upper second class honours in economics in 1925 (“a great disappointment”). In 1926 she married Austin Robinson (later Sir Austin) one of her teachers of economics. After a brief stay in India, she joined the Faculty of Economics and Politics at Cambridge itself in 1931 in time to actively participate in two revolutions in economic theory which were then brewing there.

Although this first revolution made her international reputation with the publication of her 1933 book on *Imperfect Competition* (which won the accolade from Marshall’s widow that it demonstrated women could write theory contrary to her husband’s beliefs) this careful geometrical elaboration of some of the theoretical avenues opened up by Sraffa’s 1926 article was quickly and totally overshadowed by what she later considered to be her far more important work of first aiding the birth of Keynes’ *General Theory* between 1933 and 1936, then popularising it in her “children’s guide” to the theory of employment of 1937 and finally critically defending and generalising it in most of her subsequent work. Her important contributions to the process now known as the Keynesian revolution can be appreciated from her notes and memoranda reproduced in volumes 13, 14 and 29 of the Keynes’ *Collected Works* and from her 1937 *Essays in the Theory of Employment* which elaborated on a number of
points not made in Keynes' book, by more explicitly extending its argument to long period problems and problems of international trade.

Her subsequent generalisation of the General Theory proceeded along a route which broadened her economic education from that provided by Marshall's Principles and Keynes, partly through her early appreciation of the work of Marx, and via him, of Marx, whose works she systematically studied in the 1940s "as a distraction from the war". This produced her critically important but very instructive Essay on Marxian Economics of 1942 and a much greater interest in genuine dynamic problems of growth and history, as can be seen from her very perceptive review of Harrod's dynamic economics published in the Economic Journal in 1949 (reprinted in her papers, volume 1). In addition to Marx and Kalecki, her analysis of economic dynamics and the accumulation of capital indicated the need to come to grips with the difficult problems of capital theory which, at that stage, had reached its greatest heights in the Lectures of the Swedish economist Wicksell. Marshall, Wicksell, Kalecki and Keynes get major acknowledgements in her magnum opus of 1956, The Accumulation of Capital, which many consider to be her single most important contribution to economic theory. This work provided an important attempt at the integration of "macro- and micro-economics" whose artificial separation foisted upon the profession through, initially, the North American, but now almost universal neo-neo-classical synthesis, she abhorred. The book also demonstrated the inherent instability of capitalism shown by its inability to achieve stable long run economic growth without short period fluctuations in the absence of government intervention and planning. Questioning of the self-regulating properties of the capitalist system led to her most significant disputes with the high-priests of neo-classical theory at M.I.T. (Massachusetts Institute of Technology) in the famous Cambridge controversies on capital theory.

These disputes, which ended in intellectual victory for Cambridge (Eng.) as was admitted by Professor Samuelson of M.I.T. in his 1966 formal recantation in the rewitching symposium, did not achieve the real victory which Joan Robinson desired by the reconstruction of economic theory into a critical and useful political economy. She was fully aware that the logical invalidation of "wrong" theory was not sufficient for this purpose even though it was, of course, an essential prerequisite. As she complained ten years after the event, utilising Keynes' devastating quote from Ibsen's Wild Duck, as applied to Hayek in 1936, "mere logic will never prise a writer of his paradigm until he is ready to drop it himself". Three paragraphs after this comment (introduction to the second edition of her third volume of collected economic papers) she gave a more optimistic recipe for that reconstruction of political economy which she so much desired and of which realisation she sometimes despair.

The function of the theory of effective demand, in a Marxian setting, is to provide an account of the realisation of surplus value, which Marx left rather vague. The theory of prices in Kalecki's version of the General Theory is more up-to-date than Keynes'. The monetary aspect is much more fully developed by Keynes, but there is a weak point in his treatment of it. He identifies the Stock Exchange value of the shares of a company with the value of its real productive assets. Thus, in some passages, he makes a fall in the level of interest rates stimulate investment by raising the value of equipment relatively to its cost of production, instead of merely by making finance cheaper relatively to expected profits. Connected with this is an ambiguity in the definition of the 'marginal efficiency of capital'....

Kalecki's version of the General Theory, rather than Keynes', has been incorporated in the post-Keynesian tradition. The function of Sraffa's prelude to a critique is mainly negative — to knock out the marginal productivity theory and clear a space where a Marxian analysis of modern problems can grow up. There is plenty of work still to do.

The last paragraph of this quotation provides her real epitaph with its hope for the future reconstruction of political economy and the lines on which it is to proceed. This is more appropriate to her memory than the peculiar stories about her alleged disillusionment with economic theory published in an interview given prior to the stroke in February which ended her life six months later. She herself did not spare her labours in this endeavour, unsuccessful though she thought them to be in her last years when "pre-Keynesian-economics-after-Keynes'' appeared triumphant in the western world as symbolised by the dole-queues of Thatcherism and Reagonomics. In her last published paper she wrote:

In spite of all we have learned and are continuing to learn on these questions, public education has fallen into a trough of reaction and the public is being misled with the hollow slogans of monetarism and the self-contradictory arguments of the so-called 'supply side' theories.

The first sentence of this quotation provides an opportunity for comparison with another great woman economist whose reputation she did much to rehabilitate. This was Rosa Luxemburg, for the English translation of whose major work she provided a most perceptive introduction in 1951 and the title of which she "borrowed" from her own major work on that subject published five years later. Although there are enormous differences in the lives and backgrounds of these two great women economists, they have a number of things in common. They were both thinkers of tremendous honesty and independence of mind and reveal themselves as that "rarest of rare phenomena — Marxists critical of Karl Marx". (Stark, 1951, p. 11.) Both were also fighters for social progress, equity and an economic development geared to providing work and rising living standards for all. The serious study of political economy which her work continues to encourage is part of the road towards achieving such laudable objectives.

REFERENCES


Peter Groenewegen is Professor of Economics at the University of Sydney.
Women, Social Welfare and the State, A. & U., $12.95, is a collection of articles edited by Cora Baldock and Bettina Cass which examine major governmental and bureaucratic policies which have had a significant impact on the economic, political and social role of women in Australia. The basic question addressed in each chapter is the extent to which such policies can be used to reinforce, challenge or transform the structural inequalities of women's position.

As well as those of the editors, contributions included are from Jill Roe, Rosemary Pringle, Elizabeth Harman, Sheila Shaver, Eva Cox, Sara Dowse, Jocelyne Scutt, Paige Porter and Dorothy Brown. With the increasing impoverishment of women, ease on welfare in a time of such high unemployment, it is vital that we understand how such dependency is reinforced, and examine ways to change it.

Every Mother's Son, written by Judith Arcana, is concerned with the role of women in the making of men. Herself the mother of a male child, she has used the diary she kept when he was little as well as interviews with other women and men. While having daughters is not without problems, being the mother of a son poses specific problems for many women, especially feminists — how can a mother nurture a boy without reinforcing all the stereotypes he is subjected to from school, the media, other adults and children? The nature of masculinity in this society poses enormous problems for women. How much can mothers challenge this, and is it possible for our sons to grow up to be our friends?

In Sydney last year the Apmira Festival Committee sponsored an exhibition of photographs called After the Tent Embassy... Images of Aboriginal history in Black and White Photographs. These have now been edited with a text by Marcia Langton and published by Valadon Publishers for $9.95.

As Wandjuk Marika says in a foreword... "This is a book for Aboriginal people in all parts of Australia, for Black people to tell them what's been happening in the past and where it started.... Now our time has come to publish a book for our children, and also for white people, so they can know what we are — the first people in Australia who lived here before the white settlers arrived and muddled everything up..."

The collection includes photographs taken as long ago as 1858, as well as those taken during the 1982 Commonwealth Games. Throughout the book runs the theme of the relationship of Aboriginal people to the land, and the vital importance of land rights in Australian politics. The clarity of the text underlies the force of the photographs so that they are not merely illustrative, but an important political message for all Australians.
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Karl Marx
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