VANGES IN MODERN CAPITALISM

OCRACY IN THE COMMUNIST PARTY

SCRIPTION

P. CONFLICTS

tered at the G.P.C., Sydney, transmission through the past
The Australian Left Review is a marxist journal of information, analysis and discussion on economics, politics, trade unionism, history, philosophy, science and art, for the promotion of socialist ideas.

Contributions and letters are welcome and should be sent to Box A247, Sydney South Post Office.

Editor: R. Dixon. Published two-monthly.
Assistant Editor: E. Aarons, B.Sc. Single copies: 30c.
Business Manager: 168 Day St., Sydney. Yearly subscription $1.75.
Phone: 26-2161.

Representatives:—Mrs. B. Smith, 45 Devenish St., Victoria Park East, W.A.; Mr. E. A. Bacon, 92 Edith St., Enoggera, Qld., 55-4572; Mr. B. Taft, 11 Rose Ave., Surrey Hills, Vic.; Mr. F. Dean, 12 Station St., Wollongong, N.S.W.; Mr. G. Curthoys, 16 Rydal St., New Lambton, N.S.W.


<table>
<thead>
<tr>
<th>CONTENTS . . . JUNE-JULY, 1966.</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHANGES IN MODERN CAPITALISM, by B. Taft.</td>
<td>1</td>
</tr>
<tr>
<td>CONSCRIPTION, by M. Robertson</td>
<td>11</td>
</tr>
<tr>
<td>THE 23rd CONGRESS OF THE C.P.S.U., by R. Dixon</td>
<td>16</td>
</tr>
<tr>
<td>DROUGHT — IT CAN BE BEATEN, by W. Mountjoy</td>
<td>24</td>
</tr>
<tr>
<td>DEMOCRACY AND THE COMMUNIST PARTY, by John Sendy</td>
<td>34</td>
</tr>
<tr>
<td>THE CONTINUING A.L.P. CRISIS, by Onlooker</td>
<td>43</td>
</tr>
<tr>
<td>THE SHIFTS IN BASIC WAGE “PRINCIPLES” by W. A. Baker</td>
<td>50</td>
</tr>
<tr>
<td>BOOK REVIEWS</td>
<td>59</td>
</tr>
</tbody>
</table>
THE post-war economic developments have posed a challenge to marxist thinking.

Industrial production in the capitalist world is more than three times greater than it was before World War II. In the developed industrial countries, the average annual production growth at present is double the pre-war rate.

True, there has been a considerable growth in population, and economic growth is far greater in the advanced capitalist countries than in the under-developed countries where growth rate is often counterbalanced by the high rate of growth of the population. The rate of growth of the socialist countries is larger than that of the capitalist world.

Nonetheless, the continuing expansion in the advanced capitalist countries is contrary to what marxists generally expected.

Stalin, in 1952, put forward the theory that the capitalist world market must shrink and the rate of growth of the capitalist countries decline. Many marxists expected a severe, world-wide cyclical crisis of the dimensions of 1929-33, if not worse, once the post-war reconstruction had been completed.

But there has been no cyclical crisis of the order of 1929-33; indeed there has been no world-wide cyclical crisis. The capitalist system continued to develop in cycles, but these cycles have certain new features.

Marxist analysis of these new developments and the resultant perspectives has lagged behind, due to a certain stagnation of marxist thinking in the forties and fifties—
a slowness to examine new phenomena, free from dogma and preconceived ideas.

This is the more striking because, historically, marxism placed economics on scientific foundations and was characterised by a challenging attitude free from preconceived ideas and blinding class prejudices.

The lag in marxist analysis of new economic phenomena and generalisation largely left this field to the opponents of marxism.

Broadly speaking, there are two trends, which depart from the truth in opposite directions:

1. Those who dogmatically repeat old propositions and conclusions and expect life to conform to them, wait for a repetition of the crisis of 1929-33.

2. Those supporting the theories of managed, crisis-free capitalism, who claim it has solved all, or nearly all, problems and is leading mankind to universal affluence.

The facts don't bear out either view. Capitalism has developed new features, but it neither has solved, nor is solving, the main problems facing mankind, such as these:

- Because of the low rate of growth of the underdeveloped countries, the gap between them and the advanced countries is actually growing bigger.

- Automation, still in its early stages, creates a host of new problems, which demand a different social framework for their proper solution.

- Economic development continues in cycles with periods of rapid growth and periods of slack and even decline.

- Concentration of ownership and economic power has increased considerably in the post-war years. A recent world-wide survey (excluding the socialist countries) showed that less than two per cent of all companies controlled between 70 per cent and 80 per cent of global business today. This monstrous concentration of economic power is a great menace to peace and liberty and restricts the effectiveness of political democracy.

How has capitalism changed since the pre-war days? Marx showed that the underlying reason for the cyclical crises, characteristic of the capitalist system, lies in the fact that capitalist production, unplanned in the overall, has as its motive force the drive for profit.

Each capitalist tries to achieve the greatest profit by expanding production and seeking to reduce wages, or
hold them down, and to increase the degree of exploitation.

There is a tendency towards an unlimited expansion of production alongside a limited consumption. However this is not the whole story, although it has sometimes been presented in this way.

"Consuming power" should refer not ONLY to the personal consumption of the wage earners and their families as well as the personal consumption of the capitalists and others, but also includes what the early economists, including Marx, called "productive consumption", i.e. the demand for the products of the means of production sector, referred to below as Department I.

The significance of this is particularly great at the present time when so much economic growth is based on the rapid expansion of Department I.

The course of events up to World War II proceeded along the lines analysed by Marx. Periodic crises occurred every 8-12 years. There were four clearly discernible phases of the cycle—crisis, depression, recovery and boom.

**Recession 1948-1949**: Mainly in the U.S.A. (decline about 6 per cent), smaller decline in West Europe (West Germany, France, Italy, Holland about 1 per cent decline, Belgium 3.7 per cent).

**Recession 1951-1953**: Did not touch U.S.A. but West Europe (U.K., France, Belgium, Holland, Sweden) down between 4 per cent and 5 per cent. This recession affected Australia in 1952.

**Recession 1953-1954**: This was a mild recession affecting the U.S.A. only with a decline of 4 per cent.

**Recession 1957-1958**: Affected the U.S.A. more severely than Western Europe. U.S.A. decline was 12 per cent, France 2.6 per cent, Sweden 3.3 per cent, Italy 1.4 per cent, West Germany 0.7 per cent. This affected Australia in 1958.

**Recession late 1960-1961**: Hit mainly the U.S.A. with a 7 per cent to 8 per cent decline. This hit Australia in 1961.

These conclusions may be drawn:
1. The cycle is considerably shorter. The crises occur roughly every 4 or 5 years.
2. The crises are much briefer than before.
3. They are considerably less severe than pre-war crises.
4. As a consequence of the above, unemployment during crises does not reach the proportions that it did during pre-war crises.

5. There is no coincidence of crises in the majority of the capitalist countries. Some affected the U.S.A. only or mainly, not Western Europe. The 1951-1953 crisis affected Western Europe and Australia, but not the U.S.A.

6. It is not possible to clearly discern four distinct phases of the cycle. Some speak of the disappearance of the depression phases and certainly there is a shorter period of recovery and some of the classical characteristics of the boom phase ('the sky is the limit') are less marked.

7. Cyclical crises have not been accompanied by credit and money crises in the traditional form which used to aggravate them.

8. There have been no large-scale price reductions, profit drops and bankruptcies, such as were typical of cyclical crises. In fact in post-war crises profit levels of the top monopolies have generally been maintained undisturbed.

9. Formerly the crisis seemed to come like a bolt out of the blue, at the crest of the prosperity wave. This is not so now.

For some time marxists have attempted to explain away these changes as being only temporary distortions due to the prolonged effects of World War II.

It is true that the far-reaching destruction of the war necessitated capital expenditure on a level and over a period not required "normally", such as on wholesale reconstruction, housing, bridges, powerhouses, etc. It promoted the application of modern, war-time technological advances in the large-scale renewal of the means of production.

But however great the effect of the war, the changes are now part of our post-war reality.

The question is: Are there new features which have changed the pattern of cyclical development and brought an accelerated rate of growth of a transient character, or do they reflect fundamental changes in the world? Can we expect a return to the old type of crises and to a drastically reduced rate of growth, or are these new features likely to be with us for a long time, possibly for the transition period between capitalism and socialism?

It is clear that the answer to this question has a signi-
ficance extending well beyond the sphere of economics. It affects the whole strategy of the working class movement. If the former view is adopted, there will be tendencies to wait for conditions to change; if the latter, marxists have to find the way to win wide popular support in present conditions.

There are several new factors of a long term character which in their COMBINED effect influence the mode of operation of the capitalist system. They provide the means for a higher rate of growth and for a degree of control over the course, duration and severity of cyclical crises.

Perhaps five main factors can be distinguished:—

1. The impact of the world socialist system and the competition between the two systems.
2. The break-up of the colonial empires and the economic development of these predominantly agricultural regions.
3. The revolution in science and technology.
4. The growth of State monopoly capitalism.
5. The effect of the class struggle under these conditions.

There are differences among marxist economists about the respective weight of these different factors and no attempt is made here to resolve them. The five listed seem the most important factors which determine the course of post-war economic development, but it is the TOTAL effect and the INTERACTION of all these factors which have made the present degree of control over economic development and influence on the course of the cycle possible.

Sometimes the Keynesian techniques and their modern developments, the fiscal and monetary policies which are used today, are seen as the sole reason for the influence over the economy. But in fact the objective forces mentioned above determine to a considerable extent why these Keynesian techniques have the present degree of effectiveness. Indeed, were it not for the challenge of socialism, it is very doubtful whether the decisive groups of monopoly capitalism would have accepted the application of Keynesian measures which they had strongly opposed earlier as an infringement of the freedom of the individual capitalist.

Let us examine these five factors in more detail.
1. The impact of the world socialist system on the operation of capitalism is very far-reaching. Competition between the two social systems now clearly influences economic policy. In the pre-war days it was generally denied that a "free economy" could or should concern itself with a rate of growth.

The socialist alternative with its absence of cyclical crises has made the capitalists extremely sensitive to the dangers of a severe crisis with mass unemployment, destruction of goods, etc. This has assisted the growth of state monopoly regulation. Though the individual capitalist will not and cannot do much about the rate of growth which is, however, now VITAL to the monopoly capitalists as a whole, as is the avoidance of a severe cyclical crisis. So, as in wartime, an element of external compulsion enters to secure results not otherwise possible.

The impact of the socialist world also plays a part in forcing concessions from the capitalists. It has enabled the working people in some countries to prevent the closing of some unprofitable enterprises which, in the national interest, should be kept going (Italy).

There is also the direct effect of trade with socialist countries which, not being subject to cyclical crises, provide stable long-term markets. It is claimed that Finland's economy stability is influenced by its extensive trade relations with the USSR.

2. The break-up of the colonial empires—in the past part of the imperialist countries' home markets. Now, even in the countries still economically dominated by the imperialists, economic development, despite its slowness and difficulties, provides a market for the heavy industries of the advanced countries.

Many of these countries are developing or will develop their industrial bases, and in many of them state capitalism is important in the spheres of production and trade. In the United Arab Republic, for example, more than 80 per cent of the means of production are in the hands of the state. From 1952 to 1963 total industrial output more than trebled.

The perspectives of vast agrarian regions (two-thirds of mankind languished in colonial and semi-colonial bondage in 1939) becoming transformed into modern countries over the next few decades cannot but have a big effect on the
conditions of reproduction in the advanced capitalist countries. It can provide long-term markets for the products of Department 1. Already this has been a major factor in the growth of the machine-building industry of West Germany, Japan and Britain.

The competition of the socialist countries has favorably influenced conditions of western assistance and loans that these countries have secured.

3. The revolution in science and technology. The inherent tendency of monopoly to stifle or slow down technological advance (evident before the second world war) because of its reluctance to scrap expensive but technically out-dated equipment, if it can prevent it, is now counteracted by the over-riding pressure for technological advance for military purposes. Enormous funds and human resources are spent on research, the results of which are not confined to military purposes. The concern with the high rate of growth also spurs technological advance.

This in turn, affects social reproduction. Technological progress plays a big part in the cycle. The renewal of fixed capital is, as a rule, based on technological advance. The accelerated rate of technological advance, creates both the opportunity and the necessity (moral obsolescence) for a more rapid renewal of plant, (four to five years). Apart from shortening the cycle, this further strengthens the role of Department 1 in the process of social reproduction, and makes it MUCH LESS dependent on fluctuations in Department 2. Therefore, overproduction of some consumer goods is often partial and does not have the same direct and snow-balling effect on Department 1 as previously.

Rapid technological advances have brought with them new industries, new consumer goods and also new social needs, and have led to changes in the structure of the working class. The expansion of the service industries along with the growth of parasitism, the large number of state employees, military personnel etc. have created a big group whose income is only to a small degree associated with the economic situation. As a result, the processes which transfer crises of over-production from Department 2 to Department 1 have been weakened. The rapid growth of the services industries in Australia is already having this effect.
4. The growth of state monopoly capitalism. The role the state plays in economic life has taken different forms, including a growth of direct state ownership, as well as the state acting as a large-scale buyer and investor.

In the early thirties, budgets absorbed only a negligible part of the national income; now the central bodies dispose of as much as 30 to 40 per cent.

In 1959 the UN Economic Commission for Europe stated that "in most countries of Western Europe about one third of national income is at present channelled through the public sector." ("Economic Survey of Europe", 1959, part 3, p.1.) The central bodies in the main capitalist countries control or affect directly about half of all investment. In Australia in 1963-64, of a total of 4,320 million dollars gross fixed capital expenditure, 1534 million dollars or 35 per cent was public funds.

Government buying plays a significant part in the economy. This so-called organised market amounts to one sixth to one quarter of the national product of most of the leading capitalist countries. The capitalist state has entered the market as a collective monopoly, affecting commercial transactions in a big way. This weight of government buying and investment is new. *This merger of the aggregate power of the monopolies and the state has created the basis for regulating some key economic processes.*

In the past, too, the capitalist state was used to hold down wages, manipulate price increases and shift the burden of economic crises on to the workers, but today the state has two new additional policy objectives:

**A.** to stabilise the economy, to minimise the business cycle and to attempt to eliminate or reduce its downward phase.

**B.** to increase the long-term rate of economic growth.

The state can prop up prices, direct investment, and secure relatively stable long-term markets. These measures, taken by the state to overcome the obstructions to the accumulation of capital inherent in the capitalist relations of distribution follow two main lines: first, measures to stimulate private investment (tax reductions, special concessions), second, the state itself becomes a
major investor mostly in spheres which are not attractive enough to private investors.

The state is able to ensure very favorable conditions and generous assistance to the monopolies. In the U.S.A., more than two thirds of all expenditure on research and development is covered by the state.

The state is able to increase public expenditure in periods of economic decline (as occurred in Australia in 1961-62). It is able to maintain high prices and high rates of profit for the big monopolies during periods of economic decline. This was the case with steel in the USA in 1960, and coal in West Germany in 1958.

Military spending has become a prime element in government expenditure used to bolster up the economy, as shown during the Korean war.

The war in Vietnam is giving the American economy a big boost. The fear of a new cyclical decline in the US economy in 1965 undoubtedly played a part in the decision to step up the military intervention in Vietnam. What moral justification can be given for the continued existence of a social system which needs the blood and bones of innocent victims to keep going?

The question today is not whether the capitalist states can influence the course of economic development, but for whose interests the intervention occurs—the monopolies or the great majority of the people?

5. Effect of the class struggle. The influence of the working class on the political and economic processes in the capitalist countries is far greater than before the war, because:

1. During and after World War II the working class won a number of democratic demands which strengthened its influence.

2. The post-war boom and labor shortages facilitated workers' gains in struggles for higher wages and conditions.

3. The impact of the socialist world on capitalist thinking has helped the working class gain such concessions as improvement in social services.

All this in turn tends to expand the home market, particularly for the new consumer goods.
Does all this mean that the case for socialism is less powerful or compelling in western countries than it was in the thirties?

In fact, the problems created by capitalism, economic, social, moral and cultural are greater and more varied than ever. Insoluble within the framework of the capitalist system, objectively they make the need for socialism ever more urgent. The complete direction of social life along lines that suit the monopolies creates a multitude of distortions, frustrations and difficulties for the people. New needs created by modern life remains unsatisfied. There is a growing gap and contradiction between what capitalist society COULD provide and what it does provide.

The neglect of social needs is inherent in a society where profit for the monopolies and their determination to maintain this social system are the dominating features.

The neglect and distortion of education and of public transport, the misuse of natural resources, the uneven distribution of wealth, the control and misuse of the mass media, the brutalisation of life—all these are the result of the operations of a system that only continues to grow and advance at a tremendous cost to society, a system that feeds on war and suppression abroad, and on greed, injustice and deception at home.
Fifty years ago the issue of conscription was resolved in a referendum. The voting was extremely close with 1,160,033 recording a vote against conscription for overseas service and 1,087,557 recording a vote in favor.

But the legend was made and reconfirmed in a further referendum in 1917. By this time the majority against conscription had doubled.

It is not surprising that high on the list of priorities for anti-conscriptionists in 1966 is another referendum. Nor is it surprising that many, especially the older generations, hark back to 1916 and bathe that time in glory.

As then so now the motives of anti-conscriptionists vary. In the period of the World War I there were those who opposed conscription because it contributed to an imperialist war. The open opponents of imperialism then included many of the Irish who had their own quarrel with imperialist Britain. There were those who opposed all war, those who opposed war on moral and religious grounds, and there were those with quite dubious reasons.

Among these were quite vocal groups who had worked out to their satisfaction that conscription was a plot to undermine “White Australia”. They reasoned that the “yellow hordes” would arrive here, or even be encouraged here, if our young manhood was overseas.
The point here is that anti-conscription, in 1916 as in 1966, cannot be seen as a united ideological viewpoint.

It might also be stated that most people have viewed conscription differently at different periods of Australia's history. Only the pacifists have maintained a total objection to all forms of conscription at all times.

While the reasons for opposing conscription vary one may not dismiss the traditions established in 1916, nor the tradition of anti-authoritarianism which is well established in Australian history. Never the less it is well not to overestimate these.

Opinion polls have established fairly clearly that the present majority of voters do not oppose conscription as such nor does a majority oppose Australian involvement in the war in Vietnam.

The real hurly burly against conscription came when it was clear that conscripts would go to Vietnam. A clear majority opposes the use of conscripts in that war.

It is rather obvious that most Australians feel some disquiet about Australia's ability to defend herself. The "yellow peril" theory is not logical but it has been a consistent thread in our history.

Fears have been fanned in recent years by combining the old prejudice with anti-communism. The skilful use, and misuse, of statements from China and Indonesia have helped build a public case.

These is not much use ignoring this situation and merely stating that no-one threatens us. This may be the truth, yet it is less than convincing to many. While not inventing enemies it is necessary to see that many people will not oppose conscription, because they believe it to be a genuine attempt at defence preparations.

Why then the opposition to the use of conscripts in Vietnam. The various reasons tend to overlap, but by examining them it may be noted that there is a real lack of conviction about the actual war. It is not enough, indeed an underestimation, to suggest that the majority are opposed to overseas conscription in isolation from the war in Vietnam. Opposition to the use of conscripts in Vietnam flows out of that war and could lead to majority opposition to the war.
Naturally some opponents to the use of conscripts in Vietnam are pacifists and they base their opposition on moral grounds. But pacifists are a small section of the community. The moral position of most opponents flows with that of the pacifists but is related to this particular war.

The view expressed in the "Catholic Advocate" is a moral objection. It raises the question whether Australia should be involved in this war, whether our Government has done enough to resolve the problem before resorting to fighting and whether a Government has the right to commit conscripts on an issue which so clearly divides the community.

Some of the young people who have burned their draft cards reflect these views. They don't want to fight in this war. Many of their statements tackle the fundamentals of the Government's case.

They, and those who support them, argue against the domino theory. No doubt those who fear the "yellow peril" give some credence to the idea that if Vietnam ever gets into the hands of its rightful owners everyone in Asia will want to come and live here.

But the argument against the domino theory is tackled and often from a moral viewpoint. People query the morality of preventing the Vietnamese from deciding their own future just to gain some theoretical advantage for ourselves at some future date. They do this even when they are anti-communist, knowing that a government free from outside interference in Vietnam may very well be communist.

They argue against the RSL line that we must fight "them" as far away from our shores as possible. Again the objection tends towards a moral judgment, when people ask if we have the right to defend Australia on the Mekong when we would give no one the right to defend themselves on the Murray.

Not the least important viewpoint is that which challenges the methods of this war. Through newspapers, television and official communications there is wide knowledge of the use and effects of napalm, of gas, of bombing and of torture. It is becoming more widely known that training methods are not exactly humane.
Again moral issues are raised. Some are revolted at the thought of being a party to the use of terror weapons; others raise for discussion the concepts of war crimes established at the Nuremberg Trials; others insist that it is impermissible to violate the Geneva Accords.

The Government claims that others broke the Geneva Agreement first, but many reply that two wrongs never did make a right. Still others compare Korea, a United Nations action no matter how crude, with the intervention in Vietnam.

Even those who totally oppose American and Australian actions and support the position of the Government of the Democratic Republic of Vietnam and the National Liberation Front of South Vietnam base much of their position on the moral right of all countries to their independence free from interference.

When we come to one of the main arguments of the Government (that is, that we support our big ally now so that she will come to our aid in the future) a lot of people, facts to the contrary, give support. This reason is often given by many who support Australia's commitment in Vietnam and yet oppose the use of conscripts there. One can support the payment of protection money; but it is much more difficult to claim that it is an honorable thing.

Yet even with this argument, more and more question its validity. After all the Americans only helped us in World War II after Pearl Harbor. And if we need to make a sacrifice now then why not everyone, why just the few voteless conscripts unlucky enough to win the lottery?

It is from this disquiet that the question is widely raised of lowering the voting age, the one minor concession the Government seems to be considering, and the need for more general sacrifices by business interests and, those who escape the draft. The point in all this is that moral issues must be heeded if political expression is to be found for them, but that moral attitudes do not necessarily beget political attitudes.

It may be that the Government can recoup some of its lost popularity by giving votes to the conscripts and by calling up alien immigrants. The vote won't really
give conscripts a say, especially if they don't receive it until after they have been conscripted but it may provide a bit of democratic window dressing.

The conscription of aliens will undoubtedly affect the migration program, but it would suggest that the Government wanted to share the sacrifice around and the latent chauvinism of so many Australians might bring back some support to the Government.

For everyone in the labor movement who wants to see opposition to conscription expressed in the defeat of the Government, attention has to be paid to more than "anti-conscription". For those who believe that opposition to conscription can lead to majority opposition to the war then, the politicalisation of the moral issues, now involved, is vital.

Thus concrete alternatives, immediate as well as ultimate, are needed to end Australian involvement in Vietnam. It would be a serious mistake to regard even the present opposition to the war as opposition to the United States and a desire to see that country defeated. In this context the role of the nations which negotiated the Geneva Accords, the role of the neutral nations and of the United Nations cannot be underestimated.

High on the list, too, is the need to discuss more widely foreign policy and its corollary, defence policy.

What is needed involves rational alternatives to the present collision policy with Asia combined with consideration of the defence problem genuinely independent of the pressures of the United States' administration and the regional ambitions of Australia's leading investors.
CONGRESSES of the Communist Party of the Soviet Union have always proved to be important landmarks in the history of the Soviet people, and the 23rd Congress, held in Moscow from March 29 to April 8 this year, was no exception. It was this party, under the leadership of Lenin, which made the first breakthrough to socialism, in the October socialist revolution in 1917.

Today, there are many socialist states and the world socialist system is a major influence in world events. It was inevitable, therefore, that the 23rd Congress was followed with close interest, by friends and foes, throughout the world.

The 5,000 delegates to the Congress consisted of workers, farmers, scientists, engineers, teachers, writers, artists, soldiers, sailors, airmen and the various national groups. In short, all sections of the Soviet people were represented.

There were also present 86 delegations from fraternal Communist and workers' parties and national-democratic and socialist parties of the world.

The 23rd Congress had to take decisions on the economic, political and social problems of the U.S.S.R., on foreign policy and peace, and on the policy of the C.P.S.U. towards the other socialist countries and the world Communist movement.
It is possible to examine only some of these issues in this article.

At the centre of the discussions on domestic matters were the control figures and proposals for the new Five-year plan for 1966-70.

The figures for the 7-year Plan which was completed at the end of 1965 had been exceeded. Industrial production was up 84 per cent, that is 4 per cent above the plan; living standards had risen and the Soviet economy was much stronger all round.

Despite these great achievements the 7-year Plan showed up weaknesses in the economy. Some targets had not been reached, especially in agriculture, and there were shortcomings in management, planning and so on. Also subjectivist mistakes were made when N. Khrushchov held the leading party and government posts. Objective economic laws and scientific methods were not always fully taken into account and mistakes were made in other fields. Moreover, the growth of Soviet production and the developments in science and technology posed new questions for solution.

The October 1964 meeting of the Central Committee of the C.P.S.U. saw the fall of N. Khrushchov. He had proposed a plan to deal with agriculture which was rejected by the Committee and he resigned his positions as First Secretary and Premier.

The period between the October 1964 meeting and the 23rd Congress was marked by nationwide discussions within the C.P.S.U. and among the people, on the plans worked out by the C.C., at their March and September, 1965, meetings for the reorganisation of agriculture and methods of improving industrial production. The 23rd Congress was the culminating point in these discussions.

The new Five-year Plan decided upon at the 23rd Congress set far-reaching tasks which will take the Soviet people much further along the path to Communism. Industrial production is to rise 50 per cent by 1970, agriculture by more than 25 per cent and living standards by some 30 per cent. The most modern scientific and technical methods of production will be used in industry and agriculture.
The main stress in the reports and discussion at the 23rd Congress was on improving scientific methods of management, on raising the consciousness of the workers and increasing their material interest in their work, on better planning and giving scope for greater initiative for factories and for state and collective farms in the field of production.

The new system of planning, which extends over whole branches of industry, is important. Only certain key items will be decided upon by ministries instead of an over-all factory plan. This leaves much to the initiative of management and workers. They will decide on the details of production in relation to the key items, but they will also determine what additional items of production the factory is capable of producing, and their quantity and quality.

Also the trend is towards new forms of distribution. Some food and textile factories, for example, are supplying products directly to distributors and thus establishing a closer link with consumers.

Under this method quality goods will sell quickly and the profits of the factory will rise. A large part of this increased income will go into factory funds, to improve the incomes of the workers, for home construction, kindergartens and factory social services. As this new system extends, the interest of management and workers in the quality as well as the quantity of their products will grow. This should give a stimulus to production and help raise living standards.

It is suggested by the capitalist press that the new system of planning, with emphasis on the marketing of goods and the profitability of enterprises, is a retreat from socialism towards capitalism. But this is wrong. All the industries of the Soviet Union are publicly owned. There is just no hope of private enterprise and the capitalist system of exploitation of the workers ever being restored.

The need for the profitability of enterprises is not new. It has always been recognised as essential to socialist economy. The system of socialist planning and marketing is simply being improved to meet the changing situation. The latest proposals are realistic and will
strengthen the socialist system and hasten the progress to communism.

The new methods throw more responsibility and initiative on to management and staff in the factories and the collective and state farms. The trade unions will have more responsibility in planning at every stage. There will be closer ties between managements and workers in factories. The effect of these changes must be to raise the social consciousness of the people and strengthen socialist democracy.

Socialist democracy is much more thorough and embracing than capitalist democracy, under which laws are formulated and the liberties of the people are restricted to the needs and interests of the monopoly capitalists.

In the socialist countries monopoly capitalism has been abolished and all means of production are publicly owned. Because of this the basis for real people's democracy becomes possible, with the working people participating, in ever greater numbers, in all the forms of government, and in the direction of economic, political, social and cultural activities.

The 20th Congress of the C.P.S.U. which condemned the personality cult and the violations of socialist democracy that occurred under Stalin had, also, decided on measures for the more rapid development of Soviet democracy. This process was continued at the 22nd Congress, when the programme of the C.P.S.U. for the building of Communism was adopted. There can be no doubt that the decisions of the 23rd Congress will strengthen this trend.

As well as extending the responsibility and independence of managements and workers in the various enterprises, the Congress pressed for still more thorough involvement of the people in government activities on an all-Union, republican, regional and municipal scale, and in all other mass activities and movements.

The widening base of socialist democracy is clearly evident. There are some aspects of the democratic process, however, which have caused us concern. The Australian, and some other Communist Parties, voiced their criticism of the action taken by the Soviet authorities against the two writers, Sinyavsky and Daniel.
There is no doubt that the writers were guilty of the charges brought against them. They were engaged in anti-Soviet activity, had established links, through a foreign embassy, with anti-communist organisations abroad and had provided these latter with material attacking the Soviet Union and socialism. The action taken against them was supported, overwhelmingly, by the Soviet people.

In spite of these things, however, we considered that, after 49 years of Soviet power, the writers did not represent a danger to the Soviet state and, therefore, the action taken against them was unnecessary and wrong.

The newspapers in the capitalist countries distorted the facts of the case, covered up the conspiracy the writers had been engaged in and succeeded in creating doubts about socialist democracy among many people. This was damaging to the Soviet Union and communism.

Democracy is not an abstract concept and cannot be separated from the position of classes or the class struggle. There is capitalist democracy which serves the class interests of monopoly capital and is, therefore, limited and restricted for the masses, and there is socialist democracy, which serves the class interests of the working people, who are the vast majority.

We know that, here in Australia, in every struggle the people wage and in every big campaign they undertake, democratic liberties are attacked and have to be defended.

The issue of democracy is a vital one for us.

Among the people there is wide and growing understanding of the fundamental role of the Soviet Union in preserving world peace. The great economic achievements of socialism likewise influence the masses of people. It is necessary to face the fact, however, that there is serious doubt and misunderstanding about Soviet democracy. It has made the least impact. The violations of Soviet democracy and justice during the period of the cult of Stalin has left a deep impression. Capitalist propagandists know this. They take every opportunity to attack the Soviet Union on the issue of democracy and the action taken against the Soviet writers was grist to their mill.
It is not sufficient for the Communists and other people inclined to socialism to understand that socialist democracy is much broader than capitalist democracy. The mass of the people must also appreciate this fact. And for this not only the practice of Soviet democracy is important, but also how it appears to the masses, or in other words, the image it creates.

In the struggle against the reactionary influences of bourgeois ideology, repressive measures are not necessarily the answer; indeed, they can seriously rebound. Most important is the ideological struggle, the striving for socialist conviction, the combating of reactionary bourgeois ideas with the truth of socialism.

Greater emphasis on this aspect of the struggle will strengthen socialist democracy and win more support among the people throughout the world.

The 23rd Congress gave close attention to the international situation and the urgent problems of preserving peace. It expressed concern at the dangerous tensions that exist because of the aggressive policies of imperialism. The dirty war of U.S. imperialism against the people of Vietnam was condemned and so also the plans to place nuclear weapons in the hands of the West German militarists, which seriously threaten European security.

The divisions in the world communist movement impinge on these issues and, in a particular way, on the struggle in Vietnam.

The Communist Party of China, the Albanian Party of Labor, and some other parties refrained from sending fraternal representatives to the 23rd Congress. Nearly all other communist and workers' parties of the world were present.

After October, 1964, the C.P.S.U., in an effort to improve relations with the C.P.C., refrained from public polemics on the ideological differences. Its aim was to strengthen the basis for unity, and not sharpen differences. It was in this spirit that it approached the 23rd Congress.

The attitude of the C.P.C. to unity was frankly put prior to the 23rd Congress, when it said, in a statement
on relations with the C.P.S.U.: there is “nothing that unites us, and everything that divides us.”

The C.P.S.U. position, on the other hand, was that “there is more that unites than divides us” and that there exists a real basis for common action.

No one can doubt the correctness of the stand taken by the C.P.S.U. which is also the stand of the overwhelming majority of the Communist Parties. This is especially clear in the light of developments in South East Asia.

The U.S. imperialists have taken advantage of the divisions in the world communist movement to press their aggression against South Vietnam and to escalate the war against North Vietnam. Now, a new and grave danger threatens, that they will escalate the war against China. In such conditions there is the most urgent need for unity and for common action by the Communist Parties and socialist states to preserve the independence and integrity of Vietnam, and to remove the threat to China and to world peace. How is it possible, in this situation, to say that nothing unites us, everything divides us?

Ideological differences notwithstanding, unity and common action is both possible and necessary.

The Soviet Union, which has rendered continuing economic, military and political support to Vietnam, has called for joint meetings of the socialist countries to decide on common efforts to assist the Vietnamese people.

At the 23rd Congress the C.P.S.U., declaring that “nobody will ever succeed in extinguishing the torch of socialism held high by the Democratic Republic of Vietnam”, solemnly proclaimed its “solidarity with the heroic Vietnamese people” and demanded that the U.S.A. stop its aggression and withdraw all interventionist troops. It called for “united action” by the socialist countries and all the Communist and workers’ parties in support of the Vietnamese people.

Among the foreign leaders of Communist and workers’ parties to address the 23rd Congress, the first secretary of the Party of the Working People of Vietnam, Le Duan, commanded great attention. He thanked the C.P.S.U., the Soviet Government and people for the “tremendous
and varied assistance’ to the Vietnamese people, and spoke of the “lofty proletarian internationalism” of the C.P.S.U. He said that the Vietnamese Communists will devote “all our efforts to the struggle for the cohesion of the socialist camp and the international Communist movement” and would be “loyal to the revolutionary principles of the Moscow Declaration of 1957 and the Moscow Statement of 1960.”

Nguyen Thi Binh, leader of the delegation of the National Liberation Front of South Vietnam, also expressed gratitude for the “support from the Soviet Union, China and other socialist countries” rendered to her people.

In face of the statements of Le Duan and Nguyen Thi Binh, how is it possible to give any credence to the latest statements of the C.P.C. denigrating Soviet assistance to the Vietnamese people?

The speeches of the fraternal delegates from North and South Vietnam aroused great enthusiasm and also scenes of great emotion among delegates and visitors to the 23rd Congress. Spokesmen for each of the foreign delegations present at the Congress expressed their Party’s solidarity with Vietnam’s struggle against the U.S. aggressors, and their support for united action by the socialist countries and the Communist and Workers’ Parties of the world.

The 23rd Congress did not engage in polemics with the C.P.C. on the ideological differences in the world Communist movement. It did, however, call, in strong and clear terms, for common action in support of the heroic struggle of the Vietnamese people against U.S. aggression. It proclaimed its support for world Communist unity on the basis of Marxism-Leninism and the principles laid down in the decisions of the Moscow conferences of 1957 and 1960.

The fact that nearly all the Communist and workers’ parties of the world were represented at the 23rd Congress was most important. They made clear their support for international Communist unity and they declared their solidarity with the C.P.S.U.

The 23rd Congress, therefore, made its contribution, a very positive and constructive one, to the movement for the restoration of world Communist unity.
DROUGHT—
it can be beaten

Drought has always been regarded as a tragic but inescapable fact of life in Australia. But there are many things that can be done to overcome the challenge of drought.

SEVEN major droughts spread over a period of the last 100 years have simultaneously devastated the greater part of Australia.

In addition there have been a number of severe droughts affecting limited areas—the droughts of 1965 and the present limited but serious drought affecting the west and north-west of New South Wales.

What is drought?

The answer depends upon the type of country in which drought occurs.

In a brilliant and informative study entitled "Drought in Australia" issued by the Director of Meteorology, Melbourne (Sept. 1957), J. C. Foley, B.Sc., lays down a number of criteria:

"The term 'drought' is one which has a very wide range of usage. A commonly accepted broad definition is 'dryness due to lack of rain' Various writers use this term in the broad sense. Thus Thonthwaite (1941) represents drought frequencies by the number of consecutive days without rain experienced in various periods of years. Tannehill (1947) states that drought belongs to that class of phenomena which are popularly known as 'spells of weather' a drought is a spell of dry weather. It is unique among 'spells of weather' in that it creeps upon us gradually, almost mysteriously, but its consequences are a terrible reality." (My emphasis, W.M.)

Foley also indicates that more recent writers have attempted to define drought in its ecological effects.
Blair (1943) indicated that drought is a relative term. Crops in different parts of the world are more or less adjusted to the normal moisture conditions and to the normal rainfall distribution of the region. Hence what would be a drought in one region would not be injurious for another.

As we will see later there are important conclusions to be drawn from Blair's point of view.

A pioneer meteorologist, Government Astronomer Russell, in analysing N.S.W. droughts of 1888-1895 said in 1896 that “drought is not wholly made up by a shortage of rainfall. Its most important factors are great heat and drying winds. In 1895 for example there were many falls of rain in winter and spring which would have made grass in ordinary seasons but no sooner had it fallen than a dry north-west wind and a burning sun dried it all up.”

Major droughts have occurred in Australia in the years 1864-68; 1880-86; 1888; 1895-1903; 1911-16; 1918-20; 1939-45 and 1963-65. Of these droughts the most disastrous is considered to be that of 1895-1903.

West Australia in 1910-14 had a drought extending four years and three months in the coastal districts between Northampton and Walebing. This area is normally one of the most reliable wheat growing areas in Australia, but the average was two bushels per acre—the lowest ever.

The same drought in South Australia resulted in a wheat yield of 1.41 bushels per acre in 1914. Victoria in 1913-16 had a wheat yield of 1.41 bushels per acre.

New South Wales in 1892 had a sheep population of 62,000,000, but 12 years later it had fallen to 26,500,000 due largely to drought.

Drought causes enormous economic losses and human suffering. Unfortunately there has never been any real attempt in the seven good years to prepare for the seven lean ones.

Summing up the position Foley states: “Droughts such as experienced in the past are considered to be characteristic of the climate, a feature which must be borne in mind in relation to its effect on the national economy. There is no evidence from the picture presented by the
re:idual mass diagrams (a method employed by meteorologists to estimate drought effects) that the climate in this respect is changing.” (Droughts in Australia, P. 1, J. C. Foley, B.Sc.)

This brings us to a consideration of the Australian weather pattern and what causes rainfall or the lack of it. Roughly speaking almost all of Australia extends between the latitudes 12 degrees S and 38 degrees S, i.e. 26 degrees which is less than the latitude range of other continents. It has so little land above 2,000 feet elevation and so simple a coastline that latitude is the controlling factor in climate.

“Various portions of the continent”, states Griffith Taylor, “are affected by a belt of tropical cyclones, the trade wind belt, the anti-cyclone belt and the belt of antarctic cyclones.” (“Australia” by Griffith Taylor, D.Sc., P. 51.)

In winter the antarctic lows bring rain to the southwest of West Australia, to South Australia, the Riverina and Tasmania. These rain systems penetrate as far north on some occasions as Carnarvon in West Australia to the Darling Downs in Queensland.

Summer rain is caused by monsoonal effects of high temperatures in north Australia and by the trade wind belt which causes moist on-shore winds on Australia’s north-east coast.

Heavy late summer and autumn rains are caused by what are known as east-coast cyclones originating outside Australia and which travel west, south-west and then south-east (according to the ferrel effect).

Droughts and their converse of heavy and persistent rains occur when the normal weather pattern is disturbed. The Meteorological Department believes that last year’s drought continuing into this year in New South Wales began on August 22, 1965, when the normal winter weather pattern suddenly changed to a spring pattern.

The late Griffith Taylor, an Australian scientist with a world-wide reputation, believed that sun-spot activity has a bearing upon drought conditions. He wrote: “In 1922 the writer found that drought years in the Bourke district occurred fairly regularly during years of low solar activity; i.e. when sunspots were few as in 1890, 1902 and 1923. Later, Kidson in 1925, showed that this
was usually the case in the wetter parts of Australia, while the contrary conditions occurred in the great arid regions of the west and the centre."

In general then northern Australia receives its rainfall during the summer while southern Australian rainfall is predominantly received during the winter. The influence causing precipitation may vary in a northern or southern direction, or in intensity causing wide fluctuation in actual amount of rainfall.

Drought has an irregular history in space and time. There is no indication that climatic conditions will change in our favor or that worse will befall. (This is not to rule out the possibility that man will one day so understand all the factors underlying our weather that rainfall may be made subject to a considerable degree of control.)

Since we have to live with drought we should be prepared to meet its challenge both now and in the future.

Starting from the premise that Australia is the hot, arid continent with limited water and soil resources, we should plan maximum utilisation of both and improvement of the latter.

First place must go to water conservation. This requires the construction of dams where suitable sites exist, construction of weirs on such rivers as the Darling, construction of barrages such as exist on the Murray outlet and that planned for the Fitzroy in Queensland.

Further, we need the fullest knowledge of the extent of underground water supplies and their qualities.

Where possible, water conserved in various ways should be integrated in a connected supply system so that a deficiency in one area could be met by a surplus from another.

Water conservation is not only a question of huge storages such as the Snowy, Hume, Eildon, etc., but also of small local schemes and farm dam storage.

To the Water Research Foundation of Australia goes the credit that for the first time in the world a manual on farm dam construction has been produced. The value of the manual, prepared by Professor J. R. Burton (Bulletin No. 9, Vol. 1, Water Research Foundation of Australia) can be estimated by the fact that in N.S.W. alone annual cost of farm dam construction is $8,000,000.
When water is conserved to what use should it be put?

As water is a national asset, some re-thinking is necessary on the question of riparian rights. Water supplies should be first available for town water supplies and for farm stock purposes.

As many cattle and sheep have died in the current N.S.W. drought from bad water as from lack of nutrition. Next, water should be available for limited irrigation schemes producing annual crops and an amount provided for crops of a perennial nature, such as horticulture (fruit, trees and vines). A system of priorities should be established.

For example, the wisdom of extending rice acreages is being questioned, as rice is most wasteful of water.

It is being urged that irrigation water might be more profitably employed for more, lucrative or less water-demanding crops, including even wheat.

Maximum utilisation of Australia’s water resources is not the only answer to drought. It is doubtful if more than 5,000,000 acres of Australian land can be irrigated with available suitable soil in sufficient acreages.

For Australia, dry land agriculture is and will probably always be our mainstay. The great need is for the development of grasses, grains, clovers and crops which will be more drought resistant or economical in water consumption.

What sub-clover mainly has done for temperate Australia must be achieved in both dry and moister areas if drought is to be combated.

A break-through has been achieved with two new legumes—Townsville Lucerne and Siratro. Townsville Lucerne (Stylosanthes humilis) should not be confused with ordinary lucerne or alfalfa (Medicago sativa). Both are legumes but the old established plant and king of the fodders will not grow in northern Australia. The use of Townsville lucerne in conjunction with flinders, mitchell and spear grass country in Queensland promises a dramatic improvement in beef yield up to 10 times the present yield.

Siratro has been the personal achievement of Dr. E. M. Hutton, who is assistant chief of the Division of Tropical
Pastures within the C.S.I.R.O. The new plant is already performing well under a wide range of conditions in the summer rainfall areas of northern Australia. This and other summer legumes are extending into the northern half of N.S.W.

Anti-drought measures should also include reafforestation with native trees such as the kurrajong, quandong (native peach) and some of the mulgas (acc. sp.).

In good years greater reserves of fodder could be established by putting down more ensilage in pits storage. Made from mixtures of grasses and clovers or even one grass such as sudax (a new hybrid fodder sorghum) ensilage stored in the earth preserves its fodder qualities for many years.

Reserves of grain such as wheat and oats should also be held under a fodder conservation plan.

The organisation of anti-drought measures in Australia also demands the reorganisation of our transport system, particularly the railways. This would permit rapid passage of stock to agistment areas and the carrying of grain and fodder in massive block lots where necessary.

Long-range plans against drought require more investigation of desalination of water. The English, working quietly, have made the most spectacular advances with the multi-flash process. Soviet scientists have also made considerable headway in desalination processes.

A problem to be faced with water storage is that of evaporation. The use of cetyl alcohol as an anti-evaporation substance is effective but very expensive.

A new process involves the use of a wax base such as found in lipsticks. The base is spread by molasses carrier which readily dissolves, leaving the protective wax in place. As to the economics of the process, nothing has yet been revealed.

The immediate need is for a crash program involving intensified research and practical application of rain-making as well as the utilisation of the considerable underground reserves of water in drought-affected areas.

The Water Conservation and Irrigation Department, with limited resources, is boring for water and carrying out analyses of its quality. More needs to be done and small turbo drills such as are used for seismic work in
oil search should be acquired and put to use to locate and prove underground water reserves in the Lachlan, Namoi, Macquarie and other river basins.

At the same time more water could be transported by rail and rolling stock could be acquired from Victoria and South Australia via the bogie exchange point at Dynon, in Victoria.

Both immediate and long-range measures against drought must include the establishment of a pool, primarily of breeding stock, to replenish cattle and sheep lost in the drought.

Various State instrumentalities are responsible for conservation of water and its use. These bodies have an annual allocation for their general work and special legislative provision is made for the construction of major works. But all expenditure has to be encompassed within the general allocation of funds made by the Loan Council.

To carry out necessary investigations into water resources there exists an organisation known as the Water Research Foundation of Australia. This is financed by grants from State Governments and universities and donations from local government bodies, various business organisations and private donations.

Valuable work has been carried out by the Water Research Foundation, but its activities are severely limited by shortage of funds.

Australia, the nation which needs even more than others, full information on water resources, spends less than others on research.

Commenting on this position, the chairman of the Water Research Foundation, Mr. J. G. Beale, M.L.A.— N.S.W. Minister for Conservation—said in presenting the annual report for the year ending June 30, 1965:

"The control of water is vital in so many parts of our country. For example, recently and simultaneously floods caused damage in one area while water flowed to waste in another area and drought caused losses in yet another area. . . It is astounding how little is being put into research, particularly water research, in comparison with the huge cost of the present $200 million drought loss."
"Australia spends little of its national income on research—only 0.7 per cent. This compares with 2 per cent in Great Britain and 3 per cent in the U.S.A. and the U.S.S.R." (my emphasis, W.M.).

[Since this article was written, Professor J. W. Green has resigned his post as head of the Department of Nuclear and Radiation Chemistry, University of N.S.W., to take up an appointment in the U.S.]

His reason: He could not get $100,000 for equipment to carry on his vital work of charting Australia’s major underground water resources by the use of radio-active isotopes.]

The chief immediate sufferers of a prolonged drought are the farmers on small holdings, the shearers, shed and station workers, as well as some in the service of industries.

Any crash program should be slanted to provide work for all these people to avoid more serious hardship.

The labor movement has not yet, except in very few cases, given consideration to the drought question. Country people are becoming more aware that city workers organised in the trade unions are their natural allies whose aid is essential if a worth-while anti-drought plan is to be worked out and implemented. Such implementation means that much money must be spent.

The provision of finance is a Federal Government responsibility.

Money for immediate relief for country workers and farmers for the carrying out of a crash program of dam building, bore sinking and rain making, for financing the erection of fodder reserves and necessary transport, for the construction of major water storages and for extensive plant research must be provided by the Federal Treasury.

But there are ample signs that the Federal Treasury is not thinking along these lines.

The national newspaper "The Australian" reported (13/5/66) that the Federal Government "is certain to reject a New South Wales bid for $500 million in Commonwealth aid for water conservation."

According to "The Australian", senior Treasury officials said the project was "a political pipedream which paid scant attention to hard economic facts."
Thirty years ago, in July 1936, the fascist rebellion against the democratically-elected Spanish Government began. The decisive victory of the Popular Front in the February elections of that year expressed the Spanish people's demand for long-overdue social reforms. But the Spanish landlords and aristocrats, with the full support of Hitler and Mussolini, set out by force to flout this decision. After two-and-a-half years of heroic resistance, the Spanish people succumbed before overwhelming military forces, Spain was plunged into darkness, and the door unlocked to the even bigger tragedy of World War II.
There are parallels between what happened in Spain in the thirties with what is happening in Vietnam today. A victory for the Spanish people, a setback for the fascist powers and their accomplices, could have had a profound effect on world events since then. The struggle of the Vietnamese people today against the aggression of American imperialism and its allies, the outcome of that struggle, could also have a decisive effect on war and peace, on the shape of the world to come. As in Spain, the whole world again is involved.
By John Sendy

Democracy and the Communist Party

Does democracy exist in the Communist Party? The writer poses some questions, advances a few ideas as a basis for comment and debate.

The great issues of our times demand that marxists revitalise their analysis of economic, philosophic and political questions. Such revitalisation is not yet sufficiently reflected in Communist Party organisations despite relevant decisions by leading committees. The necessity for it is even contested by a few communists, only dimly visualised by many and demonstrated in practical terms by all too few.

There are suspicions that attempts to develop Marxism to keep pace with modern world developments may constitute a "watering down" of revolutionary principles. This suspicion is perhaps understandable because over a long period development of Marxism was too often seen as the province of a chosen few leaders (and in the Soviet Union for many years, even of one man) and efforts from "below" often resulted in "back of the axe" treatment for the would-be theoreticians or critics.

Some young members are critical of the Party with such complaints as: —

The Party is austere and puritanical. Many members are uncritical and dogmatic. Branch meetings are marked by lack of lively discussion on political issues.

These unpalatable charges have some validity. Any such weaknesses will be eradicated to the degree that communists overcome theoretical sterility, subject past and present work to searching scrutiny, increasingly throw
Marxism into the battleground of Australian ideas, improve study of the facts of Australian reality, familiarise ourselves with modern ideological trends in the community (contesting them and learning from them), and engage in political activity at all levels in the community.

The dust should be shaken off the textbooks. Lubrication must be provided for minds clogged with the formulas of yesteryear. Semblances of self-satisfaction with years of relative political isolation have to be overcome.

Marxism must be seen for what it is, a living, dialectical guide to action, the avowed enemy of stuffiness, dogmatism and bigotry.

These questions relate to some degree to problems of democratic procedures in the Communist Party and of party life.

The subject of democracy in the Communist Party has always evoked wide divergences of opinion. It is belittled by many people on the leftwing of politics, denounced as non-existent by enemies and proclaimed by many communists as perfect.

The subject has been analysed infrequently by communists over decades. However, the exigencies of party activity and life today and the problems of the world communist movement necessitates more thorough examination.

This article is but an attempt to open up the question in the hope of provoking comment and discussion which may prove helpful to the Communist Party in preparing its National Congress in 1967.

"Communism is not a phenomenon without parallel in the world's history. It is based on a particular view of world history and the meaning of life that is shared by many who are not communists. It has one feature, however, which, unlike its view of history and life, is wrong and evil in itself. To be a communist a person is expected to commit himself completely to the party, to submerge himself in the party's doctrine and discipline and to surrender his own personal judgement". (Dr. J. F. Cairns — "Living With Asia". P.169-170).

Dr. Cairns' view is widespread and contains some truth and much falsehood. It reflects the persistent propaganda which emanates from ruling class hatred of the united and cohesive nature of the Communist Party. It
is based too, presumably, upon the practices of membership and leadership under the worst periods of the distortion of Marxist principles in the Stalin era in the Soviet Union, and in present-day China.

Communists are expected to commit themselves to the Communist Party in much the same way as Dr. Cairns commits himself to the Australian Labor Party, that is, to be a loyal, thinking, active member, prepared to make sacrifices if circumstances call for them.

Because of relative political unpopularity, smaller numbers and a high degree of dedication to working class causes, Australian communists perhaps have required to be made of sterner stuff than members of some other political parties.

Dedicated communists may have wives or husbands, beget children, tend gardens, go to the beach, etc., just as Labor men or Liberals do. The difference lies in different political beliefs.

Narrowminded and fanatical communists exist as do narrowminded and fanatical A.L.P. members or Liberals, serving as a similar source of embarrassment for their party.

Certainly communists are expected to understand the party's doctrine and observe discipline. Unfortunately, there are communists who do submerge themselves in the party's doctrines and in the party as such; who read only Communist Party literature, become conservative and unthinking, complacently believing that Marxism has the complete answer to each and every problem, viewing society and politics in terms of pure blacks and whites. This is due to an inadequate grasp of the essence of the doctrine to which they believe they are adhering.

Concerning the question of surrendering personal judgments raised by Dr. Cairns, it requires personal judgment to join any political party; perhaps more so to join one which has not as yet a mass following. Rather than desiring the surrender of personal judgment, Communist Party members are required to exercise that quality constantly.

Nonetheless under Stalin, Mao Tse-tung and others, practices grew up in various Communist Parties which tended to deny some of the rights and personal judgments of communists. These practices are being fought against and remedied, to one degree or another, in most Communist Parties today. This is certainly so in the Com-
The conception and practice, developed by Stalin, of the Communist Party as a monolithic organisation, lies at the basis of these errors.

A monolith is one edifice from top to bottom, a solid unchanging formation. A critical look at such a theory, let alone examination of the results it has produced, reveal its fallacy. The “monolithic” theory of the party organisation was a grand distortion of Marxist principles and a negation of materialist dialectics. It demanded unanimity on all questions, whereas unanimity is necessary only on basic aims and principles in specific circumstances. It eroded initiative, creative thinking and discussion, instituting a long period of theoretical stultification in the communist movement.

The “monolithic” conception has little in common with the principle of democratic centralism upon which the organisation of the Communist Party is based.

Democratic centralism does not mean an “awful lot of centralism and not much democracy”. It means the free discussion of ideas concluding with decisions on policy and activity and the implementation of these decisions. It also must ensure the rights of dissenters, and an end to attitudes of suspicion, and gestures of retaliation against members who feel constrained to disagree or challenge majority viewpoints.

Freedom to vote against decisions and to reserve opinions, whilst adhering to the majority will, must be an inviolable right in the Communist Party, and furthermore a right whose exercise is regarded as a perfectly natural thing.

This does not necessitate anarchic situations. True democracy means full rights to debate. Debate in the party, however, should be free from insult, innuendo and smart-alec attempts to belittle those who fail to see the logic of the particular case. Debate is needed to clarify ideas, with the aim of reaching unity in decision and action. This is essential to achieve activisation of the party, to maintain it as a fighting revolutionary party of the working people.
About two years ago a sincere communist resigned his membership, declaring his dissatisfaction with democratic life in the Communist Party, claiming that groups and factions should have the right to operate.

This view is held by many friends of the communist position. It deserves some discussion. On an abstract plane it may seem justified, but from the standpoint of practical work the problem is more complex.

The only really factional group the writer has experienced was led by E. F. Hill in Victoria in 1962-63. The Hill group created a second centre of leadership in the Communist Party in Victoria, held separate meetings, published and circulated documents, flouted Conference and Committee decisions, and ignored the fact that their political position was overwhelmingly rejected by the membership of the Victorian organisation following prolonged debate in which they exercised full right of expression.

This unusual situation was tolerated for eighteen months during which Hill and his colleagues refused point blank to heed the majority. The Hill group operated as a party within a party until mid-1963, when most of his followers resigned and several were expelled.

Should such a faction be allowed freedom to operate in the Communist Party? Surely any person seriously contemplating a revolutionary change in the social order understands that such activities would make a mockery of democracy, render impotent political action and destroy the party.

However, fear of groups and factions has sometimes led to a situation in which anyone strenuously expressing opposition or doubt about the policies of leading committees was willy-nilly suspected of factionalism and disruption, thereby impeding the thrashing out of political or theoretical problems. This applied particularly to the last 20 years of Salin’s leadership in the C.P.S.U. with serious consequences for world communism.

When groups and factions in the Russian Communist Party were banned in 1921 the resolution adopted (formulated by Lenin) specifically made provision for democratic discussion of the party problems.

“The analysis of the general line of the party, the estimate of its practical experience, the verification of the fulfilment of its decisions, the study of methods
of rectifying errors, etc., must under no circumstances be submitted for preliminary discussion to groups formed on the basis of "platforms", etc., but must in all cases be submitted for discussion directly to all the members of the party. For this purpose, the Congress orders that the Discussion Bulletin and special symposiums be published more regularly, and that unceasing efforts be made to ensure that criticism shall be concentrated on essentials and not assume a form capable of assisting the class enemies of the proletariat" (emphasis added).

(Resolution, 10th Congress, R.C.P., 1921.)

The emphasised parts of this decision were largely ignored in later years.

Discussing the question of groups and factions, the Central Committee of the Italian Communist Party had the following to say:

"The organisation of groups within the party may in some cases be a form of internal dialectics and democracy. We do not believe, however, that it is the most favourable form for the circulation and comparison of ideas. Experience demonstrates that organised groups crystallise differences, tie the freedom of each one of us, transform creative debate into a group struggle for power. In a party which is not socially and politically homogeneous, such as the Christian Democratic Party, probably the only dialectics possible is that of groups. The situation in our party is different as it is ideologically, politically and socially homogeneous, and democratic life in it is now far more real and vast than in any other party."

(Foreign Bulletin I.C.P. No. 2, 1965.)

Freedom of debate, freedom to criticise is fully possible without the formation of groups and factions. It is necessary to do more to make the possibility a natural and everyday occurrence, thereby leading to greater unity, vitality and theoretical clarification.

One practical problem facing the Communist Party is that of overcoming a certain lack of vitality which characterises party congresses and conferences. While these important gatherings have sporadically improved over recent years, and provide much inspiration and many interesting reports and speeches, the criticism
relates to a tendency to formalism, to proceed only along well beaten paths.

Questions in dispute are sometimes relegated to the background, and concentration on vital matters is often impeded by the determination of delegates (and organisers) to see that everything receives attention and no subject goes unmentioned.

This sometimes leads to congresses and conferences becoming stereotyped affairs, scarcely befitting a revolutionary organisation which challenges capitalist society and aims to present the path forward to profound social change.

Congress certainly should analyse the international and Australian political scene and the relative strategic and tactical considerations. Concentration on, and resolution of, particular political, ideological and theoretical problems, however, needs to become more a part of congress procedure with the agenda arranged so that there is time for the necessary debate on such questions. The subjects for such special treatment could be indicated by the Central Committee and/or by the membership in the pre-congress discussion.

Another procedure could be the circulation of amendments to the draft documents and resolutions coming from branches, sections and state organisations to all delegates prior to the Congress assembling.

Some method of making these known to all party members prior to the Congress could also be considered. Such methods may stimulate interest and discussion, thereby placing greater responsibility on the Congress and its delegates to resolve questions in a satisfactory fashion.

One proposition, often put forward, is that only resolutions from branches be discussed, seriatim, in the style of A.L.P. Conferences. For many reasons this does not seem to be suitable. However, improvement of our congresses, conferences and meetings is a matter requiring creative thinking and discussion.

K. S. Karol, in an article "Reflections on the People's Democracies" appearing in the "Socialist Register 1965", in discussing party democracy, suggests four steps to improve the position.

1. The first step "must surely be the recognition of the right of every member to question publicly the
wisdom of the decisions taken at the summit. This is obviously impossible so long as the expressions of such disagreements are treated as acts of indiscipline, and even of treason, rather than as a means of encouraging explanations and of promoting discussion”.

2. “It does not seem desirable to have the immense majority of the delegates to Party Congresses selected from among the full-time members of the Party apparatus. It would be much more rational for such permanent officials to present their reports before an audience genuinely free to judge their actions and equally free to withdraw their mandate from them”.

3. “The divergences which occur frequently among the leaders surely need to be discussed publicly instead of being resolved in private committees”.

4. “A system of rotation in the leading organs of the Communist Party would seem of crucial importance”. (Ibid.)

Karol goes on to write: “It is true that democracy does entail risks. But it is not clear why debate between men who share the same basic ideas and who have the same aspirations should necessarily lead to an uncontrollable struggle and even to splits. After all, since so much is being said about a return to Leninism it might be useful to remember that in Lenin’s time, and despite civil war, communists used to argue about their differences in public”. (Ibid.)

These views are quoted here, not because the writer necessarily agrees with them, but because they are widely held in one form or another.

What attitude should communists take to such propositions? Classify them out of hand as outrageous revisionist nonsense? Or treat them as a contribution to the discussion of the problems relating to the democratic life of the Communist Parties which history has placed on the agenda? It must be borne in mind that the parties in the people’s democracies of Eastern Europe, governing parties, operate in conditions vastly different from our own, thus making the implementation of at least some of the suggestions virtually impossible in our party.
The question of democracy in the party, the way the party conducts its business, is not solved for all time. There have been weaknesses revealed which require much more thought and analysis in the years ahead.

The chief organisational principles of the Russian Party were formulated at its Second Congress in 1903 and are outlined in "What is to be Done" and "One Step Forward, Two Steps Back".

They were formulated during a near revolutionary situation and during the depths of Tsarist autocracy.

"... in an atmosphere of almost universal political discontent, in conditions which require complete secrecy in our work, in conditions which require the concentration of the greater part of our activities in narrow, underground circles and even meetings with individual persons. . . ."

(Lenin at 2nd Congress 1903.)

The organisational principles there laid down have been followed by most Communist Parties very closely. While the general principles seem correct, flexibility in their application to time, place and conditions has been lacking.

It seems apparent, for example, that Lenin's following assertion was valid for Russia at the time.

"... that in a country with an autocratic government, the more we restrict the membership of this organisation to persons who are engaged in revolutionary activities as a profession and who have been professionally trained in the art of combating the political police, the more difficult will it be to catch the organisation" (emphasis added).

("What is to be Done").

But there has been a tendency to copy it in situations where it was patently invalid. It is possibly responsible for too narrow and dogmatic a view of who is "good enough" to be a party member in present-day Australia.

Marxism, however, is the enemy of dogmatism of all kinds, whether in respect of theory, politics or organisations.

In developing the whole fabric of party life and activity, there is the need for study and re-study of the Marxist classical writings, but there is the necessity also to develop and apply Marxism to the modern, changing, Australian circumstances.
By ONLOOKER

The continuing ALP crisis

Coming State and Federal A.L.P. conferences have the opportunity to frame a united working-class policy to defeat Holt.

The near-unanimous decision of the Federal Parliamentary Labor Party to clarify its policies on the war in Vietnam and conscription represents a decisive consolidation of the forces in the Labor movement who seek a peaceful solution to international differences.

When the Labor Party drastically overhauled its foreign policy at the Hobart Conference in 1955 a few people envisaged that it would lead to an end to the bi-partisan approach to foreign policy that had characterised Australian politics in the National Parliament.

Since 1955, the Australian Labor Party has moved steadily forward in its search for an independent foreign policy, although there are considerable forces in its leadership that still cling to the fallacy that Australia must still rely on the United States for an effective defence system.

The policy of the Labor Party is now broadly in accord with that of the popularly-based peace movement and is in contrast to the attitudes of the Liberal Government, the D.L.P., the N.C.C. and the main sections of the bourgeois press.

It is a direct rebuff to those elements in the Labor movement who have been working to change the leadership of the Labor Party in the vain hope that it could lead to a change in the policies of the Labor Party.

For a considerable period the rightwing, egged on by the most reactionary sections of the bourgeoisie and its
press, have been seeking to supplant Calwell by a new leader. These forces which include the bureaucratic and undemocratic A.W.U., chose Mr. Whitlam, the present Deputy, to be the new leader.

Mr. Whitlam is known to be less enthusiastic about withdrawing Australian troops from Vietnam and less emphatic in his opposition to conscription. He is fairly close to the American point of view on foreign policy.

It is now history how Mr. Whitlam failed in his leadership bid. His television attacks on Labor Party personalities upset even some of his supporters. Last year he tried to seize upon "unity tickets" to advance his leadership claims. Trade union leaders, moderate and left-wing, were described as "men without honour" because they refused to make their trade union ballots "political."

Mr. Whitlam was found guilty by his Federal Labor Party Executive of "gross disloyalty" and was within an ace of being expelled from the Labor Party. However, the special Federal Party Conference which met in March of this year decided to severely reprimand him, after he had abjectly apologised for his attitudes and his attacks on Labor policy and Labor leaders.

Despite his own statement "I am destined to be leader of the Labor Party," Mr. Whitlam did not have the courage to make his own challenge inside the Parliamentary Party. He left it to an obscure N.S.W. Senator, Mr. Mulvihill, to make the running. The Caucus decisively rejected his leadership bid by 49 votes to 24.

Even sections of the right-wing refused to support him, while a large number of the moderate element remained with the pro-Calwell forces. The left forces supported the present leader because he has shown himself on foreign policy matters to have a better understanding of world events and is prepared to espouse the correct policy, even if some of the electors, at this stage, do not see the issues clearly.

Thus yet another of the recurring crises in the Labor Party has temporarily subsided.

Since the Labor Party's formation in 1891 schisms, splits and divisions and rank treachery have been commonplace. The first major division took place in the anti-conscription struggles during World War I.
During the 1930s another major split took place which had its origins in the personal and parliamentary dictatorship of the NSW A.L.P. machine by the then Premier J. T. Lang. It was only when the trade union movement, through the Sydney Trades and Labor Council, took on the Lang groups that democracy was restored in the Labor Party.

When Dr. Evatt blasted “The Movement” in 1954, he did so because the political movement, as expressed in the A.L.P. Industrial Groups, was seeking to subvert the trade unions to outside influence. “The Movement”, which had been formed in 1944 by B. A. Santamaria, was an extreme right-wing organisation based entirely on anti-communism and designed to weaken the leadership of the trade union movement.

By 1952 it had achieved some success. The militant leadership in the Ironworkers’ Union and the Clerks’ Union, as well as the Postal Workers’ in N.S.W., and several others, had passed into the hands of “Movement” members or supporters. It soon became evident to the Labor Party leaders that if this trend continued, its effect on the Labor Party would be tremendous. Sooner than later the A.L.P. would fall under the domination of Mr. Santamaria.

The trend was reversed when the A.L.P. Federal Conference in 1954 withdrew official recognition of the Industrial Groups, reconstituted the Victorian A.L.P. Branch and re-wrote the Labor Party’s foreign policy. Since then the extreme right-wing elements have been checked both politically and industrially.

In the years since 1954 however, Labor Governments in Victoria, Western Australia and Queensland were smashed by the political representatives of the Industrial Groups, who voted with the Liberal and Country Party politicians to defeat the Labor Governments.

The D.L.P. was formed by the former Industrial Group members and later “The Movement” was reformed into the National Civic Council.

Both these bodies have tried to interfere in trade union ballots without much success. Politically however they have worked successfully to date, to defeat the Labor Party at Federal and State Elections.

These two anti-labor bodies have, in every election, given their preferences to the Liberal or Country Party
candidates. This has defeated the Labor Party federally and in Victoria, N.S.W., Western Australia and Queensland has kept Labor from office in the State Parliaments.

The D.L.P. and the N.C.C. hope to blackmail the Labor Party into changing its policy and its leaders. They initiated the slogan "Get rid of Evatt," and, in 1960, aided and abetted by the mouthpieces of big business and the press, succeeded in getting Evatt removed from the leadership of the Labor Party.

Mr. Calwell became the new leader. The ruling class were elated. The stage was now set, they thought, for a reconciliation with the D.L.P. Dr. Evatt, the stumbling block for unity with the D.L.P. was gone. Editorially the press heaped praise on the new leader.

If Mr. Calwell was prepared now to work for a bipartisan arrangement with the Liberal Government on foreign policy, fight the Communists in the trade union movement, the main hurdles for an eventual union with the rightist D.L.P., then the emerging left in the labor movement would be contained and the bourgeoisie's "two-party" system of tweedledum and tweedledee would again be working satisfactorily.

Calwell almost won the 1961 Federal elections. The Menzies-McEwen Government won only by one seat. Soon after Mr. Calwell publicly called for a nuclear-free zone in the Southern Hemisphere. He expressed opposition to the US base in Western Australia and attacked the Government on its foreign policy.

The press changed its tune. Soon the "News-Weekly" --- official organ of the National Civic Council, "Vision" --- mouthpiece for certain right-wing Catholics in the N.S.W. Labor Party, and the daily press began the campaign "Labor cannot win with Calwell."

By 1966 this white-anting campaign had had some effect. The N.S.W. Labor Party, the centre of the right-wing in the Labor Party at this stage, persuaded Mr. Whitlam to make his run.

Mr. Whitlam publicly challenged the right of the Labor Party rank and file, through its Federal Executive, to interpret Labor policy. Mr. Whitlam wanted the Parliamentary Party to have more say in the policy-making bodies of the A.L.P. This has been the crux of all previous Labor Party schisms.

Since the formation of the Labor Party 70-odd years
ago the struggle of the rank and file for a working-class policy as opposed to a purely class-collaboration policy of the political wing has continued. Every 10 or 15 years this struggle erupts when the political wing—as expressed often by the Parliamentary Party seek to impose its views on the Labor movement.

This was the issue upon which Mr. Whitlam made his challenge. He chose State Aid for denominational schools as an emotional question that might attract to him influential sections of Catholic opinion. He posed too, the reformation of the Labor Party on the so-called Wyndham proposals.

These proposals envisage a stronger national Labor Party, less reliance on State Branches, more power to the parliamentary parties, particularly the parliamentary leaders, in the day-to-day political questions. All these manoeuvres are designed to turn back recent developments in the Labor Party which are leading towards a more socialist orientation.

The Labor Party left is a strong and developing force. It has successfully resisted attempts to change the A.L.P. foreign policy to suit the “hard line” policies in Washington. It has defeated the attempts to change the leadership of the Labor Party in order to arrest the leftward trends.

The unity of the Labor movement has grown considerably in recent years. The Labor movement is united on Vietnam, conscription, nuclear tests, the need for higher wages, for action against the growth of monopolies and many other questions. The policies of the D.L.P. and the N.C.C. have little support in the Labor movement.

But the ruling class and their supporters in the Labor movement have not given up the fight. They have many tricks up their sleeves. The most effective issue they have to divide the Labor movement today is aid to denominational schools.

The current difficulties of education in Australia are not confined to the State education system. The Catholic education system is, for a variety of reasons, undergoing an acute financial crisis. The extreme right-wing hope to use the State Aid issue to influence changes in A.L.P. policies. Already they have succeeded in arranging for another special Federal A.L.P. Conference in July.
They are hoping to bring about a defeat of the left-wing A.L.P. leadership on this issue, trying to capitalise on the real difficulties many Catholic parents are having in educating their children at private schools.

Already, the Tasmanian branch of the Labor Party has held its annual conference. During mid-June, N.S.W., Victoria and South Australia will hold their annual Labor conferences. In Tasmania, the conference agreed to limited support for state aid for private schools.

However, the conference gave overwhelming support to the fighting stand on conscription given by Labor Leader Calwell. The Conference rejected a plea by Harridine (Clerks' Union) not to discuss the issue. There was considerable enthusiasm for the stand taken by Calwell on Vietnam and Conscription.

The right-wing will endeavor to make the State Aid issue the main question at the Conference in the other three State and is already at work trying to play down the more important questions of foreign policy. The F.I.A. is reported to be seeking to change the Labor Party's attitude on conscription and Vietnam and to put the Labor Party on to a negative anti-communist line.

The Labor Party's Education Advisory Committee, according to press reports, will not make any drastic recommendations to change present A.L.P. policy on aid to denominational schools. It would appear that there may be some modification to the present policy, but these modifications seem to favor aid to the student rather than the institution.

The right-wing, particularly in N.S.W., may therefore seek to challenge the recommendations of the Federal Education Committee and try to use this issue to bring about dissatisfaction with the present Federal leadership of the Labor Party. These tactics may succeed in N.S.W., but there is every justification for believing that they will be defeated in Victoria and South Australia.

But, regardless of the outcome of these three State Labor conferences, the rebuff to the right-wing moves to change the leadership of the A.L.P. and the near-unanimous decision of the parliamentary Party to stand firm on its foreign policy all show that the conditions exist for a united campaign to defeat the Holt Government later this year.
The labor movement must take advantage of these favorable conditions. New forces, from the Churches and intellectual fields are joining in the fight, against Government policies in Vietnam. Even the official white-collar unions are critical of the Government. And some sections of the bourgeois press have misgivings about the involvement of America and Australia in the Vietnam war.

The developments in the Labor Party, the growth of the left forces, the isolation of the extreme right, gives the working class movement its best opportunity, yet to defeat the Federal Government.

For a long time reaction has held the initiative in Australian politics. The parties of monopoly have reigned in Canberra for nearly 17 years. There are signs now, however, that this era is coming to an end. Opinion polls show that there is no longer majority support for the Government’s foreign policies.

Public rallies, “teach-ins”, demonstrations, all point to a growing public awareness of the folly of Government policy. As well, higher prices, higher profits, inflation, increased war expenditure, and the continual difficulties in public works and education are causing concern to more and more people.

Small businessmen are feeling the inroads of monopoly, and more voices are being raised against the extent of foreign capital in our economy.

The conditions are thus becoming more favorable for united mass actions against all facets of Government policy. Try as it may, Labor’s right-wing cannot arrest the processes of mass action. Thus the Australian people, led by a resolute working class, can effect a change in Government later this year.
The shifts in basic wage "principles"

For almost 60 years a basic wage has been prescribed by a Commonwealth Conciliation and Arbitration tribunal. An analysis of the decisions shows a remarkable number and variety of reasons given by the tribunal in support of its decisions.

It should, therefore, not have caused surprise among trade unionists when the majority decision in the national wages case of 1965 departed completely from the "principles" adopted in 1961 and reaffirmed in 1964.

It is now history that last year the trade unions applied for an increase of 12/- in the basic wage and were awarded no increase in the wage but an increase averaging 5/- to 6/- in margins.

Ever since a basic wage was fixed at 7/- a day in 1907 by the Commonwealth Court of Conciliation and Arbitration and "principles" adopted in fixing wages, these "principles" have been ignored or set aside in favor of different and what appear to be more expedient principles.

Over a period of 60 years it has always been the wage earner who has suffered because of changing "principles" and inconsistent decisions.

In 1907, Mr. Justice Higgins fixed 7/- per day as a wage which would provide a condition of "frugal comfort" but "would provide no margin for luxury or amusements; indeed, for any exceptional expenditure the family had to suffer in necessaries."

One would have thought that such a minimum standard would have been adjusted from time to time to
compensate wage earners for rising costs, but it was not until 1913, by which time prices had increased by 23 per cent since 1907, that the Court increased the wage to 8/- a day. On the subject of "what the advance in the basic wage should be", the President of the Court said "in such a matter I have felt that, if I err, I should err on the side of delay and caution".

This "principle" was undoubtedly carried out with the utmost efficiency so that by 1919 the then Prime Minister of Australia, Mr. W. M. Hughes, in an election speech, said "If we are to have industrial peace we must be prepared to pay the price, and that price is justice to the worker. Nothing less will serve. We have long ago adopted in Australia the principles of compulsory arbitration for the settlement of industrial disputes and of the minimum wage... Once it is admitted that it is in the interest of the community that such a wage should be paid as will enable a man to marry and bring up children in decent, wholesome conditions—and that point has been settled long ago—it seems obvious that we must devise better machinery for insuring the payment of such a wage than at present exists. Means must be found which will ensure that the minimum wage shall be adjusted automatically or almost automatically, with the cost of living, so that within the limits of the minimum wage at least the sovereign shall always purchase the same amount of the necessaries of life.

"The Government is, therefore, appointing a Royal Commission to inquire into the cost of living in relation to the minimum of the basic wage and how the basic wage may be adjusted to the present purchasing power of the sovereign, and the best means when once so adjusted of automatically adjusting itself to the rise and fall of the sovereign. The Government will at the earliest date possible create effective machinery to give effect to these principles. Labor is entitled to a fair share of the wealth it produces."

The Royal Commission held its inquiry and in 1920 found that the cost of a reasonable standard of comfort for a man, wife and three children "below which no employee should be asked to live" was £5/16/- a week. At that time the average wage paid to all adult employees in Melbourne was £4/3/1 a week.
The findings of the Royal Commission were never implemented. The President of the Commonwealth Court described the Commission’s £5/16/- cost of living figure as “this so-called basic wage of the Commission which is not a true basic wage but a will-of-the-wisp that will lead them into the ditch”.

The Court continued to relate its basic wage to the 7/- a day standard fixed in 1907.

Then came the years of economic difficulty, the depression years of 1930’s. No longer was the “frugal comfort” of 1907 considered necessary, wages were cut in 1930 and early 1931 by 10 per cent, the Court announcing that “the decline in the national income and the reduction in the spending power due to cessation of loans, make necessary a reduction in the basic wage”.

The Commonwealth Attorney-General immediately applied to the Court for a three months suspension of the Court’s orders reducing wages on the ground that “the Government, in consultation with banking authorities, is engaged in the formulation of a scheme to ensure that the burden of loss arising from the decline in national income and spending power shall be equitably distributed over all sections of the community, and that the immediate enforcement of the Court’s order would embarrass the Government in completing its proposals for economic rehabilitation”.

The Court dismissed the application and in doing so declared: “It is impossible for a Court however desirous it may be to assist a Government faced with such heavy responsibility, to so nullify its considered opinion that whatever may be done to meet the present crisis there is no escape from a reduction of at least 10 per cent in wage standards”.

Applications by the trade unions for restoration of the 10 per cent reduction made in 1932 and 1933 were rejected by the Court, notwithstanding it finding in 1933 that “the wage-earners appeared to have suffered recently rather more than the 10 per cent reduction intended by the Court and we think this should be remedied”.

A similar application was made by the unions in 1934. This too was unsuccessful, but the Court fixed the basic wage on a new basis taking into account, among other factors, “the economic position of the Commonwealth”.

52
The wage-earners' 1907 standard of "frugal comfort" was a principle never again to be followed, the Court conveniently observing: "Hitherto Australian Courts have substantially assessed their basic or living wage on the cost of living of a family unit according to the standard which the tribunal was either directed by statute to adopt or itself thought fit to adopt. In the long run, if due consideration be given to economic conditions, this process will probably give a resulting basic wage in amount fairly close to that which would be indicated by a method founded on national productivity".

In 1937, a new principle was born. The Court added a "prosperity loading" to the basic wage, 6/- a week in N.S.W., Victoria and Queensland, and 4/- a week in South Australia, Western Australia and Tasmania.

In 1939 the trade unions applied for a further increase in the basic wage, arguing that since 1937 "there has been a further increase in the general prosperity of the Commonwealth which justifies a further increase in the basic wage". The Court did not give a decision until February, 1941, when the unions' case was rejected on the grounds that "marshalling of all resources for war purposes is the first matter which this Court must consider". This meant prosperity for industry and the employers, wage-pegging and rationing for the employees.

It was not until 1946 that the Court again considered the level of the basic wage. An "interim" increase of 7/- a week was granted. No detailed statement of reasons was given by the Court but the following statement was made in the course of the short judgment issued.

"During the protracted hearing of the earlier stages of the Standard Hours case, from accumulated indications which forced themselves upon the attention of the Court from many sources, the necessity of an early consideration by the Court of the exercise of the power conferred upon it became increasingly apparent. Had the Court failed to give heed to such indications the public interest would have suffered and it would have failed in its duty to the community and in performing the functions allotted to it as part of the national plan of economic organisation in the early post-war period".

The statement of the Court did not elaborate on the "accumulated indications which forced themselves upon
the attention of the Court from many sources", but the following extracts from the Amalgamated Engineering Union monthly journals covering the period possibly throw some light upon the situation:

"In Melbourne, on Sunday, October 20, a mass meeting of Tramways Union members decided to cease work until their claims relative to reduced hours, increased wages rates, penalty rates, shift rates, etc., were granted. They were supported by members of the Australian Railways Union, with the result that on and from 20/10/46 a complete stoppage of all rail and tram transport had taken place. Members of the A.E.U. employed at Newport, Jolimont, Spotswood, North Melbourne loco and country sheds and workships have also ceased work in support.

"At the conclusion of the meeting members were joined in Collins Street by the locked-out members of the Federated Ironworkers' Association and led by a red-robed Father Christmas and two bell-toppered workers carrying a banner inscribed 'We're Dreaming of a Black Christmas', a march down Collins, Swanston and Flinders Streets to the Chamber of Manufacturers' Building took place, where speakers voiced their opinions of the employers' actions. It is estimated that 3,500 members are involved in the dispute.

"Our campaign and overtime embargo, in addition to the foundry workers' claim for improved wages, the nine-day stoppage, etc., have all been instrumental in forcing the Arbitration Court to proclaim the 40-hour week principle and agree to an early hearing of the interim basic wage case."

The next decision on the basic wage was delivered in October 1950 when an increase of £1 a week was awarded. A new principle was adopted by Judge Foster when in the course of his decision he said: "I have, as has appeared, very largely based my decision to grant basic wage increases upon the strong impression created in my mind by the evidence, figures and experience of the existence of a standard of living of the basic wage worker in Australia higher than the basic wage could buy today". . .

"The result is that if the adult wage is to be fixed at as high a level as industry can sustain (and I feel
strongly that the Court should not enforce a settlement of a dispute at a lower figure) and as there is good evidence that industry is sustaining and has sustained these actual levels, then it would be safe for the Court to prescribe a sum as a basic wage that would give legal sanction to existing actual rates...

"Conscious that our task is the settlement of the dispute, I cannot see how an award fixing rates substantially lower than those actually being paid would settle the dispute. It would be unrealistic as to tend to bring the Court into contempt".

The period following the end of World War II was characterised by a large unsatisfied demand for labor. There were many more positions vacant than wage-earners seeking employment. Such a situation had not occurred in Australia since the exodus of labor from normal fields of employment to rush to the goldfields in the 1850's. Employers competed with one another for labor and militant unionism, taking advantage of the economic and industrial situation, successfully fought for rates of pay far in excess of legal minimums.

The judges were not "so unrealistic as to tend to bring the Court into contempt" and gave legal sanction to increased minimum rates, rates which were already being enjoyed by a large section of wage-earners.

£1 a week was by far the largest increase granted, and it is undoubtedly significant that the years 1949 and 1950 were years of tremendous industrial and trade union activity. Campaigns were waged in every state on the questions of civil liberties, the Crimes Act, wage rates and living standards generally.

On the question of the influence of above award payments and trade union wage campaigns on the Commonwealth and Arbitration Commission at the present time I quote without comment the following extracts from the 1965 national wage case judgments:

Kirby, C.P., President: "Radical changes should not be made in our award wage structure particularly in relation to the retention of the basic wage and margins as separate elements or in the hitherto accepted pattern of their treatment, particularly so far as timing is concerned, until
the Commission has a recognisable picture of the range and extent of over-award payments in the various industries. Without this picture it is difficult to have a proper understanding of the reasons behind their existence which reasons may vary in different industries or even in the same industry. The possession of such a picture and understanding would enable the Commission to make a considered decision as to whether the disparity between award wages and actual wages should be allowed to continue so far as the Commission's policies are concerned or whether the Commission should by its prescriptions endeavour to make it progressively diminish."

Majority judgment, Gallagher J., Sweeney J., Nimmo J., Deputy Presidents: "It is clear that union reliance on over-award payments has proceeded by a series of steps—

1. The Commission in 1959 and 1963 attached some weight to over-award payments in determining the levels of award wages.

2. It is in the interests of unions to obtain over-award payments and rely upon them in a hearing before the Commission of a claim for award increases as evidence of capacity to pay.

3. Having so obtained award increases, the unions should seek to ensure that these increases should not be absorbed in previously won over-award payments, but should be added to them.

"It is clear that if, as has been the general position in recent years there was little or no absorption, the original over-award payments provided no evidence that there was capacity to pay, not only those over-award amounts themselves, but the award increases added to them. Our conclusion is that the Commission should not place any reliance upon over-award payments as evidence of capacity to pay award increases which are designed to be added to them. . .

"In one of the union documents placed before us by Mr. Robinson, ‘the militant type of leadership’ was contrasted with other kinds of union leadership. The ‘militant’ approach set out in the exhibits was based upon the view that the way to win a case before the Commission was, first to develop a major national propaganda campaign and make claims on every employer and seek to
obtain over-award payments by demands backed by the threat of strikes, which should if necessary be carried into action.

"Applications should then be made to the Commission to obtain recognition of the established fact. Ideally the period before and during the hearing of the application should be one in which many industrial disputes should take place, so providing, it was said, the main pressure on the Commission and determining the success of the union case.

"In the view expressed in these exhibits by the advocates of the 'militant type of leadership', the policy of other kinds of union leadership which favored arbitration without waging preliminary campaigns in the workshops was deplored, as it resulted in cases being confined solely to argument between the advocates of the unions and the employers.

The type of leadership which a particular union elects is a matter for it to decide, but we desire to make perfectly clear our conviction that the sound working of the Australian arbitration system can, on the one hand, only be hindered by resort to pressure and, on the other hand, helped by reliance upon argument."

However, the record shows conclusively that every "principle" adopted by the Court has shortly afterwards been rejected by that same Court and replaced by another, influenced to varying degrees by the numerous pressures and considerations briefly outlined above.

To what extent can reliance be placed on argument when there are no clearly definable principles (let alone principles acceptable to both sides) upon which such argument can be based?

It is therefore a matter of serious concern for unions to clarify and develop their own principles, and to ensure that the voice of their members for higher living standards and better conditions of employment is forthrightly expressed by resolutions, demonstrations and, on occasions, by stoppages in support of these principles and claims.
AUSTRALIA, by

AUSTRALIA comes to life in this short book. Concentrating on his theme, the development of a nation and national characteristics, Russel Ward describes the first 50 years of settlement as a period of conflict between social groups where the lower classes in particular adapted to the new environment. The life of the convict and bush worker fostered the collectivist and democratic outlook which in its various aspects have come to be regarded as peculiarly Australian.

This outlook was not altogether shared by the middle class which came into existence, in strength, after the goldrushes. Economically and politically this liberal-minded middle class was building a nation but it did not decisively alter the Australian “image” which remains very much as fashioned by convict, bush worker, shearer, unionist.

By the turn of the century a good foundation for nationhood had been laid, economically, in politics and in culture, only to be checked by war and depression.

It is perhaps not so easy to assess the salient features of Australian society in the post-war boom. Here Russel Ward describes most of the major events and public attitudes but he does not clearly delineate the pattern of prevailing trends. He points out that the Liberal Party has been careful to maintain near-full employment, but he does not give adequate emphasis to its major concern: the interests of the Australian monopolies and foreign investors. Neither group emerges with clarity. Further, he accepts uncritically the view that heavy American investment is needed for national development (p.139). It is increasingly obvious that the Australian public is becoming aware that our national interests and integrity have been betrayed. In spite of “prosperity”, education, social welfare, the development and conservation of resources have been neglected.

Ward maintains that it is the Australian temper to abhor violence in word and deed. Are we too happy with the concept of our country as “the quiet continent” (p.17)—whatever the reality?—S.B.

In his provocatively-titled book "Success and Failure of Picasso", John Berger, English marxist author and critic, abruptly seizes his reader's attention with an opening flourish around the theme of Picasso's fabulous success measured in terms of wealth, fame and possessions.

This is followed by an assertion that forces other than Picasso's undeniable powers as an artist or the strength of his personality have contributed largely to the quite unprecedented extent of his fame and fortune.

To so much as hint that an artist of such towering stature as Picasso can in some way also be a failure is such a hazardous departure from generally-held opinion, that all arguments developed to support it, be they ever so intriguing and at first sight convincing, must be all the more closely examined.

Picasso's fame as a personality, says Berger, puts Picasso the artist in the shade. Only one out of hundreds, he says, who know the name of Picasso would recognise a picture by him.

It is difficult to test this. Whether or not I am one out of hundreds, I can recognise paintings by Picasso as I see them in reproductions on display, out of the corner of my eye, and find each a surprising, new and sudden visual experience that holds some hitherto unnoticed element of reality.

For Picasso with all his expressive use of distortion and displacement of parts is, in no sense, an abstract painter.

And I have acquaintances among the hundreds whose interest is not specially trained on painting, for whom the works of Picasso hold a fascination.

It cannot be denied that Picasso's literary associates have written much that amounts to an exaggerated and, at times, an absurd adulation of his personality, while almost dismissing his painting as a side issue.

He himself is quoted as saying that it is not what the artist does that matters, but what he is!

He is also apparently opposed to reasoning about art or to the critical analysis of the processes of artistic
creation. "I put down on canvas the visions that force themselves upon me. I do not know beforehand what I shall put on canvas, and even less what colors I shall use."

Berger covers a lot of ground in his book and produces a mass of detail in a racy, very readable style and an ordered sequence.

The most controversial points are, perhaps, what he calls Picasso's failure, and a criticism of society, specifically the French Communist Party, for refusing to accept Picasso at his true value as an artist, while at the same time exploiting his great name and reputation.

Picasso's failure, according to Berger, stems from his failure to find subjects worthy of his genius, and his inability to break from the isolation that success and the adulation about his personality forced on him.

Of Picasso's decision in 1944 to join the French Communist Party, Berger writes: "There were positive reasons why Picasso wanted at this time to begin a new phase of his working life. Having lived through the nazi occupation and so experienced political events at first hand, as he had not done since his youth in Spain, he was genuinely moved by political emotions.

"Most of his friends were in the Resistance and he himself, though he took no part, nevertheless became a figurehead of the movement.

"When at last Europe was liberated he felt—like millions of others—that he must assist the birth of a new world. And in 1944 he joined the French Communist Party."

Explaining his decision, Picasso said: "Have not the communists been the bravest in France, in the Soviet Union and in my own Spain? How could I have hesitated? The fear to commit myself? But on the contrary I have never felt so free, never felt more complete. And then I have been so impatient to find a country again. I have always been an exile, and now I am no longer one: while waiting for Spain to be able to welcome me back. The party have opened their arms to me and I have found there all whom I respect most, the greatest thinkers, the greatest poets... and all the Resistance fighters. Again I am among brothers."

Berger notes that, in becoming a communist, Picasso
had hoped to come out of "exile". But, he says, the communists did what everybody else had done — they separated the man from his work. They honored him as a man while they argued about his work or dismissed it as decadent.

"I cannot believe", Berger says, "that he was in any way mistaken or that he chose the wrong political path. But as an artist with all his powers he was nevertheless wasted.

"As a result of his taking part in the peace movement his fame spread even wider. His dove became a symbol not so much as a result of his power as an artist but in the linking of his name with the power of the movement."

Many rich and successful artists having in their young days surmounted the difficulties of getting their careers under-way, have in their later years of success and prosperity abandoned their socially critical attitudes to simply live on their reputations and repeat pale versions of earlier successes. They settle down in comfort and become conservative.

There are others, notably David Sequiros, who play a leading, active part in the revolutionary party and throw all their immense talent into the service of humanity, in the struggle for a better life.

In coming to the Communist Party at the height of his success, Picasso is an exception. It is open to argument that he was able to use to the full his immense artistic talent in the service of his fellow-man.

If, then, there is some truth in the assertion that the communists failed to value or to understand his art or to lead him to more human subjects, then his example must be studied against the time when equally gifted men come—as they must—to throw their energies and their creative impulses into the socialist movement.

Berger, of course, cites other influences that contributed to what he calls Picasso's failure to develop in the later years of his career, chiefly the extent of his success. Although he has never lost his personal integrity or become corrupted by this success, it nevertheless prevented him from developing because it deprived him of contact with modern reality. He was hemmed in by his wealth and reputation, roped off from contact with simpler men.

Berger makes out a strong case. His chief conclusion is that the success and honor offered by bourgeois society
is not worth having and should be refused, not merely on principle, but for the sake of preservation, of personal integrity—and this not just for outstanding artists or, indeed, for artists alone.

It may be that we will not see another artist like Picasso. The historical conditions no longer exist.

He has not lied in spite of success and wealth. He has never become cynical. He has retained his vitality and creative energy into old age, and, whatever else we may say, has remained deeply human and at all times a lover and champion of youth.

His contributions to the arts of sculpture, painting and drawing, and the graphic arts have a scope as vast as they are varied, and he has brought new life into painting and provided a store-house of suggestions for the use of color and design that is inexhaustible.—H. McClintock.

AN AMERICAN EXPERIENCE, by Allan Ashbolt. Australasian Book Society.

This book will be known as one of the standard reference books on mid-century American mores. Allan Ashbolt eyes dispassionately the American motherland, removed of its schmaltz and its own romanticised illusions.

The picture is horrifying. He bares a society of sprawling urbanism which creates its own atmosphere for prejudice and violence, its tensions, its need for release. It creates its own natural delinquents while seeking its own devouring end: the profit motive:

Criminal world, underworld or the world of juvenile delinquency: all mirror the standards prevailing in the respectable world, all exist as a measure of what standards the responsible world is prepared to tolerate and absorb. (P. 72.)

The 1958 TV quiz scandals, payola, price-fixing and rigged bids accusations were some of many glorious revelations of grand corruption in previously believed sacred areas. Mass-media helped public opinion to bellow outraged. Some minor heads rolled: no presidents or board chairmen! And the corporations continued on.

The description of the automobile-based economy is illuminating. The closeness of monopoly corporations to Washington is most tellingly illustrated by the events of March 1961 with President Kennedy's warnings that the economy was in trouble. It was given in terms of one million automobiles languishing unsold. He:
knew that the American public wouldn't be roused to pity
and terror by references to breadlines in West Virginia or
twenty million people going hungry or 8 per cent of the
work force being unemployed. (P. 105).

In fact,
   . . . America has not, in terms of economic and socia'
   justice progressed much beyond the situation in 1937, when
   President Roosevelt saw one-third of a nation ill-housed, ill-
   clad, ill-nourished. (P. 237).

Big business governs and takes over all. The largest
monopolies depend on the product which Mr. Ashbolt
points out has the swiftest in-built obsolescence: war
materials and supplies. The Cold War is profit; imperial-
ism cannot slacken its war-orientation. To discontinue
would mean depression and 20 million unemployed.

Such economic war-orientation has been developing for
decades. Its imperialistic growth since frontier days
continues to be as brash as its origins. Romantically
(made) aware of this past, the American's "security" is
handed him as the result of his acceptance of social
"responsibility" on monopoly's terms—and this is ex-
pected to include the unions. It is significant and
frightening that Mr. Ashbolt has here described without
label the corporate nature of Nazi National Socialism, and
has twice identified it: in the form of national gangsterism
(in the underworld sense), and in the form of Presi-
dential guidance of certain sections of monopoly.

Through the deference to the child who is precipitated
into the adult world with the possibility of his being
educated to adult near-illiteracy, and through his receiving
all his life, in general, a mass-produced aesthetic education
of profit-geared cultural rubbish, and through his living
in a society geared to over-production and organised
waste, it is no wonder that "liberalism" has encountered
setbacks and confusion. The Congo and Cuban events,
the massive civil rights movement, the Vietnam war, are
now forcing more dissenting attitudes, in political terms.
As Mr. Ashbolt comments of dissent:
   . . . it is the cornerstone of American liberty. If that
collapses, the rest collapses. (P. 210).

An American Experience is penetrating, witty and most
absorbing. Unfortunately, it does not allow for necessary
cross-reference by failing to be indexed.

It is to be hoped that Mr. Ashbolt will soon be exam-
ing the Australian contrasts and similarities he undoubt-
edly saw on his return.

—D.M.

MOUNT Isa, town of dust, strikes, miners and pubs! A town that excites the interest of layman and industrial psychologist alike.

What makes the miners strike and turns their wives into super-militant underground workers and defiers of policemen? Why do the MIM executives doggedly refuse the men's demands, preferring to close down the mines rather than to create the happy worker-management relations beloved of Management courses?

Last year Gordon Sheldon, public relations officer for MIM, gave his version of the town and the people who make it live. That is one side of the story. Now we have another.

Mount Isa differs from a coal-mining town and community in that a great proportion of the population is "temporary". Few go there with the intention of sending down permanent roots, and so their emotional lives are disturbed by a basic insecurity. Betty Collins shows how men and women react to this environment.

She is happily partial in her approach. An unabashed proponent of the working class, she blows Mr. Sheldon's vision of glorious Mt. Isa as high as the towering smoke-stack which dominates the town. A tough year she spent in The Isa provided the material for much of this novel.

Her characters are down-to-earth but suffer because of her uncritical approach. She loves them too much, refusing to probe too deeply into their inner lives.

Since this is almost a universal fault with many first novels she may well overcome this problem.

The story centres around Julie and Nick, a young couple hoping to make their fortune in the town, and their friends who harbor similar hopes for the pot of gold at the end of the rainbow. Had the conflict between Julie (an independent Australian girl) and Nick (a Greek with a feudal background and progressive ideas) have deepened and heightened, both the book and the reader would have gained.

Betty Collins has a good working understanding of simple working class politics which she uses to advantage. She shows quite clearly the nature and workings of a foreign monopoly within an exploited country.

—JOYCE HAWKINS.
OUR CONTRIBUTORS...

W. MOUNTJOY: Member of Water Research Foundation of Australia; Job Delegate, Brick, Tile and Pottery Workers' Union.

J. SENDY: President, Victorian State Committee and member of Central Committee C.P. of A.

W. A. BAKER, B.Ec.: Trade Union advocate for 20 years before industrial tribunals; expert economic witness in several basic wage hearings.

MRS. M. ROBERTSON: National Secretary, Eureka Youth League.

H. McCLINTOCK: Artist and cartoonist; represented in N.S.W. and W.A. National Galleries and in War Memorial, A.C.T.

B. TAFT: Member of Central Committee C.P. of A.

R. DIXON: President C.P. of A.

"ONLOOKER": A contributor who has spent many years of active service in the labor movement.

IN COMING ISSUES...

Australia's Anti-Conscription Tradition
Federal Election Prospects
Modern Psychiatry
Film Festivals Reviewed
Indonesia After the Coup
Pressing Trade Union Issues