September will be the first real opportunity to do so. This means that, over the coming months, unions will have to test the new principles to the limit in an effort to achieve gains beyond the $10 a week mark.

Some unions will abide by the decision, their leadership unable and/or unwilling to offer any challenge to the government or management in their members' industries. The most contentious area will be the provision for increases of up to four percent under the new "restructuring and efficiency" principle, or modified work value principle.

The new principle is designed to leave many workers "on the shelf" in terms of wage movements unless they are in strong bargaining positions or can engage in a militant industrial campaign with serious prospects of success. It is also another signal of the end of the Accord, since it ties wage fixation to industry development — two matters dealt with separately under the Accord. And, by limiting additional increases to workers directly involved in technology and work methods changes, it seeks to divide workers and unions.

The commission also clearly favours enterprise level negotiations, in order to weaken unions' traditional concerns to deal with the interests of all workers across particular sections of industry.

The trade union movement is without doubt in for a difficult period. The dominant economic and ideological approach of the ACTU leadership is in line with the worst of Australian labourist development — it perceives the working class and trade unions as being almost entirely dependent on the developmental processes of capitalism, and as necessarily being compliant with its demands and profit needs. This position is challenged somewhat by communists, socialists and others in trade union leadership, but they are not influential enough to reverse or moderate the existing trends, except in isolated areas of the movement.

The commission's decision will further impoverish hundreds of thousands of Australians, and may precipitate further economic crises through under-consumption and over-production. Any attempt to reverse this decline in living standards will require a reassessment of overall trade union strategy, and this needs to be argued for from the shop floor to the official level in all unions.

Trade unions remain the principal base for organised responses by Australian workers in defence of their interests, and this role needs to be reasserted in the period ahead.

Warwick Neilley

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After Cory's Constitution

Twelve months after the February "revolution" in the Philippines, Cory Aquino has won a landslide victory in the vote on her Constitution and, more directly, for her presidency until 1992. She has been lionised as "Time's (Wo) Man of the Year" and become the idol of western politicians, the mass media and of many who wish the Philippines only well.

With such near-unanimous world-wide endorsement, one would think that Cory's task in reconstructing the Philippines after 14 years of the most savage rape by the Marcos clan and its cronies would be now well under way. But the Filipino people know differently. Unemployment and poverty have escalated greatly in the past year. Children are now dying of starvation on Negros and infant mortality remains high.

The generous praise heaped on Aquino by the USA has not been matched by a generosity in economic aid. On the contrary, the World Bank and the International Monetary Fund have tightened the screws. With the enthusiastic support of Cory's economic ministers, handpicked for their monetarism, the IMF and World Bank have demanded and won even further economic "liberalisation". Protectionism is being dismantled and today the USA and EEC (and Australia) can dump even their surplus rice stocks at below-cost prices in the Philippines. It is ironic that, as protectionist barriers are raised in the advanced capitalist countries against Filipino imports, these same countries righteously demand that the Philippines lower its trade defences.

The Aquino government continues the same policies as Marcos in relying on agriculture and having no concept of industrialisation. In the name of dismantling the monopiles, Marcos handed over to his family and cronies, the Aquino government is proceeding with a rapid privatisation of the economy. And the cronies' monopolies are being sold off to Japanese and UN investors at bargain basement rates, being offset against the country's huge overseas debt.

With about 60 percent of the country's exports going simply to service that international debt, the whole nation is caught in a modern form of debt slavery. Aquino's ministers have insisted on a better deal, along the lines won last year by Mexico, for repayment of the debt, but have come up against a brick wall of the biggest US banks. In the longer term, this subservience to international capital and the failure even to contemplate an industrialisation program will be the downfall of the Aquino regime, and of the neo-colonial system.

The Philippines is but one of the many Third World nations which desperately need a new "Marshall Plan". In the case of the Philippines, such a multi-billion rescue plan alone can stop or substantially halt the rapid progress of the revolutionary forces. Such a "Marshall Plan" therefore is the logical way for imperialism to save the country from revolutionary change. Yet there are many factors which impede such a rescue operation, above all, the danger such an example would set elsewhere. There is also the ever-present danger that any annulment of the international debt.
or even giving substantial concessions on the debt, could bring the whole house of cards crashing down.

The related question of land reform is perhaps the most immediate one facing Aquino. The international media, and her close adviser Cardinal Sin, are unanimous in calling for real action on this front. After all, land reform is not contradictory to capitalist development: indeed, it is essential for it. Aquino would only carry out a token land reform, with substantial compensation to landlords. To finance that, her economics ministers recently approached the World Bank for US$500 million. The bank refused and now Aquino must go cap in hand to the Asian Development Bank.

The Philippines left, after the experience of the two-month ceasefire and the referendum is now evaluating a year of Aquino rule and its future evolution. The underground left grouped in the National Democratic Front, and the major above-ground left in the unions (KMU — May First Movement) and the Peasants Movement (KMP), are united in seeing the "principal contradiction" as between the "people and reaction" — with Aquino very much in the camp of reaction. A minority both in the NDF and particularly in the urban-based above-ground left, see the principal contradiction as that between fascism and the people — in which Aquino is defined as an anti-fascist.

The danger of a "fascist" coup remains, although much lessened now compared with previous months. The Aquino government remains unable to control the military or prevent it from massacring and brutalising the peasantry, among whom support for the NDF is now widespread. Aquino and her army chief General Ramos are united in seeking, by all and any means, to destroy the revolutionary forces. In this they are at one with the Pentagon strategists who advocate "Low Intensity Conflict" (LIC).

The LIC strategy does not mean less bodies on the ground, but it does seek to make the bodies more clearly defined as the "enemy". It means also a much more "political" war and the construction of grassroots repression, building "anti-communist" militia in each barrio and shanty town to work with the military in "weeding out" the "communists", selectively rather than by arbitrary massacres. LIC requires a more sophisticated, politically active military which is also able to provide some "civic action" benefits to those peasants and shanty dwellers who cooperate, and a certainty of harsh punishment if they do not.

Inevitably, it is the lumpen elements, the criminals and psychotics who become the spearhead of the powerful. And, as in the 'fifties and 'sixties, the President engages in crude pork-barrelling, extravagant promises and not a little demagogy about democracy.
“anti-communist militia”. Under Marcos, such gangs — the Civilian Home Defence Force (CHDF) — operated as paramilitary auxiliaries and were among the most notorious for human rights violations. They remain untouched under Aquino. But the CHDF is not a model for LIC, not least because it exists separately from the people in army barracks. Other anti-communist gangs, including the recently created Alsa Masa in Davao City, Mindanao, are criminal gangs under another name, despite their claimed success and recruitment of former New People's Army guerrillas.

Critical to the success of LIC is a “democratic” facade, with a civilian president speaking the language of reform. Napoleon Duarte in El Salvador is a good example of the type of figure the US LIC strategy requires. While Aquino is not yet fully absorbed into the Duarte image, she is on the way to becoming so.

The Philippines military, on the admission of Aquino’s Defence Minister Illeto, is incompetent, poorly-disciplined and unsophisticated, and not a suitable instrument for applying the LIC strategy. In the provinces, it operates as a mafia, leading most criminal activities and extorting local businesses and peasants alike. If Aquino won a landslide endorsement in the referendum, it was essentially a vote for her liberal democratic trends against the military-in-place which is rightly identified as fascist. If the vote had been between the NDF and the military, then the landslide would have been for the NDF.

Thus, while the popularity and still-high hopes which the masses have of Aquino undoubtedly pose a problem for the NDF, it does not lessen their grassroots support in the face of the military and corrupt local bosses. The Aquino problem is much more acute for the NDF among the urban “middle forces” — the professionals, the office workers and small business people — who, although small in proportion to the population, wield great influence. It is a sign of the strength of the revolutionary forces that they now place great importance on their work among the “middle forces”, almost to the point of preoccupation. The grassroots work among the peasants and worker masses continues, but the challenge is to assemble their “allies” among the middle forces. These middle forces in turn can help the armed struggle reach a new phase, given their access to skills which are sorely needed.

The NDF participation in the ceasefire was, in large part, directed to the need to reach these middle forces, and was often reluctantly accepted in the guerrilla zones for that reason alone. It is equally significant that it is the left working among the middle forces which generally sees fascism as the principal source of the contradiction in Filipino politics. The NDF and the revolutionary left in the Philippines as a whole represents the most dynamic and sophisticated force in Asia today. Its internal democracy is impressive, while its flexibility in relation to tactics combines with a firmness of principle which has inspired many who have witnessed it. Imputations that it is the “new Khmer Rouge” are gross and even laughable.

Denis Freney