

# Workers' Liberty



***The emancipation of the working class must be the act of the working class itself***  
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<http://australia.workersliberty.org>

## Capital in crisis: we need a workers' plan

By Martin Thomas

On 22 October Glenn Stevens, governor of the Reserve Bank of Australia, said that the worst of the global financial crisis had passed. In the next few days the Australian dollar plunged to 58 yen from 104 yen. Financial tumult continues on a big scale, and a serious downturn in trade and production seems certain in Australia, as across the world.

In workplaces and on the streets - as distinct from in the financial pages - what we've seen so far is only a small beginning. In September 2008, average unemployment in Australia rose only 0.1% in a year. But the credit implosion makes it almost certain that trade and production will turn down much further.

The Australian economy depends heavily on exports (22% of output), especially of commodities such as coal, iron ore and gold to markets such as China, Japan, South Korea, and the USA (49% of all exports between them). Australian capital has been helped by high commodity prices, and by Chinese industry growing fast. Now Chinese growth has slackened; Japan, South Korea, and the USA face recession; and commodity prices have turned down.

The sliding A\$ softens the impact of falling world prices. Australian commodity exporters' income may not be down much in A\$ terms rather than US\$. But the slide brings its own problems. No offsetting factor looks sufficient to stop Australia's trade and production sliding down due to the world credit implosion and pressure on Australia's export income.

The big unknown is house prices. Australia, like the USA, the UK, and Spain, had a house-price "bubble" in recent years, but so far Australia's bubble is deflating more slowly. For three months to August 2008, average prices were down 1.18% on the previous three months, with bigger falls in some areas. A dramatic "burst" of the bubble is entirely possible, making the downturn much deeper.

Workers face: rising prices (the declining A\$ leads to price rises in A\$ terms for imports); pressure to keep wage rises down; job cuts; and maybe a surge of house repossessions. The labour movement cannot be content with the Rudd government's bailout for big business. We need inflation-protection for wages; shorter work hours without loss of pay; more public services and jobs; public ownership of the whole

financial sector, to be converted into a banking, mortgage, and finance service, run democratically and oriented to social provision, not private profit.

To free our hands for self-defence, the labour movement should demand the complete repeal of WorkChoices and the abolition of the ABCC, and for a legal right to strike. If the crisis is used as an excuse to shelve "green" measures, we need to demand that action to cut carbon emissions speed up, under democratic and workers' control, not slow down.

Workers need a democratic, accountable mass party which can create a workers' government capable of carrying out the measures needed by the working-class majority in this crisis. How to get it? The battle starts with a fight by organised workers and the unions to confront Rudd and Gillard inside the Labor Party. Most important unions are still affiliated to the ALP and can turn it round if they choose, as in the fight over NSW electricity privatisation. Political revival of the unions in this crisis cannot bypass the ALP.

Unions need to set their aims higher: not just blocking the pro-capitalist leaders on issues like privatisation, but creating a force which can politically represent the working class. If that means a split in the ALP, so be it. We need a democratically-accountable party of the organised working class; rallying combative unions and left activists in the ALP is the first step.

This crisis has shown - through the reluctant actions of capitalist governments worldwide, starting with the gung-ho free-marketeers in the USA - that social regulation of the economy is necessary. While nationalising banks or insurance or mortgage companies, the governments still propose privatisation and contracting-out as good policy. But their central dogma is discredited. Hundreds of thousands, if not millions, of people have been jolted into thinking anew about how society is run, and how it should be run.

The job of socialists is to offer new answers to their new questions. Yes, we need social regulation of the economy, democratically controlled, by a government accountable to the majority, and by the workers in each enterprise. The aim which shapes it should be social provision for need, not private profit for a few.

<http://www.workersliberty.org/crisis2008-oz>

<http://www.workersliberty.org/workersplan>

## Scrap the ABCC! Action on 2 December

Ed Bland, Builders Labourers Federation Inner North Brisbane organiser spoke to Martin Thomas

Noel Washington [a leading official of the larger construction union, the CFMEU] is back in court on 2 December. The case arises from a meeting off the job. The ABCC demanded that Noel give details of who was at the meeting. Noel refused to answer any questions. That makes him liable for six months' jail.

On 2 December the construction unions will be stopping work for an "information meeting". Workers on the sites are disgusted by the ABCC's action, and disgusted with what the Rudd [Labor] government is doing. We had to get rid of Howard [the previous conservative prime minister] but Rudd has kept the ABCC.

We want construction workers to have the same rights as other workers. There's a lot of workplace bullying on the sites now, with consequences for safety. We recognise there's a problem with getting people in other industries to know what the ABCC is, but we're beginning to get other workers talking about it.

The previous action on the Noel Washington case, on 12 September, was in Queensland only. We hoped by that to get more media coverage. We did get coverage on all the TV channels, but nothing in any of the big newspapers.

Sydney: Assemble 11:45, Tues 2 Dec, Sydney Town Hall Square. March to the ABCC, 255 Elizabeth St.

Melbourne: Assemble 09:00 at the corner of Toorak and St. Kilda Rds (tram Stop 22, adj 409 St Kilda Rd). March on ABCC, 553 St. Kilda Rd.

Geelong: Assemble 09.00, Geelong TLC. March to Johnstone Park opposite Geelong Court House.

## Comrade Hand Grenade": a tribute to Bob Carnegie

From "The Builders Labourer", journal of the Builders Labourers Federation of Queensland, a tribute to our comrade Bob Carnegie as he decided to step down from a full-time organiser job to return to work on the sites. <http://www.workersliberty.org/bob>

## Private provision is a public menace

Janet Burstall

Ben Spies-Butcher presents a persuasive case that the increased weight of private provision of "superior goods" of health, education and retirement incomes, along with housing, is overall costly and damaging. More public provision in these areas is socially beneficial, and less costly as well as being better for low income people. His critique describes the government decisions that have driven this shift, and their effects, without looking at the reasons why governments have pursued a set of policies which can only be considered irrational on the basis of the evidence in the article.

<http://ouburstinoz.blogspot.com/>

## Support the PPSA

NSW public servants have been sold a pup by their 'leaders' in the Public Service Association, who accepted a derisory pay offer with productivity tradeoffs. Left unionists from the Progressive PSA, who are challenging them right now in union elections, have been subjected to increasingly ineffectual red baiting.

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

## Islamism Iraq and the Left

Nadia Mahmood of the Worker-communist Party of Iraq discussed current developments in Iraq with Martin Thomas.

Recently the Americans said that they were handing over the city of Khanaqin to local forces; but at the same time they announced that American troops would still be there! The Americans are going to stay around, even if they say that they are going to leave the cities. Our aim is not just to get them out of the cities, but to get them out of the whole country. But the al-Maliki government is more in control of the cities of Iraq. They have a better situation than, say, two years ago. Now they can say that they will not allow any militias apart from their army. They don't allow the Mahdi Army to be a military power any more. <http://www.workersliberty.org/nadia?>

also Aso Kamal interview

<http://www.workersliberty.org/asokamal>

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