

# Workers' Liberty



*The emancipation of the working class must be the act of the working class itself* ISSN 1446-0165

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## Israel/Palestine: Bush's "road map" - Path to peace, Road block or Dead end?

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### Where We Stand

**SOCIALISM** to us means not the police state of Stalinism, but its polar opposite, the self-organised power of the working class breaking the entrenched power of the billionaires and their bureaucratic state machine.

Socialism means a society restructured according to the working-class principle of solidarity. It means an economy of democratic planning, based on common ownership of the means of production, a high level of technology, education, culture and leisure, economic equality, no material privileges for officials, and accountability. Beyond the work necessary to ensure secure material comfort for all, it means the maximum of individual liberty and autonomy.

The trade unions are the product of long struggles by the working class for the right to build their own organisations to protect them from the arrogant power of the bosses. They remain the major organisations of the working class, the major vehicles of class struggle. There is no short-term prospect of them being replaced by new organisations. Since we believe only the working class liberating itself can achieve socialism, we must focus on the trade union movement, rather than on "radical" movements without a working class or socialist perspective.

Yet the unions represent the working class incompletely, unsatisfactorily, binding the class to capitalism. We must develop the unions, transform them, reinvigorate them with socialist purpose. To do that, the radical activist minority must organise itself and equip itself with clear ideas. That is our aim: to spread ideas of unfalsified socialism, to educate ourselves in socialist theory and history, to assist every battle for working-class self-liberation, and to organise socialists into a decisive force, able to revolutionise the labour movement so that it, in turn, can revolutionise society.

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# Socialist Alliance – Towards a class struggle party?

By Riki Lane SA national co-convenor

The second National Conference of the Socialist Alliance in May voted to move towards a united multi-tendency socialist party. Most SA members expected a different situation and a different tempo for Socialist Alliance as a result. In fact, there has been more continuity than dramatic change in the two months since the Conference.

## Union work prospects

The most significant development at the Conference was the adoption of a policy for serious trade union work. Since then a prominent SA member, Chris Caine, has been elected as WA MUA State Secretary. In Victoria, AMWU and ETU branches endorsed a recent SA fundraiser for picketers and SA branches have been actively visiting picket lines. Further activities in support of the Skilled 6 and unions under attack are planned. Union militants are taking SA increasingly seriously.

This solidarity work is vital, but SA has to get its direct union work organised. The NTEU SA caucus is most advanced and are planning to produce a bulletin "Red Pen". In the NSW PSA, SA members are central to an emerging revitalisation of the left. In other unions, email networks exist, but are mostly not really functioning.

A national SA TU committee has met and begun implementing plans for union pamphlets and a militant unionists' training program.

Getting these structures working and producing publications oriented to unionists are essential to have an impact in the labour movement. This can transform SA into a voice for working class struggle, integrating industrial and political campaigns, and being able to show the practical meaning of working class politics and working class independence.

If Socialist Alliance can become the political organisation for militant unionists, the left can break out of its isolation from the class struggle.

## SA leadership

A new National Convenors and Executive group has been finding its feet, and working out proposals to implement conference decisions on union work, fundraising, publications etc. These are taking time to develop given the resources available and the need for decision-making processes to be accepted.

Some comrades want streamlined processes to ensure that things happen quickly, but in a democratic and broad organisation, consultation takes time. Covering over differences or reaching for lowest common denominator politics will not establish a secure political basis for unity.

Workers' Liberty (WL) will keep arguing for broad consultation and discussion in policy development and particularly about the proposed "Book on Socialism". This book is to be a useful introduction for those new to socialist politics. Inevitably, it will have to find a way to answer "What about Russia?", to take a position (not in staid old formulas) on socialism from below versus state socialism and to address the diversity of views in the Alliance.

This could be a very positive process – drawing in many socialists not yet in SA

## Publications

One of the biggest questions is: what sort of publications is SA to have? This will define in practice the sort of organisation we are. A monthly newsletter "Socialist Campaigner" is a good first step for organising the Alliance. A bimonthly magazine, "Common Cause", focussed on politics, theory, research, history and culture is proposed. Quarterly (currently) broadsheets and the discussion bulletin, "Socialist Voices", are to continue.

A discussion is starting on SA producing its own national newspaper. The Democratic Socialist Party (DSP) would like *Green Left Weekly* to become the SA paper – preferably in a merger with the International Socialist Organisation's (ISO) *Socialist Worker*. The ISO won't abandon their paper unless SA really takes off.

WL argues for the Alliance to produce a monthly paper as something that it can sustain under its own resources, not by merging with the DSP's apparatus.

## Tensions

There are tensions and difficulties about the project. The Freedom Socialist Party (FSP) have written a destructive and distorted report of the conference: "DSP Hijacks SA". There is an element of truth – the DSP has got most of what it wanted and has a history of manoeuvres.

However, it is patronising to imply that Non-Affiliated Caucus members are DSP stooges. The report does not even mention that the DSP has only two of twenty-one NE delegates.

The FSP has much to contribute to the socialist movement through their concentration on integrating the struggles of all the oppressed and on seeing the working class as more than just white blue-collar men.

This sort of attack appears to be a retreat to maintaining the "one true faith" as against a broader conception of how socialists can organise. The political motivation must be to harden up their supporters against the idea of a united socialist party.

The ISO, while continuing to argue for limiting the SA to "an electoral united front" and to build their own events, have refrained from these sorts of attacks and seem to be genuinely committed to building the Alliance. This may be helped by the recent departure from their ranks of many of those who opposed continuing in the Alliance. (Those who left made many criticisms of the ISO's politics with which WL agrees. We hope they will continue to be positively engaged in SA.)

Affiliated groups have every right to maintain their own politics, profile and activities. The SA conference rightly rejected any move to force affiliates to dissolve. However, we need to see the project of developing a class struggle workers party as central.

There are difficult questions here. There is a danger of SA being swamped by weight of the DSP's apparatus – whatever their intentions. WL, like most other affiliates, has members who are not, and do not want to be, SA members. Real progress in building the Alliance as a party that organises in the working class, combined with vigorous and open discussion of political differences where they exist, is the only way to overcome these potential problems.

# NSW Public Service – Fight to save jobs!

Janet Burstall

New South Wales Minister for Education and Training, Andrew Refshauge, announced a restructure of public education under the mendacious title of "Lifelong Learning". It is in the fine tradition of many job-cutting programs in the Australian public sector, pretending to be a restructure that will improve services – increase "frontline staff" and reduce the number of "bureaucrats".

The big change in this structure is that TAFE and Schools head offices will be amalgamated, made much smaller, and new combined regional centres for administration will be set up. According to Premier Carr it'll be Health next. The Department of Housing has also been marked for restructure, on the same regional lines as education. This only makes sense as a long term agenda to share corporate services, then corporatise them. Corporatisation commonly comes before privatisation.

The restructure is at the direction of the Minister, and its immediate justification is to fulfil Labor's election promise to increase spending on professional development for teachers by \$140million and to improve aboriginal education, but by saving \$100million per year within the department. They are also looking for cuts to fund public sector pay rises. The brew was distilled in secret by the Minister and senior bureaucrats.

The Public Service Association stands to lose over 700 positions. The Teachers' Federation covers 300 positions marked for return to the classroom from professional support roles.

Public servants are told to learn to cope with "change". If public sector workers and teachers could design the changes themselves they might look like this:

- shorter hours with better pay, especially for the lower paid
- more jobs
- an end to empire building and petty management, staff election of managers, principals, etc
- more staff development
- upgraded facilities, including taking outsourced services such as cleaning back into the public sector
- partnerships with students and their families (instead of industry and developers) and community needs to be well-funded (rather than starved so that the rich can pay low taxes and use government funded private schools).

Then it wouldn't be the public servants, teachers (or the students and their families) who would be having trouble coping with change.

Instead teachers and support staff, students and their parents have been given five weeks of "consultation" on a document that is so short of detail as to be almost meaningless.

Unfortunately there have been few union successes against the government department restructures of the past. The offering of voluntary redundancies at the right moment has starved support from campaigns to save jobs. Workers in units that seem to be less directly affected (in this case mainly in schools and some TAFE colleges) are grateful not to be involved in the stress, and get on with busy jobs, hoping for the best.

But for all the restructures that have supposedly got rid of bureaucratic excess, and put resources back into frontline services, the workloads and stress have only increased, even *after* the stress of the restructure itself has passed.

## NSW Public education needs all 1,000 jobs - no cuts!

Now it would be inspirational if the education unions embarked on a serious campaign to stop the Government making public sector workers routinely pay this price of stress and job cuts, disguised for the public as a restructure to improve education. If teachers and public servants stay united to force the government to back down on the cost-cutting measures involved in this restructure, it should also be possible to enlist the support of P&Cs and the public education lobby.

Activist PSA delegates in the PSA, such as Leon Parissi and Jenny Long are working hard to make sure that the PSA does commit to a serious fight to save the 700 jobs. TAFETA officials Linda Simon and Phil Bradley are very supportive of the need for a united campaign.

The core demands needed for the campaign are:

- no job cuts below SES, and
- for the publication of all the calculations and reasoning behind the restructure proposal.
- full funding for election promises and for public sector salary increases

The Carr Government will argue that it doesn't have the money. The unions will need to demand proper funding to maintain member and community support. We will need to demand proper funding from the State Government:

- The State & Federal Governments should fund public education only, private schools should join the state system to get funded.
- The Federal Government should increase company and top rates of tax.

Both the PSA and Teachers Federation members have begun holding workplace and delegate meetings, the essential starting point for a serious campaign.

**Socialist  
Alliance**

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not the millionaires'*

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# Brazil

*The Workers' Party (PT) in Brazil has taken the first steps towards expelling socialists within the party who oppose government reforms. The move comes as Lula da Silva's government seeks to push through changes to the tax and pension system — slashing the pensions and other benefits for civil servants. Three representatives in Congress, Luciano Genro, Heloisa Helena and Joao Batista de Araujo, who are from different left tendencies within the PT, have been hauled up before the party's ethics committee, accused of engaging in "systematic opposition". In fact they had rightly joined with unions and other PT members to oppose the government's plans. The PT has lurched to the right since coming to power in January, effectively continuing the neo-liberal policies of the previous Cardoso government. The purge may lead to a split — and socialists in the PT clearly have a struggle on their hands to win the party and the unions to fighting policies.*

**Paul Hampton** looks at the history of the Workers' Party and the prospects for the future in the light of Sue Branford and Bernardo Kucinski's new book, *Politics Transformed: Lula and the Workers' Party in Brazil*

**T**he election of Lula da Silva as president of Brazil is an event of great significance. This book provides the background to this historic victory. Lula is the first president of Brazil from a working class background. The authors argue Lula was elected on "a platform of far-reaching social change" and that he offers "a real alternative to neo-liberalism".

Lula leads the Workers' Party (PT), which was founded in 1980 to represent the working class in politics. He was a leader of the Sao Paulo metalworkers' strikes in May 1978, when 300 factories and 300,000 workers came out. These strikes detonated a wave of workers' protest over the next decade that ended military rule. Union membership quadrupled between 1978 and 1983, and the number of strikes rose from under 200 in 1982 to over a thousand in 1986.

In January 1979, the metalworkers' union congress called on all Brazilian workers to unite to build a party, the Workers' Party. The PT Charter (May 1979) said, "democracy means organised and conscious participation by workers in politics" and its founding manifesto stated, "The Workers' Party is born out of workers' desire for political independence". The PT was instrumental in establishing the militant trade union federation, the CUT in 1983. By the early 1990s, the PT had around 600,000 members. It won seats on local and municipal councils, and at state and federal level. After the recent elections it has 91 deputies, 174 mayors and 3 state governors. The party's support can also be measured by the votes Lula received in successive elections. His first round vote in 1989 was 11.6 million, in 1994 it was 16.8 million and by 1998 it was 21.8 million. In the first round in 2002 he received 39.4 million votes, and over 57 million in the second-round run-off to win.

One of the great things about the PT is its democratic internal structure. It is a mass party in which organised political tendencies fight for their ideas. It is more democratic

than the Labour Party in Britain was even in the 1980s, and still contains a number of Marxist groups.

In 1983, the leading group formally established themselves as Articulacao, led by Jose Dirceu and including Lula and the other trade union leaders, intellectuals and members of the ALN, a former armed struggle group. On the eve of the 1994 election, the main tendencies were Left Choice, which included the United Secretariat of the Fourth International, group Socialist Democracy, with 33%, Lula's group Unity in Struggle (31%), In the Struggle (20%) and the moderate Radical Democracy (11%).

These alignments had changed by 1999. The main tendencies were: Articulacao (33%), The PT in Struggle (20%) and Radical Democracy (11%). Socialist Democracy still claim to represent a fifth of the PT — and there is no doubt that the left remains a force within the party — but it was clear by this stage that the reformists had the upper hand. (Two members of Socialist Democracy have since taken positions in Lula's government — a further indication of the left's weakness).

A number of different pressures have driven the PT away from its original project. Electoral success meant the party began running local, municipal and state governments. The PT had problems when it won the Fortaleza and Sao Paulo mayoral elections in the late

## Porto Alegre

The "participatory budget" experiment in Porto Alegre and Rio Grande Do Sul state has been rather uncritically lauded (including by the authors of this book), even though it is far from any kind of workers' control. Ironically the PT was voted out of these city and state offices in October, after widespread bitterness over the austerity measures it had imposed.

The shift in the party was also precipitated by Cardoso's defeat of Lula in 1994 and 1998. The PT was unable to respond to Cardoso's Real plan, which stabilised the currency and brought inflation down in 1994. Nor was it able to react adequately when Cardoso started a wave of privatisations. Cardoso also changed the labour law to introduce short-term contracts, lengthen the working day and make it easier to sack workers. By the end of the 1990s, unemployment had doubled, and was particularly severe in Sao Paulo, the party's historic base.

Although it remains the largest trade union federation, the influence of the CUT waned and its moderate rival, Forca Sindical, began to grow. The number of strikes fell from over 3,000 in 1989 to around 500 in 1999. An historical irony is that support for the PT continued to grow as trade union militancy fell considerably.

In 1991 Lula established a "shadow cabinet" modelled on the British Labour Party and a Citizenship Institute — "an NGO dedicated to formulating alternative government policy". It was not a party body, and Lula was able to appoint anyone he wanted. The Institute was responsible for developing a policy on housing, and on zero hunger (Zero Fome) that are now an important part of Lula's government programme.

A further stage in the PT's evolution took place after his defeat in 1998. Lula made it clear that he would agree to run a fourth time only if he were given a free hand to form alliances across the political board and was provided with the resources to run a slick, professional electoral campaign.

With Jose Dirceu, he drew up a strategy to isolate the left wing of the party. They got the 1999 Congress to pass a "Programme for the Brazilian Democratic Revolution", which "gave Lula carte blanche to form whatever alliance of forces he wished, in order to increase the chances of victory". It was decided "deliberately to create a space between the party and the social movements" like the unions, and the landless movement, the MST.

The party made big gains in the municipal elections in 2000. Even Cardoso's supporters confessed that the economy was barely growing and that few Brazilians had benefited from his eight years in power. Lula argued that his new strategy had borne fruit, and set up a serious challenge in the presidential race. This culminated in him choosing Jose Alencar of the Liberal Party as his running mate for the 2002 election. Alencar owns Brazil's largest company, Coteminas, and has a personal fortune of about US\$500 million.

The authors speculate that the PT might be co-opted by the ruling class, but believe Lula will rule in favour of workers. In fact whether Lula will succeed in breaking from neo-liberalism and carrying through a programme of radical change depends on the struggle within the PT, in the unions and on movements like the MST.

## China

### 7 years prison for being a trade unionist

Seven years -- that's the prison sentence imposed upon Yao Fuxin last month by a Chinese court. His colleague Xiao Yunliang didn't fare much better; he got four years in jail. Their crime? They led peaceful worker demonstrations in Liaoyang City, in the northeast of China. In China today, organizing workers, leading them in protests against outrageous conditions, is obviously illegal. Today, June 4th, the anniversary of the crushing of the Tiananmen Square protests, LabourStart and the China Labour Bulletin are launching an international campaign of protest against the sentencing of these two brave individuals. We urge all of you to take a moment and send off a message to China's President demanding that Yao Fuxin and Xiao Yunliang be set free:

<http://www.labourstart.org>

## Aceh

Bryan Sketchley

Foreign Minister Alexander Downer has proclaimed that the Australian government fully supports the Indonesian military launching a war on the people of Aceh. After a week of incursions into the province, reports started reaching Australia that unarmed villagers were being detained, tortured and shot, whole villages have been emptied and the general population is living in fear. In many ways, recent events in Aceh show the Indonesian military (TNI) acting in a similar fashion to that which landed some

Indonesian brass in court on human rights violations in East Timor. Indeed, some of the same discredited army chiefs are involved in terrorizing the civilian population in Aceh, applying lessons learnt in East Timor.

### Indonesian unity

Indonesia has experienced protracted independence struggles in a number of its provinces over the years, from East Timor, the secessionist movement in Irian Jaya and the Free Aceh movement, which dates back to the 1950's. In the 1950's, after an Islamic uprising was crushed on the major island of Java, the Indonesian government granted Aceh 'special territory' status. The status meant nothing tangible for the poor Acehnese. But the hope of an independent Islamic state continued and in the mid 1970's an armed resistance group was formed. They recruited young Acehnese to their ranks by blaming the central Indonesian government for the abysmal state that most folks lived in. Aceh has large gas and petroleum supplies, accounting for nearly 15% of Indonesia's export income, yet very little of that money found its way into Acehnese hands or local communities. Creating further discontent, was Jakarta's 'transmigration' policies, where the government helps moved people from overcrowded Java to outlying islands. Javanese took much of the works generated in the large industrial zones in coastal regions of the province. In addition, Acehnese consider themselves culturally different from Indonesia, adhering more strictly to Islam than the rest of Indonesia, which is more accurately described as being a 'secular Islamic state.'

In essence, the basis of the Free Aceh Movement (GAM) is one of national liberation. A movement that is seeking a national freedom from a dominating occupier. What has united a large proportion of the Aceh population behind GAM hasn't been the GAM's vision of a new and independent Aceh, that is free to economically and politically decide its own destiny, but rather the Indonesian government's brutal response to the very existence of an independence movement. Summary executions, detentions, beatings have been the tools of terrorising the local population since the late 1970's. Between 1989 and 1992 about 2,000 people were killed by military operations. Countless thousands have been displaced. Many leading personnel in these TNI operations were trained on Australian soil, sold Australian hardware and been fed intelligence assessed by the Australian Defense forces.

The Indonesian ruling class is terrified of the possibility of a disintegrating country. All the more so after East Timor won its long and bloody battle for independence. The Australian ruling class fears it too. If Aceh were to win its freedom, gas and oil extraction industries would be forced to renegotiate agreements, and may find 'harsh' conditions being put on their business. Environmental and community concerns in Aceh may well be of bigger concern to the Acehnese than the Indonesian government when access is being given to natural resources. More than anything, both the Australian and Indonesian governments fear an 'outbreak of East Timor's' happening. If Aceh was to win independence then Irian Jaya may be next. And who knows, the French may then have to contend with allowing the people of Vanuatu to decide their own fate, rather than have it done for them in Paris.

The Australian trade union movement needs to seriously consider the type of practical assistance it can render the people of Aceh. And as unionists and activists, we need do our utmost to ensure our own grubby little government provides no support whatsoever to the band of murderous TNI thugs in Jakarta.

# Iraq War: Dollar versus Euro proxy war?

Colin Foster

**W**hat were the real reasons behind the USA's drive for war in Iraq? Two polar-opposite explanations have been discussed on the left.

The first theory is that the USA's power has now become so huge that the US capitalist class realistically aspires to rule the whole world more or less directly, laying down the law for every country from Washington.

The second is that the USA is frantically trying to stall a decline in its world power. Specifically, that USA went to war in Iraq essentially to stop the world oil industry moving to trade in euros rather than dollars.

Both explanations seem to me simplistic and overly conspiratorial.

The "neo-conservatives" now dominating US foreign policy believe that, once the USA applies short, sharp blasts of its overwhelming military power, every country in the world will just naturally gravitate to a harmonious US model of free enterprise, plutocratic democracy, and world-market capitalism. They are encouraged by the evolution of Russia and Eastern Europe since 1989-91.

But they are wrong. Capitalism is riven by contradictions and struggles in a way that they do not understand. They may score some successes, but they will not get the whole world running tidily their way. It is not even certain that Iraq will turn out as they planned. The US working class, despite the soaking in warmonger-propaganda it gets from the US media, is still by no means hooked to the "neo-conservative" vision. The "neo-conservatives" do not yet have the political ability to impose permanent garrison imperialism, or wage long high-US-casualty wars, in areas where things do not go their way.

The "declining-USA" theory of the war has been argued by the South African writer Oupa Lehulere and the Australian writer Geoffrey Heard. In 2000 Iraq converted its oil trade from dollars—used by every other oil-trading country—to euros. Iran and Venezuela have murmured about following suit.

The US dollar's role as the currency of the world oil market—the largest, most far-reaching of all world markets in basic industrial inputs—is pivotal to its status as the main currency of countries' bank reserves and of world markets in

general. Because of that status, the USA is the only country in the world which can increase its buying power on the world market just by printing more dollars. And that status also helps the USA print those dollars, and buy goods with them. The USA imports about 50%, or \$310 billion, more manufactured goods than it exports. That makes its position precarious. Without the central status of the dollar, and the consequent constant flow of capitalist investment funds from all over the world into the USA, the USA would lurch into catastrophic balance-of-payments crises.

With the euro, there is, for the first time since the pound dropped from the big league, a currency that might rival the dollar. The consequences of the euro ousting the dollar at the centre of world trade would be disastrous for US capital. Hence the war: a pre-emptive strike to stop Iraq's euro-experiment continuing and spreading. So the theory goes.

## Imperialism of free trade

Marx's insight that unpublicised economic processes underpin and structure the showy surface events of politics and ideology was a brilliant one. But brilliance can dazzle. Find some little-noticed economic process, draw a straight line from it to something in politics, and you have proved your Marxist insight! Too simplistic.

One: Iraq's move in 2000 made sense as a political gambit. French and German capitalists were keen to open trade with Iraq. US capitalists were not—or rather, if they were, the US government was blocking them. To tighten his links with France and Germany, as a possible counterweight to the USA's threats (already current then) against him, was a logical move for Saddam Hussein. The start of a world-wide trend in the oil industry? That is a different matter.

Two: read the US hawks' explanations of why the USA should go to war in Iraq. Not the bullshit they give to the general public, but what they wrote to convince their more cautious ruling-class colleagues. There, under a thin ideological gloss here and there, hard-nosed capitalist calculations are plain. None of what I've read mentions the euro vs dollar angle, and the euro-vs-dollar theorists do not quote any documents which do mention it.

Three: one major lesson of the 1990s is that the talk in the 1970s and 80s, common among both mainstream and left-wing commentators, about the USA being in eclipse relative to the other big capitalist powers, was at the very least grossly premature. The European Union is as yet nowhere near being able to challenge the USA as a world power. (And still less so is Japan, which many writers in the late 1980s saw as about to take over the world).

The war itself confirmed that. France and Germany not only failed to stop the war, but could not even get a united European Union stand against it. Not only Britain, with its old and peculiar ties to the USA, but also eurozone Italy, Spain, and the Netherlands, sided with Washington. Now the US administration says bluntly that France will be "punished" for its stand on the war, and France is in no position to hit back significantly.

The ascendancy of the “neo-conservatives” reflects a triumphalist US ruling class, not one frantically seeking to avoid eclipse.

The element of truth in the euro-vs-dollar theory may be that France and Germany, as the central powers in the EU, will now be galvanised to push harder, stronger and faster for a coherent and assertive European Union. They will fight hard to stop the USA sidelining “multilateral” bodies like the UN, NATO, the G8 and the WTO, and to give themselves a base for asserting their voice in their bodies. In the longer term, that points towards rivalry between the EU and the USA playing a larger and larger part in the world politics. But that is not the same as saying that the Iraq war was “really” a proxy war between the USA and the EU.

Ever since World War Two the US ruling class has pursued a vision of an “imperialism of free trade”, encompassing the whole world. It is a vision similar to that of the British ruling class in the years when Britain was the world’s biggest industrial power, but the USA has far greater resources, human and natural, to underpin the vision than a small European offshore island could ever have.

The US strategists saw the USA as the financial, technological, and military centre of their ideal world, enjoying a rich flow of dividends and royalties. But they rejected the direct colonial imperialism of the European powers as costly, risky and unnecessary, in an era when the “Third World” countries were developing large and assertive urban populations. Market forces—backed up by one-off military interventions now and then—would serve better.

For decades the vision seemed dim. US foreign policy reduced itself to “containing communism” by propping up vile dictatorships whose only merit was to be “anti-communist”. And German and Japanese manufacturing industry rose to rival the USA’s.

But at the apparent lowest point of US fortunes, in the 1970s, processes were underway which would show the low point to be more apparent than real. The Stalinist states decayed internally. Evolution towards a “globalised” world of increased trade and investment, and much more mobile finance-capital, strengthened the position of the USA as the home of the world’s only possible fallback currency, the greatest financial centre, and a centre of technology and information.

**Since 1991:**

- the USA feels able to throw its weight around crudely, without the worry which restrained it before, of pushing countries and populations into the hands of Stalinism. It may be that in time the risk of fuelling Islamic fundamentalism will restrain US strategists as the risk of fuelling Stalinism used to, but for now US strategy is dominated by people who think that the way that the Cold War ended proves that hard-nosed, brutal aggression works better than cautious “containment”.
- new military technologies, and the USA’s overwhelming military superiority, has given it a possibility enjoyed by no previous power in history, to wage large wars with very few casualties on its own side. Four successes already: Kuwait 1991, Kosova 1999,

Afghanistan 2001, Iraq 2003. The logic of the arrogance of power is that the US hawks will continue on this track until finally they are checked by a war turning out not so easy and becoming a long, bloody quagmire.

- the World Trade Center bombing of 11 September 2001 has given the hawks a base in US public opinion—not a secure or overwhelming one, but a base—to go on the attack.

The Iraq war makes perfect sense in that context. The US hawks seized a political chance, which they knew might not come again soon, to start restructuring the Gulf, with its two-thirds of the world’s oil reserves, in their own way. They aborted the threat of Iraq reasserting itself to become the Gulf’s big power at a time when that threat was still remote. And they conducted an impressive demonstration of the USA’s clout as “globocop”, one which they think will serve as strong warning to any government inclined to flout the USA’s rules.

The “all-powerful USA” theory of the world tends to lead socialists towards a rather desperate readiness to back any force which seems to contest US power (Islamic fundamentalism, for example). The “euro-vs-dollar” theory should logically lead to a stance in which socialists side with neither dollar-power, nor euro-power, nor the proxies of either, but strive to assert a “third camp” of our own. Actually, however, “euro-vs-dollar” theorists are prone to “anyone but the USA” politics, presenting the USA’s supposed resistance to eclipse as the aggressive, brutal, destructive factor, and the euro-alternative, implicitly, as more tranquil, less scary.

But it is instructive to turn back to what Karl Marx wrote in the era when Britain pushed an “imperialism of free trade”. In the USA, of all countries, writers like Henry Carey argued for an anti-British stance. Marx compared him to David Urquhart, a maverick Tory so phobic about Tsarist Russia’s evil designs in the world that he would positively support even so reactionary and rotten a power as the Ottoman Empire against Russia.

“What Russia is, politically, for Urquhart, England is, economically, for Carey...”

“Carey explains [disharmony] with the destructive influence of England, with its striving for industrial monopoly, upon the world market... As the commanding power of the world market, England distorts the harmony of economic relations in all the countries of the world...” Hence, “a denunciatory, irritated pessimism”. (Grundrisse, pp.886-7).

It would be wrong for socialists today to be cornered into a similar “denunciatory, irritated pessimism”. The direction for working-class struggle should be not backwards, to desperate support for reactionary forces solely on the grounds that they oppose the USA, but forwards, through the “imperialism of free trade”, to workers’ unity across the world.



## Debate

*The following article was sent by a regular correspondent, "Ablokeimet" to WL's discussion list in reply to an article in WL30, "USA as Hyperpower",.*

*(<http://groups.yahoo.com/group/workersliberty/>).*

*The author of the original article, Martin Thomas, replies on page 10.*

Dear Comrades,

As usual, a leading WL spokesperson has put their finger on something very significant, something much of the Left has missed. And again, as usual, WL takes it too far and onesidedly, leading to the article missing what's correct in the reaction of the rest of the Left. In the meantime, uncharacteristically, WL passes up the opportunity to get really stuck into the contradictions in the Cliffite position.

Martin's picture of the "imperialism of free trade" seems to me to resemble Kautsky's "ultra-imperialism". Lenin demolished that almost 90 years ago and nothing that has happened since has invalidated his overall analysis. On the other hand, while "ultra-imperialism" (a stable alliance of all the major powers to exploit the Third World for their joint benefit) is impossible, there's no law of history that says you can't try. And this explains what's going on in the world today.

In his longer journal article (the introduction to "Kautsky's Ultra-imperialism" in British WL Vol 2 #3), Martin outlines the way the Western alliance in the Cold War organised an "imperialism of free trade" in its domain and how, since the end of the Cold War, the process has become both qualitatively deeper and completely global. He does not, however, address the arguments put up by the a number of Left tendencies contending that the Western alliance is falling to pieces under the pressure of competing imperialist interests and the lack of a unifying external enemy.

Certainly Martin is correct in identifying how Uncle Sam has taken on the role of keeping order in the Empire. The intervention in Somalia is perhaps the paradigm case. And definitely all the great powers were behind Uncle Sam in the Kuwait War, despite misgivings on the part of some. The problem is that this ultra-imperialistic alliance is not only unstable, but is in the process of breaking up before our very eyes.

The British SWP is, I believe, correct in interpreting events as the US being in a position of unchallengeable military power, but declining relative economic power. This can be seen in the massive & continuing deficits the US is running on its current account and the immense & unprecedented US national debt which is building up. Sooner or later, the chickens will come home to roost. In these circumstances, the US finds it increasingly necessary in the pursuit of its interests to exceed the requirements of "keeping order". As a result, the other imperialist powers are increasingly raising objections.

In the Bosnian War, the three communal factions each had different imperialist backers, and efforts to find a

solution within the context of the existing order were hampered by their conflicting interests. In the Kosova War, conflicting imperialist interests also played their part in making the situation worse. And in the recent Iraq War, the conflicting interests between the major powers were so obvious that they were commented on extensively by almost all observers. The US Government acted in Iraq in a destabilising way, asserting its own interests above & beyond the interests of its ostensible imperialist allies. In fact, some of the more bellicose voices in the US Government are now calling for France to be deprived of its status as an ally and treated as an adversary.

This is not a proof that there is no "ultra-imperialistic" alliance, but rather that there is such an alliance, but it is breaking up. Basically, it could not long survive the end of the Cold War, especially as the US is being increasingly forced to attempt to win back on the battlefield what it is losing in the marketplace. The process of break-up still has a way to go and there will doubtless be attempts to patch things up, but they are the political manifestations of economic processes which are ongoing. The prime threat to the ultra-imperialist economic order is increasingly going to come from Uncle Sam. This fact is increasingly recognised even in the serious capitalist media, where many commentators are openly worried about the growing unilateralism of the US.

What are the implications of this analysis for the working class? Basically, we are in a period of increasing inter-imperialist conflict, the logical end point of which is war. With Germany providing the economic and geo-political weight, France providing diplomatic cover & a degree of weight itself, and Russia providing a large nuclear arsenal, there is an outline of a potential anti-US alliance which may be formed under the pressure of a rampant US recklessly advancing its own interests in violation of all others'.

The British SWP reach conclusions about this not radically different from those of the straight anti-Americans – but they are making a dangerous mistake. The mistake is not in saying the wrong things about the US, or in criticising it too vigorously or not vigorously enough, but in neglecting the imperialist interests & machinations of the other great powers. The massive opposition in Europe towards US policy is an exciting development and provides the working class movement with great opportunities, but only as long as national opportunism is avoided.

When Left organisations in Europe call on their own governments to "stand up to the US", (and, according to my information – I would be glad to be proven wrong – the British SWP signed a statement to that effect over Iraq) alarm bells should ring loud and clear. Capitalist governments know only one way in which to "stand up to" another country and that way is not in the interests of the working class. What on the surface looks like an appeal for peace is actually taking early steps on the road to war – a war between Europe and the US.

To the extent that these appeals by subjectively Leftist organisations actually have an effect on the State, they can only serve to support military build-ups by the "peace-loving" French capitalist class which waged war

for decades in Vietnam & Algeria, or the "peace-loving" German capitalist class, producer of the most infamous regime in world history. Regardless of their effects on the State, however, these appeals disarm the working class by lining European workers up with their own masters rather than the one force which can destroy US imperialism forever, the workers of North America. And make no mistake – it is a choice. If the Left in Europe lines up with their own capitalist classes, it will make the job of the Left in the US just so much harder, since nothing can be calculated to do more to drive the workers of North America into the arms of Uncle Sam than the European Left joining a new "sacred union" against a threat from across the Atlantic.

What is necessary is a global working class movement against imperialism. The prime enemy in our sights is inevitably Uncle Sam, but other imperialisms large & small need to be seen as among our enemies, not our allies. In the course of this, we need to recognise that the "ultra-imperialist" alliance exists, but is breaking up. The last thing we need to do is resurrect Kautsky, almost 90 years after he was proven wrong.

In Solidarity,

Ablokeimet

## Hyperimperialism: A Reply

Martin Thomas

First I should say that I agree one hundred per cent with "a bloke's" conclusions: that the left must and should avoid a Yankophobia that soft-pedals opposition to, or plays into the hands of, imperialist centres other than the USA - the sort of politics represented on the anti-war demonstrations in Britain by platform speakers leading chants of "Don't attack Chirac".

Analytically, however, I disagree.

I am proud to consider myself a "Leninist", or at least someone trying to continue and develop Lenin's politics and ideas. Even so, I think that to suppose that Lenin could in 1916 write something that could "prove wrong" and "demolish" assessments of the world of 2003 is attributing to him a truly ludicrous degree of foresight and insight.

This is the idea which I developed in *Workers' Liberty* 2/3, and which "a bloke" condemns as betraying shocking irreverence towards Lenin.

"In the western of the two 'camps' into which most of the world was divided during the Cold War... something pretty much like Kautsky's 'ultra-imperialism' did emerge... It was not constructed [as Kautsky had seen it hypothetically being constructed] by the different capitalist states all sensibly coming to agreement to avoid the costs of an arms race, but in another way. It was constructed, after two world wars, within one 'camp' of a bigger-than-ever arms race between two camps, and under the hegemony of a sort of hyper-imperialism, the USA's..."

That may be right or it may be wrong, but to try to settle the question by study of Lenin is foolish dogma-worship. Lenin never addressed the question, never could have addressed the question. His demolition of Kautsky's speculations in 1916 - which I agree was devastating at

the time - has no power whatsoever to resolve the question.

The further oddity of "a bloke's" polemic is that after accusing me of insufficient deference to Lenin, he repeats the crime himself. His argument, he says, is not "that there is no 'ultra-imperialistic' alliance, but rather that there is such an alliance, but it is breaking up". So it was all right to reject Lenin's "proof" that no such thing could exist, his "demolition" of the idea that it could exist, for the second half of the 20th century; indeed it is still all right today ("there is such an alliance"); we only become unpardonably revisionist if we diss Lenin in respect to the coming years, and deny that "ultra-imperialism" is breaking up right now.

So let's forget the references to Lenin. A substantive argument still remains. Is it the case that the USA is indeed hyper-imperialist? That it has unparalleled world power, and that its recent wars are expressions of the arrogance that comes with consciousness of such super-hegemony?

Or, on the contrary, are the recent wars a matter of a declining USA desperately trying to stall that decline? A USA "increasingly forced to attempt to win back on the battlefield what it is losing in the marketplace"?

In my articles in *WL* 2/3 I argue for the first account (US hyper-imperialism). In a sense, my argument is that there is more truth to the vague-left conventional wisdom ("the USA is taking over the world") than I had previously thought, although I try to explain why I still reject the Yankophobic political conclusions usually drawn from that conventional wisdom.

This does not mean that US hyperpower is solid for the indefinite future, or that the alliance structures constructed under US leadership, UN, NATO, IMF, WTO, G8, etc., are without internal conflicts. In my article I write that "any phase of 'ultra-imperialist' collaboration [is] inherently conflict-riven and liable to be totally disrupted in a later phase".

Right now, France and Germany are plainly alarmed at US arrogance, and striving to build up the European Union into an effective rival to US world power.

However, I doubt that they can do that at all quickly. Not only Britain, with its peculiar US links, but also three of the other bigger states of the European Union, Italy, Spain and the Netherlands, sided with the USA over Iraq.

### Ultra-imperialist alliance

I also doubt that the level of internal conflict in the "ultra-imperialist alliance" is, as yet, higher than in the Cold War. The general picture since 1989-91 is of a strengthening of institutions like the G8, the IMF, the WTO, etc, not of them falling apart. I do not assert that the world will continue on those lines forever. I assert only that it is going on those lines at present.

There were plenty of conflicts within the "western" bloc during the Cold War, and some of them caused by the pressure on that bloc of the Cold War.

In 1956 the USA came out openly against Britain and France over their Suez war, and forced them to withdraw. From about that time, the USA cautiously, but clearly, sided with the Algerian independence struggle against France. In 1965 France withdrew from NATO's military structures, and forced NATO to move its headquarters to Belgium.

From 1967 the European powers were fairly openly in conflict with the USA over Israel/Palestine, the USA supporting Israel and the European powers (sometimes with the exception of Britain) leaning more towards the Arab states and, later, the PLO. If anything comes of the current "roadmap" - and, admittedly, there are plenty of signs that nothing will - it will represent a considerable closing of a long-standing antagonism between big powers.

From the early 1970s, Germany was in conflict with the USA over its "Ostpolitik". The conflict became quite sharp for a period in the 1980s, when the USA wanted a hard line against what Ronald Reagan called the "Evil Empire", but Germany wanted conciliation and collaboration.

In Nicaragua's civil war, in the early 1980s, the USA supported, indeed ran, the Contras, while the European Union backed the Sandinistas.

Conflicts exist. Conflicts will continue to exist. If France and Germany get anywhere with their current plans, they may increase. But the present level of conflict is not new.

Is it really true that the USA is in economic decline as a capitalist centre? I doubt it. Since the mid-1960s US-based manufacturing has lost large proportions of both US home markets and world markets. But that is not the same thing.

The list of the biggest multinationals - counting all their international operations, not just their domestic ones - is still dominated by US-based firms. What Peter Gowan calls "the Dollar/ Wall Street regime" still dominates world finance.

### **US Hyper power is debtor nation**

The USA has a huge foreign debt. That is a great element of instability in the world system. Whether it is an element of relative economic weakness for US-based capital is another matter. If I owe the bank \$1000, I have a problem. If I owe the bank \$1 billion, the bank has a problem. The US government, and US-based capitalist operations, owe the capitalist world many, many billions - and the world has a problem.

In short, I think Susan Strange's arguments, developed in the 1980s against conventional wisdoms of both right and left, have been vindicated in the last two decades.

The other question is whether the USA's military operations actually serve "to win back on the battlefield what it is losing in the marketplace". The Iraq war may - if its sequels go well for the USA - benefit US-based capital by giving it contracts in Iraq, and preferential access to Iraqi oilfields. It may also, again if the US strategists' calculations prove right, which is a big if, pave the way for reopening Iran to US capital, and thus depriving European-based capital of the big advantages which it currently enjoys there.

But the Kosova war, for example, has not benefited the USA particularly. All over Eastern Europe, it is EU interests which dominate "in the marketplace". The USA's Cold War military spending, which helped to drive Stalinism to ruin, has enabled marketplace gains primarily for European-based, not for US-based, capital.

In the meantime, US military hyper-spending, advantageous though it is to many US firms with military contracts, is overall, probably, a drain on US capitalist development. Which means, in the long run, that it can undermine US hyperpower.

## **Book reviews**

### **Groundswell: the rise of the Greens by Amanda Lohrey in *Quarterly Essay*, No. 8 2002.**

Reviewed by Janet Burstall

Amanda Lohrey's essay on the history of the Greens proclaims "the political potency of ecology". "This movement and its ecological narrative have the power to subsume the traditional grand narratives of capital and labour and indeed to some degree they already have." "The Green constituency is based on...a new paradigm or grand narrative of what politics is about, i.e. the 'ecological'."

She attributes this to the material reality of environmental destruction as an issue of universal impact, though (by the way) with greatest impact on the poorest. This has generated a "structure of feeling" that has fueled passions for environmental issues, which in turn have found political expression in the organic and authentic nature of the Greens. The Greens are poised to replace the Democrats as the third party of Australian politics in large part Lohrey argues because "they are an organic party in the sense they have evolved over a lengthy period of time and out of several community campaigns organised at the grass roots." The Green constituency is committed to a new world view, whereas the Democrats are essentially reactive and "a barnacle on the bow of the major party constituency."

Lohrey's story of the genesis of the Greens starts with a major defeat for Australian environmentalists - the flooding of Lake Pedder by the Tasmanian Hydro-Electric Commission in 1972. Next the HEC planned to dam the Franklin and Gordon Rivers in Tasmania's South West. The Tasmania Wilderness Society, with Bob Brown as a founding member, launched a campaign to save the Franklin River. In December 1982, after other work had not secured the wild status of the rivers, the Wilderness Society began a blockade. "By the end of 1983 more than 1400 blockaders had been arrested, 600 of them choosing to go to gaol." The blockade was organised on Non Violent Direct Action principles, with affinity groups, a method of organising inherited by anti-capitalist blockaders of the forums of international capital 15-20 years later.

Between defeat at Lake Pedder and victory at the Franklin were the Green Bans of the NSW Builders Labourers' Federation in the mid-1970s, a story that Amanda Lohrey does not tell. Yet it is said that Petra Kelly based the name for the German Greens on those Green Bans. The Green Bans story contradicts the claim that the capital-labour grand narrative is superseded by the ecological, because it shows the impact of inter-linking the two. This history is very Tasmanian, not only because Tasmania is Amanda Lohrey's home, but because of The Franklin River campaign, Norm Sanders, Christine Milne, the Green-Labor Accord and Bob Brown. This history is also more inspired by the imagery of campaigns to save forests and wild spaces, than of urban

environmental struggles. It all adds up to the omission of the BLF Green Ban story.

The Wesley Vale pulp mill campaign loomed in Tasmania in 1987, and Christine Milne led the Tasmanian Greens to win the balance of power in the Tasmanian parliament. They sustained a Labor government with a Labor-Green Accord, referred to as "The Accord" although that other Accord between the ALP-ACTU of 1983 onwards occupies another political consciousness.

The first local Green Party, the Sydney Greens had been formed in 1983 after the Franklin success. For nearly another ten years the Greens were state-based until in 1992 "a rule was introduced that members of Green Parties could not be members of any other party, one of several measures which effectively disposed of the Socialist Workers Party influence. Purged of the SWP [now DSP, J.B.], NSW came on board, the Greens at last became a national organisation." The DSP sees their purging as motivated solely by anti-socialism, but since the Greens have obviously benefited from becoming a national party, many Greens would view the DSP's opposition to a national party as based on factional self-interest rather than the interests of the Greens.

Lohrey presents the Greens winning of seats in parliaments, and the sustaining of minority governments in Tasmania and the ACT, as achievements, without questioning the records of those governments. When the Queensland Greens under the influence of Drew Hutton allocated preferences against Labor in the 1995 state election, this was evidence that the Greens had to be taken seriously.

There is an underlying contradiction in Amanda's Lohrey's expression of admiration for the Greens. On the one hand she laments that "Labor and business now share the same view of things in which the bottom line is economic, not social". Yet she quotes Drew Hutton's concerns uncritically, as he anticipates problems with maintaining a balance between the social justice and the deep ecology formation within the Greens. 'What worries me most in the Greens' says Hutton, 'are those people coming from what I would see as an ideological social justice position, ideological leftism. That traditional leftism has run its course - there's no longer any currency in it. And all the hard-headedness and practicality and intellectual honesty and focus that caused the Greens to get off the ground in the first place against all the odds could get lost in ideological fervour and that's the biggest danger'."

Hutton is presumably referring to what are loosely known as the "Red Greens". The Red Greens inherit some of their outlook from the tradition of the BLF Green Bans, and as this essay skips over the Green Bans, it also gives no voice to any Red Greens.

Amanda Lohrey puts the case that the Greens were seen as anti-progress and anti-science when they first emerged, whereas really, and now it is evident, they are advocates of a rational scientific approach to human endeavours. The essay adopts conventional wisdom though in seeing "economic" concerns as being counter-posed to other concerns, such as social and environmental, just as conventional wisdom 30 years ago saw ecological concerns as counterposed to science. But in the case of both science and economics: the

question is science for whom, in whose interests, and economics for whom in whose interests? Actually the challenge is to reclaim economics from capital and its "market" as the domain for a rational and democratically decided allocation of resources, taking science into account, and not profitability, but for social and ecological need. In fact it is in recognising and challenging the power to allocate resources, residing with capital, the wealthy, the corporate boardrooms that the mainstream Greens' plots are barren. The capital-labour grand narrative may be dormant in terms of potency, but if it does not bud again, the ecological narrative will be stifled before it can flourish and weed out the environmental destroyers.

It will not be a case of Drew Hutton's simple 'ideological fervour' that will start to crack the illusion of the Greens as a whole offering a new political hope. It will be the reality of the Greens, as they continue to have electoral successes, having to take positions on all issues, not just ecology, that will show that under capitalism there can be no new paradigm that can change society regardless of capital. The forging of a truly fruitful Red Green alliance will depend on socialists both within and outside the Greens orienting to a critique of capital and to working class struggle in pursuit of a genuine democracy of producers and consumers. The socialists outside the Greens can best sow the seeds for such an alliance by engaging in political dialogue and discussion and seeking joint work in working class struggles with the many Greens who also think of themselves as Red.

But the socialists outside the Greens can also learn from the success of the Greens in growing as a party, most particularly from the way in which the Greens have been built out of grass roots campaigns of ecologists that have won very particular victories. Socialists can help to regenerate a consciousness of the fundamental conflict in interests between labour and capital, the consciousness that is the basis of a struggle for socialism, by placing their efforts into cultivating and tending to the interests, struggles and victories of working class people in Australia.

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## ***The Vulnerable Planet: a Short Economic History of the Environment, By John Bellamy Foster, 1999, New York, Monthly Review Press.***

Reviewed by Ron L Price

**T**he author, now one of the Editors of Monthly Review, is a regular writer on environmental problems. In 2000 he wrote a 310-page study of Marx's Ecology: materialism and nature. More recently, in the January 2003 issue of Monthly Review, he has analysed the failure of the Rio and Johannesburg Earth Summits. The Vulnerable Planet, while a short work (only 168 small pages) is a splendid introduction to the problems we face, as well as to the literature where we can go further.

The book is organised in the following chapters: the Ecological Crisis; Ecological Conditions before the Industrial Revolution; the Environment at the time of the Industrial Revolution; Expansion and conservation; Imperialism and Ecology; the Vulnerable Planet; and finally the Socialization of Nature. In his Preface he describes growing up in the Pacific Northwest of the USA, more concerned about the Vietnam War than what, in that location, seemed a remote problem. But returning to his home area in 1985, and seeing the changes, he became interested in environmental problems.

The book ranges widely over problems of the depletion of non-renewable resources, and the ever-growing pollution of the earth; the destruction and loss of the soil which is the basis of agriculture, and the problems of human health which result from all these changes. He puts the blame unquestionably on the capitalist system of production and exchange, and its focus on private profit above all other considerations. Time and again he gives examples of where firms plunder the world's treasures, like the old-growth forests of his homeland, or the tropical forests which have been home to uncounted, invaluable species of plant and animal. While they take for private profit what were the collective treasures of humankind, they constantly produce pollutants and expect the public to pay for their mess. One frightening example among many: the British nuclear complex at Sellafield, which has had some 300 accidents, including a highly polluting fire in 1957, constantly pours nuclear waste into the Irish Sea, polluting fish and the shores with its dangerous radioactive materials (p.128).

The weakest section of the book is that dealing with the USSR. Foster describes the 'ecocide in the Soviet Union': the soil erosion; the poisoning of water resources; and the frightening radioactive contamination, much of it as a result of the Chernobyl disaster (pp.96-101). But he tends to attribute it, not to fundamental problems associated with the structure of Communist Party and State, but to the hostility of surrounding capitalist powers dating from the Revolution of 1917, and particularly that of the USA and its Cold War. Reminding us that genuine socialism is very different (p.101), though important, is not enough.

Foster has helpful things to say to those who argue that it is all a question of "too many people". As background he

outlines the ideas of Malthus and the comments of Marx and Engels on population (pp.59-66).]

In his chapter on 'the Socialization of Nature' Foster gives a useful summary of the different strands of the environmental movement. He notes the corporations which give lip-service to the cause, and even money (p.126), and the thousands of activists who have often risked their limbs, and even lives, to stop some flagrant act of vandalism (136-37). But apart from generalisation at a level where they are distant signposts, abstractions like 'the answers to today's ecological problems . . . are to be found in the direction of the "socialization" of nature and the conditions of human existence' are all he offers for alternative action. He does not even spell out the difficult questions which socialists must face if they are to persuade their potential allies among the still-Romantic Greens!

The book has end-notes and an index. The last could usefully be supplemented, and it would also be easier to follow up ideas if there were a separate bibliography. But that said, this is an excellent book by a writer whose ongoing work on these topics should be followed. Readers of Workers Liberty will find it of great help to them.

### **Palestine/Israel: An Invitation to Terror**

**Five generals took the decision to assassinate Hamas leader Abd-al-Aziz al-Rantissi: the Prime Minister, the Minister of Defense, the Chief-of-Staff and the chiefs of the Mossad and the Security Service. This military Junta is running Israel in practice - instead of the bunch of dwarfs called Government and the group of clowns and delinquents who have taken over the Knesset. The aim was to bury the Road Map right at the beginning, destroy Abu Mazen (Mahmud Abbas) and prevent the planned Hudna (truce), in order to save the settlements, continue the occupation and prevent the establishment of the State of Palestine. Sharon & Co. invited violence - and violence we got. Anyone who believes that Sharon would bring peace will believe anything. Sharon is a man of war, and war follows him wherever he goes.**

GUSH SHALOM - - [www.gush-shalom.org](http://www.gush-shalom.org)  
*Gush Shalom advertisement in "Haaretz" (an Israeli newspaper), 13 June 2003*

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# Bosswatch

Lynn Smith

## **So cheating is standard practice with the big telcos?**

Remember the Worldcom debacle of a few months back? It was the largest corporate crash in US history. Well... three new directors of the now resuscitated company hired William Lucas (ex director of enforcement for the US Securities and Exchange Commission) to conduct an internal investigation into why Worldcom got itself into trouble.

The way he summed up the Worldcom corporate culture was interesting. Lucas said he found "fairly significant securities fraud above and beyond what is already out there".

## **If you think staff owed wages and creditors get whatever money is left in the kitty after a company goes broke, here's news for you...**

a huge chunk goes straight into the coffers of the liquidators!

Guess how much Ferrier Hodgson has earned in fees for collecting money owed to the now defunct One.Tel? A cool \$700,933 + GST. And that's for just three months work.

## **Wondering why most of us have given up hope of buying a house?**

Largely because the rich are heavily into real estate speculation. The number of people with over A\$1.5 million in assets (excluding the family home) rose by five per cent in Australia last year. According to Merryl Lynch and Cap Gemini who have just conducted a survey into how local millionaires are doing it, "a much greater proportion of local (millionaires') money was in the property market" compared to the US where the rich are putting their lazy megabucks into other things.

This has been a significant factor in pushing the price of the average house to \$400,000 plus... way beyond the reach of most wage earners.

## **Big shot "benefactor" responsible for wages that are below the poverty line**

Frank Lowy is managing director of Lend Lease and Australia's second richest person. He and his family own and operate Westfield shopping centres throughout Australia and in the USA, Canada, NZ and the UK. Lowy recently donated \$30million towards setting up a "think tank" on "international policy". But you don't have to be an egghead to work out Frank Lowy's international policy: it's to make sure cleaners' wages are the lowest (get it) in the developed world.

Lowy is the key target in a campaign by unions here and in the USA who are fighting to improve the wages and conditions of cleaners (called janitors there). The unions are running what they call clearance sales at Westfield shopping centres with the theme "Everything unjust must go". Westfield routinely awards contracts to cleaning outfits that put in the lowest bids.

In Australia, Westfield cleaners get far less than what contractors who employ LHMU members are paid. On top of this, Westfield cleaners sometimes go for weeks without pay.

In the US it's even worse, with poverty-level wages, contractors cutting back hours without reductions in workloads and offering little or no benefits.

And in a country with no public health care, this can be disastrous if a worker has an accident or becomes ill.

In fact, June 15 is designated by US unions as "Justice for Janitors Day" to commemorate a peaceful demo by immigrant cleaners in California which was attacked by police. The campaign has now become internationalised: hundreds of cleaners in Australia staged protests at Westfield shopping centres in various states over the past weeks. For more, go to [www.lhmu.org.au/lhmu/news](http://www.lhmu.org.au/lhmu/news).

When phoned about this issue by ABC radio in early June, Frank Lowy had "nothing to say".

## **It pays to flunk out... if you're a CEO, that is**

Leland Brendsec, ousted CEO of US

Mortgage giant Freddie Mac is likely to get US\$60 million in salary, bonuses and stock, according to the financial press. This is on top of "hundreds of thousands of dollars" Mr. Brendsec will also receive in annual pension payments.

You see, the ex-kingpin was not sacked exactly. There were suggestions that he resign, which he duly did. Few workers are given such genteel options.

## **Looks like the directors of NSW rail don't travel on trains**

... if they did, they would surely have done something to save their own skins after they were given a major safety warning 15 years ago.

It's all come out in an inquiry now taking place into the Waterfall train disaster (January 31) in which seven people including train driver Herman Zeides were killed and many more were injured. On June 16, the inquiry was told that independent consultant TMG warned rail bosses in 1988 that the "dead man's" mechanism on Sydney's Tangara trains could be over-ridden and could fail, even when a driver died at the controls.

The solution to this problem proposed by TMG (a "vigilance control" button that had to be pressed periodically by the driver) was never implemented.

### *Reason in revolt*

## **The Workers' Liberty journal re-launched: Vol. 2 No. 3, "The new world disorder: war and imperialism"**



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From back page...

The document defines itself as “a performance-based and goal driven roadmap, with clear phases, timelines, target dates, and benchmarks aiming at progress through reciprocal steps by the two parties in the political, security, economic, humanitarian, and institution- building fields, under the auspices of the Quartet...” “ A two state solution to the Israeli-Palestinian conflict will only be achieved through an end to violence and terrorism, when the Palestinian people have a leadership acting decisively against terror and willing and able to build a practicing democracy based on tolerance and liberty, and through Israel’s readiness to do what is necessary for a democratic Palestinian state to be established, and a clear, unambiguous acceptance by both parties of the goal of a negotiated settlement as described below”.

This plan, it says, demands peace between Israel and Syria and between Israel and Lebanon. “A settlement, negotiated between the parties, will result in the emergence of an independent, democratic, and viable Palestinian state living side by side in peace and security with Israel and its other neighbors. The settlement will resolve the Israel-Palestinian conflict, and end the occupation that began in 1967”. The roadmap requires, first, the creation of an effective Palestinian state, and one with democratic institutions, able to enforce agreements between that state and Israel. It calls for a “rebuilt and refocused Palestinian Authority security apparatus [which] begins sustained, aimed at confronting all those engaged in terror and dismantlement of terrorist capabilities and infrastructure. This includes commencing confiscation of illegal weapons and consolidation of security authority, free of association with terror and corruption”.

#### Settlements must go

Of Israel it demands that it “ freezes all settlement activity” (“including natural growth of settlements”) and: “takes no actions undermining trust, including deportations, attacks on civilians; confiscation and/or demolition of Palestinian homes and property, as a punitive measure or to facilitate Israeli construction; destruction of Palestinian institutions and infrastructure...” “As comprehensive security performance moves forward, [Israeli army] withdraws progressively from areas occupied since September 28, 2000...”

The “map” is already behind schedule, as it proposed its “first phase” to end in May 2003. In the “ second phase” (June-December 2003: “efforts are [to be] focused on the option of creating an independent Palestinian state with provisional borders and attributes of sovereignty, based on [a] new constitution, as a way station to a permanent status settlement. As has been noted, this goal can be achieved when the Palestinian people have a leadership acting decisively against terror, willing and able to build a practicing democracy based on tolerance and liberty”.

Of Israel it demands that it: “facilitates Task Force election assistance, registration of voters, movement of candidates and voting officials... reopens the Palestinian Chamber of Commerce and other closed Palestinian institutions in East Jerusalem based on a commitment that these institutions operate strictly in accordance with prior agreements between the parties”, and, after the establishment of the new Palestinian regime, “immediately dismantles settlement outposts The process

would culminate in 2004/5 with an: “ international conference, convened by the Quartet, in consultation with the parties, immediately after the successful conclusion of Palestinian elections, to support Palestinian economic recovery and launch a process, leading to establishment of an independent Palestinian state with provisional borders. Such a meeting would be inclusive, based on the goal of a comprehensive Middle East peace (including between Israel and Syria, and Israel and Lebanon)”.

#### Israel out of the Occupied Territories

Socialists cannot but view this initiative with suspicion and distrust. We cannot trust even the proclaimed good intentions of those who made it and the Quartet that will supervise it. Many important things go without mention, crucially the territory over which the Palestinian government will be sovereign, though there is repeated use of the term “provisional borders”. Much will be concretised in negotiations — in which, as we have already said, the Palestinians will be the weaker party. We should *distrust* the roadmap, and refuse to believe any of its promises until its words lead to consonant deeds. But in the name of what should socialists *oppose* it? In the name of the sacred right of an oppressed people to liberate themselves by force, including suicide bombs against Israeli civilians, and not by an internationally sponsored agreement?

On the recent anti-war Demonstrations we saw slogans on banners such as “Freedom for Palestine”. This slogan was supported by some leftists such as the ISO as well as by Islamists. The only rational “freedom for Palestine” is the setting up of a sovereign Palestinian state in the Occupied Territories. The only other “freedom for Palestine”, the one “from the river to the sea”, is the Arab and Islamic chauvinist goal of conquering and destroying Israel and its Jewish people. That is a thoroughly reactionary idea.

“Two states”, a Palestinian state alongside Israel, will give both Jews and Arabs in the region the rights to which they are entitled. Once more, we cannot trust Bush to bring about a two-states solution, or to give to the Palestinians the full measure of justice to which they are entitled. But our criticism of them should be specific criticism of their deeds within their proclaimed general aim of a two-states solution to the Jewish-Palestinian conflict — and, more fundamentally, within the main concern of Marxist socialists, to find ways to unite the Jewish and Arab working classes against their rulers and exploiters. Only on the basis of a consistently democratic two-states settlement of the Jewish-Arab conflict can Jewish-Arab working-class unity be created.

#### International Justice for Janitors

Everyone deserves a chance at a decent life no matter where they live. That is why on International Justice for Janitors Day, June 15th, janitors united across the world in a show of solidarity. Janitors united to send a message to the company behind the Westfield shopping malls in the USA, Australia, New Zealand, the UK and Canada. They are demanding that Westfield mall cleaners be treated with fairness, dignity and respect. For more information go to:

<http://www.labourstart.org/>

# Workers' Liberty

## Israel/Palestine Two nations, two states!

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The Palestine Liberation Organisation has, since the beginning of the second intifada in September 2000, called for international intervention in the Israeli-Palestinian conflict. Usually they have talked of the deployment of United Nations peacekeeping troops. This has reflected their understanding that the Palestinians could not hope alone to prevail against the militarily superior Israelis.

Now international intervention has been initiated by the USA. The USA has published a "roadmap" for peace, proposing a resolution of the Jewish-Palestinian conflict by way of establishing what they call a "sovereign, independent and viable" Palestinian state alongside Israel. The roadmap is scheduled to lead to an independent Palestinian state by 2005, in three stages. Advance from one stage to another will depend on real progress in the earlier stages. It is, says the preamble, a "performance- based and goal-driven roadmap".

By "viable" the USA primarily means a Palestinian state able to control the people in its territory, a state which will not collapse in the face of internal opposition — immediately, opposition to a settlement in which the Palestinians and the surrounding Arab states recognise Israel and in which the Palestinian demand for the "right of return" will remain unsatisfied. There is likely to be Palestinian opposition beyond that of the Islamic chauvinists of Hamas. The Israeli-Palestinian "peace process" is to be actively supervised by a "quartet" consisting of the USA, the European Union, Russia, and the UN.

### **Palestinian Authority accepts roadmap**

The Palestinian Authority immediately accepted the roadmap "in full", insisting that the Israelis do likewise. The Israeli cabinet "accepted" the roadmap subject to conditions and by a minority vote. Those voting against and the abstainers made up the majority. It is certain that when he says he subscribes to "an independent Palestinian state", Israeli prime minister Ariel Sharon does not mean by it what the Palestinians mean. Sharon is manoeuvring with the Americans. The day the Israeli government "accepted" the roadmap, which requires a freeze on new Israeli settlements in the Occupied Territories, it simultaneously awarded a contract for the construction of another new settlement. Real acceptance of the roadmap proposals would probably require a prior political upheaval in Israel,

and the election of a government genuinely committed to it. A precondition for that political upheaval — the reverse of the rightward spiral since the previous "peace process" collapsed in September 2000 — is the production by this initiative of a credible prospect of peace.

But the roadmap is silent on such questions as Israeli control of Israeli military roads and garrisons that partition Palestinian territory into bantustans. Its talk of a "sovereign, independent, viable" Palestinian state should, in any normal understanding of the words, rule out the bantustan version, which is what Sharon probably means when he says he accepts an independent Palestinian state. All such questions will be the subject of negotiations and manoeuvres. In those negotiations the Palestinians will be the weaker side, confronted by Israeli "facts" and US favouritism towards Israel.

This is a decisive test for those around George Bush who said they intended the recent war against Iraq to be the beginning of a democratisation and stabilisation of the Middle East. As regards the Palestinians, it is also a test of the USA's ability at "nation-building" and state-creation where no effective state exists. If the Americans do not force the Israeli government genuinely to accept a "sovereign, independent and viable" Palestinian state, then they will fail, as Bill Clinton failed two and a half years ago. Are they likely to? One of two things. Either this is a serious attempt to "sort out" the Israeli-Palestinian problem, motivated by the USA's interest in stabilising the region. Or it is Bush going through the motions to placate the Europeans, and will soon run out of steam.

### **Viable Palestine or Bantustans?**

It is in the USA's interest to find a viable solution. Contrary to pseudo-left mythology, Israel is not a prop of US interests in the area but a major liability to the USA in securing pliant and friendly regimes in the oil-rich countries. The Americans may, therefore, be serious in this attempt. If they are, they will have to insist with Israel on a settlement which Palestinians will think "viable" and acceptable. And a really "sovereign, independent and viable Palestinian state" could not be a collection of bantustans.

Socialists should give no credence or political support to Bush or the "Quartet", or have any confidence in their will or ability to carry through a between Israel and the Palestinians and between Israel and the Arab states. If they do something approximating to what we want, it will be done in their own way, not ours, and for their reasons, to serve their interests. But on paper, the proposals could, if implemented, lead to a Jewish-Palestinian and wider Jewish-Arab settlement.

*Continued on page 15*