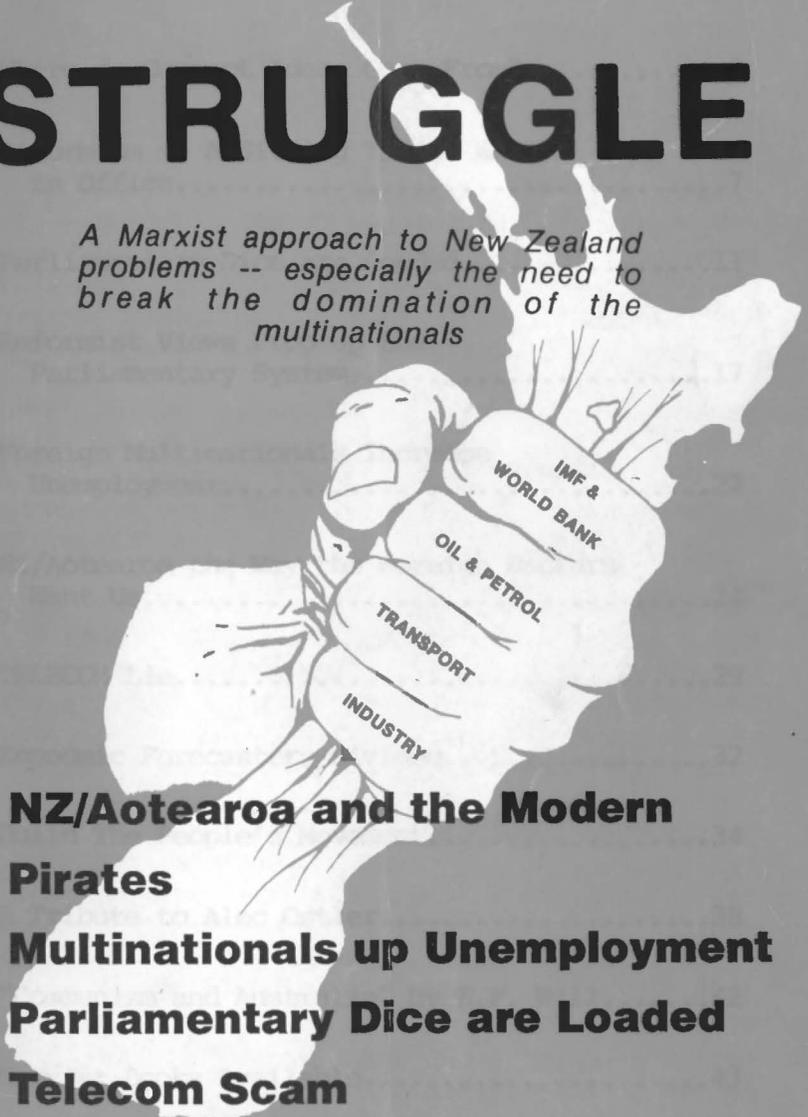


STRUGGLE

A Marxist approach to New Zealand problems -- especially the need to break the domination of the multinationals

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- **NZ/Aotearoa and the Modern Pirates**
 - **Multinationals up Unemployment**
 - **Parliamentary Dice are Loaded**
 - **Telecom Scam**
 - **Tribute to Alec Ostler**

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Where do correct ideas come from?

In developing its approach to the parliamentary elections, the Organisation for Marxist Unity has been guided by the Marxist Theory of Knowledge, outlined so vividly in Mao Zedong's article 'WHERE DO CORRECT IDEAS COME FROM?' We would like to share our conclusions with you.

For those who are turning away from support for the parliamentary system and reformist views, a further leap in their understanding is necessary towards building movements independent of Parliament.

For those who have progressed to CONCEPTUAL knowledge — that the Labour Government and the Parliamentary Labour Party are instruments of Big Business — they need further experience to test the concept that the parliamentary system itself is an institution hostile to the people.

For those who are in the PERCEPTUAL stage of gathering information about the real capitalist nature of the Labour Government and the Parliamentary Labour Party, they too require further experience of a Labour Government in office.

The ruling circles challenge and taunt their opponents — "Go on, take us on in the election campaign, stand a candidate, stand a candidate in every electorate." Certain groups and organ-

isations who are otherwise critical of other parliamentary parties, and even express opposition to the capitalist society, get drawn into conducting election campaigns. They make no real criticism of the parliamentary system, and their participation in such circumstances maintains the illusion that parliament can work for the people. They, too, will have to learn through first-hand experience.

WHERE DO CORRECT IDEAS COME FROM?

May 1963

Where do correct ideas come from? Do they drop from the skies? No. Are they innate in the mind? No. They come from social practice, and from it alone; they come from three kinds of social practice, the struggle for production, the class struggle and scientific experiment. It is man's social being that determines his thinking. Once the correct ideas characteristic of the advanced class are grasped by the masses, these ideas turn into a material force which changes society and changes the world. In their social practice, men engage in various kinds of struggle and gain rich experience, both from their successes and from their failures. Countless phenomena of the objective external world are reflected in a man's brain through his five sense organs — the organs of sight, hearing, smell, taste and touch. At first, knowledge is perceptual. The leap to conceptual knowledge, *i.e.*, to ideas, occurs when sufficient perceptual knowledge is accumulated. This is one process in cognition. It is the first stage in the whole process of cognition, the stage leading from objective

This passage is from the "Draft Decision of the Central Committee of the Chinese Communist Party on Certain Problems in Our Present Rural Work", which was drawn up under the direction of Comrade Mao Tse-tung. The passage was written by Comrade Mao Tse-tung himself.

matter to subjective consciousness, from existence to ideas. Whether or not one's consciousness or ideas (including theories, policies, plans or measures) do correctly reflect the laws of the objective external world is not yet proved at this stage, in which it is not yet possible to ascertain whether they are correct or not. Then comes the second stage in the process of cognition, the stage leading from consciousness back to matter, from ideas back to existence, in which the knowledge gained in the first stage is applied in social practice to ascertain whether the theories, policies, plans or measures meet with the anticipated success. Generally speaking, those that succeed are correct and those that fail are incorrect, and this is especially true of man's struggle with nature. In social struggle, the forces representing the advanced class sometimes suffer defeat not because their ideas are incorrect but because, in the balance of forces engaged in struggle, they are not as powerful for the time being as the forces of reaction; they are therefore temporarily defeated, but they are bound to triumph sooner or later. Man's knowledge makes another leap through the test of practice. This leap is more important than the previous one. For it is this leap alone that can prove the correctness or incorrectness of the first leap, *i.e.*, of the ideas, theories, policies, plans or measures formulated in the course of reflecting the objective external world. There is no other way of testing truth. Furthermore, the one and only purpose of the proletariat in knowing the world is to change it. Often, a correct idea can be arrived at only after many repetitions of the process leading from matter to consciousness and then back to matter, that is, leading from practice to knowledge and then back to practice. Such is the Marxist theory of knowledge, the dialectical materialist theory

of knowledge. Among our comrades there are many who do not yet understand this theory of knowledge. When asked the source of their ideas, opinions, policies, methods, plans and conclusions, eloquent speeches and long articles, they consider the question strange and cannot answer it. Nor do they comprehend that matter can be transformed into consciousness and consciousness into matter, although such leaps are phenomena of everyday life. It is therefore necessary to educate our comrades in the dialectical materialist theory of knowledge, so that they can orientate their thinking correctly, become good at investigation and study and at summing up experience, overcome difficulties, commit fewer mistakes, do their work better, and struggle hard so as to build China into a great and powerful socialist country and help the broad masses of the oppressed and exploited throughout the world in fulfilment of our great internationalist duty.

Reformism — A sitting target when in office

Marxists in New Zealand are confronted with developing correct tactics towards the forthcoming general elections. There are a number of goals to keep in mind, immediate, and long-term. The principal long-term goal is socialism, the social system where the people will be masters. From our assessment of the balance of class forces, the level of understanding of the working class, the preparedness of the revolutionary forces, this is not an immediate goal. Nor does a revolutionary situation exist that makes such a goal an immediate task.

In preparing the conditions to achieve the long-term goal, serious attention must be paid to assisting working people gain confidence in their own strength, along a path on which diversionary influences are steadily overcome and destroyed. As a previous article outlined, the hold of reformism acts as the chief social prop of monopoly capitalism within the Labour movement. It makes great efforts to channel the anger of the people into the dead-end of parliamentary games.

These questions arise therefore: When are reformist views most vulnerable? In what circumstances are the people best able to judge reformist views and institutions? In what period does the Parliamentary Labour Party win support? In what period does it lose support?

On studying the history of reformism, we find that support for the Labour Government falls away after a period in office: and, that support for the Parliamentary Labour Party, the party of reformism, increases when it is out of office.

The conclusions drawn from this record are: the people are best able to judge the practical effects of reformists, such as the Parliamentary Labour Party, when this Party holds office. They are also most vulnerable, for it is in office that they discredit themselves most effectively, losing more and more support.

In the course of parliamentary history, the Labour Government has returned three times from electoral defeats to gain Government office. Each time in opposition, the Parliamentary Labour Party has made such changes as necessary, worked out a new range of promises, and re-polished its ability to deceive the people.

This game of ins-and-outs has to be challenged. It perpetuates a future dominated by the evils of monopoly capitalism, already manifesting themselves to the dismay of a growing number of people.

To be really responsible to the people, Marxists must seriously consider the above questions. It is the stand of the Organisation for Marxist Unity that in order to hasten the destruction of reformist views, the Fourth Labour Government should be returned for a further period of office. This standpoint cannot be regarded as support for the Labour Government or the Parliamentary Labour Party. It is precisely BECAUSE we are opposed to the Labour Government as the agent of Big Business that we desire to see them in office where they are most vulner-

able, where more people can experience for themselves the utter bankruptcy and real role of a reformist party.

Would the numbers of people who have withdrawn their support from the present Labour Government since the 1984 elections have refrained from voting Labour — after having read a Marxist leaflet or paper? No. Definitely not. They needed their own experience at first hand from which they could draw their conclusions.

It is at this point that the Organisation for Marxist Unity relies on the Marxist Theory of Knowledge which emphasises humankind's practical activities as the source of knowledge. It is through their involvement in class struggle, of which parliamentary campaigns are a part, and the more important campaigns outside of parliament, that the people, the working class especially, learn of the errors of reformism. The process of incomplete and imperfect knowledge, progressing to a thorough understanding of the nature and role of reformism, is dependent on the experience by the people of a Labour Government in office.

When the Parliamentary Labour Party is out of office, it is obvious that the people cannot experience the performance of a Labour Government. Nor can the Marxist criticism and assessment of the Parliamentary Labour Party or Labour Governments be tested apart from their actual existence.

It is worth noting that Labour politicians, if at all possible, will prevent the people's campaigns independent of parliament, because they fear the people learning through their own experience their strength and capabilities. If

the politicians cannot stop them, they try to divert the people into the parliamentary quicksands. Indirectly, their actions recognise the truth within the Marxist Theory of Knowledge — that correct ideas come from social practice, of which class struggle is an element.

Similarly, in the industrial field, trade union reformist leaders are far from enthusiastic about strikes, strike committees, joint action committees in which workers learn also of their abilities and strengths, to take on the class enemy.

The proposal that it is most advantageous to have the Fourth Labour Government re-elected is also based on an assessment of why many workers have been turned off by the Government. This is dealt with in a further article.

'ON PRACTICE' and 'WHERE DO CORRECT IDEAS COME FROM?' are recommended reading when studying election tactics. — Editor - 'Struggle'.

The Parliamentary dice are loaded — against the people

How to approach parliamentary general elections has been the cause of great debate amongst revolutionaries for many decades. In many instances, candidates have stood in elections, competing with other candidates and parties for electoral support. Slogans were adopted such as "Elect Communist Candidates" which actually helped maintain the belief that the parliamentary system could be used to benefit the working people.

The historical record of parliamentary performance disproves the view that ordinary folk exercise power by means of the Ballot Box, the choice of Parties, or the kind of legislation approved by Parliament. Those loudest in favour of parliamentary democracy, apart from the politicians, are members of the dominant class of wealthy property owners, or their highly-paid supporters in the news media or university.

Prior to a General Election, tremendous effort is expended in preparing policies, assessing the strengths and weaknesses of this or that party and candidate, and preparing "effective" TV advertising. Instead of consulting the people, the parliamentary parties consult advertising agencies on how to "sell" their products! All manner of writers turn out speech notes and articles extolling "democracy" and the parliamentary system, while the reality is that the social

cost of this so-called "democracy" is climbing alarmingly. There are more homeless, more suicides, more child abuse, more unemployment, and more insecurity, while the rich are getting even richer.

Great pressure is directed at those who become dissatisfied, or even hostile. Such people are encouraged, if not urged, to join a parliamentary party. If that is not satisfactory, form a party or stand as an independent, for a seat in Parliament. Once sucked into the parliamentary merry-go-round, the spirit of revolt is safely contained. For, the parliamentary system is designed to maintain the power of the wealthy property owners, the financiers, the big run-holders, industrialists and investors. It has not been created for the people to walk in and legislate for their benefit.

Marxist science has developed a comprehensive and critical assessment of the role of parliament. Parliament is seen as part of the superstructure, the nature of which is determined by the economic system,

Marx, in the famous Preface to his 'Critique of Political Economy', gave the following classical definition of the major thesis of historical materialism on the Basis and Superstructure:-

"In the social production of their life, men enter into definite relations that are indispensable and independent of their will, relations of production which correspond to a definite stage of development of their material productive forces. The sum total of these relations of production constitutes the economic structure of society, the real foundation, on which rises a legal and political superstructure and to which correspond definite forms of social consciousness."

Within New Zealand/Aotearoa, the economic structure, or system of capitalism, developed with the arrival of the Pakeha. The principal features of capitalism are the private ownership of the means of production, the existence of property-less wage earners forced to sell their labour, the exploitation of these workers by capital, and the capitalist forms of distribution of products.

The relations between labour and capital in New Zealand/Aotearoa have evolved with their own special features. The capitalist class has always been dominant, and it, too, has its own characteristics. International capital, together with local monopoly capitalists, occupies the most influential position, subordinating large, medium and small capitalists to their control. Some 40 per cent of Company income is earned by overseas-owned corporations operating in this country. By being heavily into debt to international money lenders, the economic structure is highly dependent and capable of manipulation from external sources. For Marxists, it is extremely important to assess correctly the characteristics of the relations of production or the economic system. Each country has its own special features, and these need to be discovered in order to avoid bookish or dogmatic conclusions.

From the basis, or foundation, a social superstructure is established and developed. It is not any sort of superstructure but one that corresponds to the economic basis. In 1990, we have a superstructure determined by our economic base where the decisive role is played by international capital and its local Big Business partners. This superstructure is firmly under their control.

What comprises the superstructure? Stalin, in his "Marxism and Problems of Linguistics", defined the superstructure as "the political, legal, religious, artistic, philosophical views of society and the political, legal and other institutions corresponding to them."

The most important element of the superstructure is the State Apparatus, comprised of the laws, the courts, police and armed forces. Supplementing these elements are numerous State departments, plus the institution of parliament. Since the superstructure is determined by the nature of the economic base, the principal components of it defend the interests of international capital and their local monopoly capitalist partners.

For example, according to Marxism, the wage worker produces wealth equivalent to his wages in a part of the working week. For the rest of the week, he toils without pay, and the wealth produced, in goods or services, is pocketed by the capitalist. In effect, he is actually paid nothing for a portion of the working week. This is a form of robbery. But do the police turn up to confront the capitalist? On the contrary, they turn up to disperse a picket line formed to protest against actions of the capitalist.

When the police themselves, smarting over the cut-backs of their superannuation as compared with increases for politicians and judges, took the unprecedented step and recently marched to Parliament Buildings, the outcry from the representative of the ruling class, the Minister of Police, resounded around the country on TV and radio.

There are a whole range of laws, including the Labour Relations Act, placing constraints or im-

posing penalties on wage workers organising against exploitation by Capital. Parliament is used to make discriminatory laws "legal", thereby providing the grounds for action against striking workers. After all, Parliament has been elected "democratically".

A seaman has an equal right to stand for parliament as the shipowner — except that it takes many thousands of dollars to support an election campaign, which the shipowner could afford and the seaman could not. So, exit democracy — for the seaman. But not for the shipowner.

From this it can be seen that the superstructure, including parliament, has a class nature, having been developed to protect the rule of capital and the ruling class. It plays an active role in defending that class. It is neither passive nor neutral.

It is now becoming obvious, for example, that the sale of State Owned Enterprises is the means of transferring publicly-owned wealth into private hands for private gain. Parliament is being used to enrich Big Business still further, while running down the social services at the expense of the people. This convincingly demonstrates the narrow class nature of the superstructure, including parliament.

Should, by any chance, the people elect representatives in sufficient numbers to challenge the ruling class, by means of legislation, there is still the reliable state apparatus on which to back-pack; for the Courts, police and army are commanded by loyal and well-trained supporters of Big Business. And the same goes for the State Departments headed by highly-paid "Public servants". If deception of the people by the parliament fails, the state apparatus, the prin-

cial element of the structure, will resort to violence. In fact, both deception and violence are inter-changeable, as history has recorded at Bastion Point and in many industrial disputes.

As discussed in the March issue of 'STRUGGLE', there is a very strong tendency for monopoly capitalism to move towards fascism. Therefore, there is great need to be vigilant. As the concentration of capital becomes more pronounced, as the presence of more international capital grows, the exploitation of the people as workers and consumers will intensify. The ability of parliament and parliamentary parties to continue their deception becomes more difficult. The rule of monopoly capital, especially international capital, becomes more apparent.

With all of the preceding outline in mind, the stand of the Organisation for Marxist Unity is that the parliamentary system and parliamentary democracy serve the interests of the monopoly capitalist class only, the class in which international capital has THE significant influence. It is hostile to the people, especially the working class. Great efforts are made to maintain the illusion of "democracy". It is therefore a major task of revolutionaries to destroy the influence of these illusions and to expose that class which monopolises political power.

Should Marxists uncritically and without qualification take part in parliamentary elections, they are then assisting in perpetuating one of the institutions which oppress the working people.

On the other hand, if candidates stand for the specific purpose of exposing the real source of political power — the monopoly capitalists —

and to destroy the illusions and influence of parliament and parliamentary parties, then that step, depending on the prevailing situation, is worthy of support.

It is noteworthy that the historical record of parliamentary practice in New Zealand/Aotearoa confirms the teachings of Marxism in general and of the science of historical materialism in particular.

Reformist Views prop up the Parliamentary system

To maintain its domination, Big Business relies on the theories and practice of Reformism, or Social Democracy. Reformism sows illusions that improvements can be won under capitalism, that the capitalist class will respond positively to workers' demands, providing the workers behave responsibly. As the name suggests, a series of reforms can be won which gradually would move society to Socialism. Emphasis is placed on participating in parliament.

During times of capitalist "prosperity", reformist views get a boost. During times of recession they are sorely tested. Politically, reformism sets out to sabotage the growing unity of workers by trying to divert action into the parliamentary system, or to unprincipled compromise with the capitalists. It endeavours to make deals with the employers in industrial bargaining, and to avoid relying on the strength of the workers' industrial punch.

In New Zealand/Aotearoa, reformism has its own special history, passing through various distinct stages — the period up to the formation of the New Zealand Labour Party in 1916; the period from 1917 until the first Labour Government in 1935; 1936 to 1949; 1950 to 1983; and 1984 to the present time.

When the first Labour Government was elected in 1935, the country had experienced a severe economic depression which caused widespread suffering amongst wage earners, working farmers and small business people. Once elected, the Labour Government embarked on a series of social reforms, introducing the 40-hour week, holidays with pay, social security from the cradle to the grave, the family benefit, and a state housing programme. All these measures gave the Labour Government and reformism immense support for some ten years until defeated in the 1949 election. Even this defeat did not end the influence of reformist views.

In subsequent years, Labour politicians have identified themselves with the FIRST Labour Government, stressing their loyalty to the ideals of that period. They do not explain that THAT Labour Government used up the sterling credit balances residing in the Bank of England and that, once used up, the Minister of Finance, Mr. Walter Nash, had to go cap in hand in 1938 to the bankers begging for a loan. On receiving the cold shoulder from the bankers, Mr. Nash initiated on his return the introduction of exchange control, and similar measures to safeguard export earnings.

The question may well be asked, if capitalism was so bad, how come workers formed a Labour Party, a Parliamentary Labour Party, and later a Labour Government? The short answer is that the

capitalist class has the capability of bribing a minority of the working class by providing them with income and status somewhat above the majority of workers. This social strata, together with elements of the petty bourgeoisie and intellectuals, ally themselves with the capitalist class, identifying themselves with the preservation of capitalism, and hostility to revolutionary socialism. When have we heard of a trade union leader on \$40,000, or more, calling for revolution, or a Labour politician exposing capitalist exploitation?

This social strata of privileged workers is the source of reformist views. Within the trade union movement, this same strata give their principal support to the proposed and controversial Compact, which is a good example of class collaboration between trade union officialdom and Big Business and its agents, Labour politicians. Classical writers of Marxist works have referred to such trade union leaders as the "labour lieutenants of the capitalist class" in the ranks of the Labour Movement.

Not only have reformist views had a long history in New Zealand/Aotearoa but they are still strongly entrenched. We can assume that as long as monopoly capitalism exists, it will succeed in bribing some elements of the working class and those strata close to the working class, such as some intellectuals.

Reformist views and reformist parties therefore become the social prop of monopoly capitalism. Without reformism acting as a diversion and confusing the people, the rule of Big Business would be in grave difficulties. Could any other parliamentary party have succeeded in introducing so much "pain" as has this Labour Government since 1984? If the answer is NO, we must then ask — HOW COME?

We think the Labour Government relied on the strength of reformist views within the community especially among trade union leaders, and the higher paid and less threatened skilled workers. University-trained economists, lawyers and other specialists have been drawn to work in the trade union movement, either as a career or a stepping stone for higher office. With very few exceptions, their input has tended to strengthen reformist views.

Now, with the proposed COMPACT, we can study at first-hand a deliberate attempt to formalise reformist views into a written document. K. Douglas, President of the Council of Trade Unions (CTU), is continuing to call on workers to make further concessions, if they want more money to be put into health. (NZ 'Herald', p.5, 17.3.90) Have not the workers and unions already made enough concessions?

The history of our Labour Movement shows that reformist views have been dominant in it since its early years. They have been the major cause of retarding it industrially and politically by diverting time and energies into parliamentary activity.

With the emergence now of a few very large monopoly corporations, and the stranglehold of international capital, the Parliamentary Labour Party has shifted to the Right. It is trying with great desperation to meet the requirements of Big Business for ever greater profits, while attempting to convince people that the drastic reduction in social services is for their own good. This will undoubtedly lead to a loss of electoral support.

It is significant that the leadership of the CTU is trying to rescue the Labour Government by obtaining workers' support for the COMPACT with

the Government. Once endorsed by the CTU Special Conference, the CTU leadership would then campaign for the re-election of the Labour Government.

In other words, reformism is fighting hard for its existence. It is trying to put in place structures and processes (their words, not our words - Ed. 'Struggle') which authorise union officialdom to engage in class collaboration.

CTU leaders continuously harp on about meeting change. Fair enough. But the changes they are proposing are even more open and elaborate ways of doing deals with the big corporations at the workers' expense.

There ARE changes. The monopoly capitalists have intensified their attacks on workers and on the trade union movement. The reformists will respond by finding ways of accommodating the demands of the corporations and making concessions.

Both in the political and industrial areas, reformism is bad news. To deal with it, great care is needed in working out tactics.

Foreign multinationals increase Unemployment

During ANZAC Day week, when there was much talk of 'freedom', many hundreds of workers were given the 'freedom' to join the dole queue. In a textbook example of the unplanned, anarchic character of capitalist production, motivated by their greed for profit, multinational corporations led the offensive against workers and their families. In US-owned Butland Industries, 100 workers; 300 at US-owned General Motors; 30-40 at Australian-owned AMP; about 100 at UK GEC Plessey Telecommunications; some 450 workers at Databank (owned by the four trading banks) have been sacked, or face the sack, over a period of 18 months. Not to be left out, the BNZ sacked 216; Skeggs fish processor, Napier, 70; Rail Corporation Intercity, Otago, 30; and Mainland Products, cheese processor, 6 part-time workers.

These developments show the further decline in the regions, the further drift to the Auckland Province and more prominent shift to Australia. General Motors, Plessey, and Johnston and Johnston will rely on their Australian plants to export to New Zealand.

They are compelling evidence that the so-called 'freemarket' is a licence to

destroy jobs and create an economy of stagnation and decline. Rogernomics is an utter failure for the people and purely a system designed to enhance the superprofits of the major corporations. These sackings expose the naked self-interest of the monopoly capitalists and their unbridled power.

In contrast to their performance, the Labour Government takes no steps to defend the jobs of the sacked workers, confirming once again that their only loyalty (and Parliament's) is to Big Business. In a pathetic attempt to be a better salesperson, the Minister of Finance has his moustache removed!!!

What does need removal is the interference, manipulation and greed of the multinationals. The potential is there to do it — the power of the people, organised, encouraged and led by the industrial working class.

New Zealand/Aotearoa — the way foreign bankers want us

A result of restructuring of the economy and Rogernomics is the loss of numerous illusions and myths about capitalist society. Instead of concern for people, the young, the aged, the sick and those without work or shelter, there is overwhelming emphasis on making money. In the past, the emphasis was there but somewhat concealed. Now, the naked grasping greed of the millionaire class of modern capitalists (the bourgeoisie) is paraded without shame. Dog-eat-dog, the strong destroy the weak, and the less advanced go to the wall. Hundreds of thousands of people have had their lives disrupted through sackings and plant closures. The driving force of production is the making of profit, and the strongest, the foreign financiers, play a dominating role.

In Canterbury, six firms closed their doors in the engineering and manufacturing industry. One hundred and twenty jobs went down the gurgler. Within the Bank of New Zealand, five thousand jobs may disappear through restructuring and new technology. Six thousand jobs in the automotive component industry are at risk, while the major corporations from the USA and Japan bargain with one another before telling the Government of the day their wishes. In Auckland, two pharmaceutical firms shut up shop. After many years of profiteering in New Zealand, the US parent company of Johnson and JohnsonNZ (baby powder, floor cleaning and bandages) closed down the N.Z. factory. Its products will come from its Australian plant.

The staff of the Inland Revenue Department face large-scale lay-offs. Because of the collection of taxes by the banks — interest PAYE, employers' PAYE, and commerce GST — the Inland Revenue Department workload has been sharply reduced. Combined with new technology, this development means more taxes can be handled by fewer workers. Overall, in the past two years there have been some two thousand company failures.

The strategy of the NZ Business Roundtable is to drive down the real wage rates of the majority of the working people in the mad race for the maximum profits. The lower the wages, the greater the profits. To achieve that goal, this gang of giant overseas and local financiers and industrialists aim to maintain a large pool of unemployed to bring pressure on the employed and their trade unions. It is no surprise then, to hear the prediction of high levels of unemployment for some years ahead.

Already, there is growing impoverishment and deprivation. In Christchurch, planning is in place for establishing a foodbank for free emergency supplies to the needy. But even the unemployed, the sick and the aged still have to eat. There is profit to be made. Since 1985, food prices have risen as much as 80%. So attractive has the food industry become, that Japanese investors are showing interest, in addition to real estate and anything else going cheap. Every housewife/househusband knows from visits to the supermarket that the family income buys less.

From the Department of Statistics, there is a graph drawn up by the Christchurch 'Mid-week MAIL' headlined "THE RICH GET RICHER....." According to the Department, real disposable incomes of full-time wage and salary earners in the middle and lowest income groups were lower in September 1989 than in March 1981. They are poorer today

than nine years ago. Add in those relying on Welfare benefits, and we find that the great majority of the people of New Zealand/Aotearoa have suffered a decline in their quality of life, while the millionaire class has never had it so good. This confirms the Marxist view that the growing riches of a few are made possible only by the sacrifices of the many. In his day, Karl Marx spoke of how free trade (today's Free Market - Rogernomics) replaced veiled exploitation (interventionist policies, if you like) with "naked, shameless, direct, brutal exploitation." (Communist Manifesto, K. Marx)

Strong stuff? Much to the discomfort of the Employers' Federation, the Second Sweating Commission has reported that child labour and sweated labour are a fact of life in the retail industry. Far from making gains, the position of most women had moved backwards. Bad conditions, low pay and exploitation demanded intervention by Government. A member of the Commission, Mr. Phil Amos, expressed amazement at the extent of sexual harassment and intimidation of young women in the retail workforce. Another member, Cardinal Williams, stated: "Liberalisation for some creates shackles for others." (Ch.Ch. 'Press')

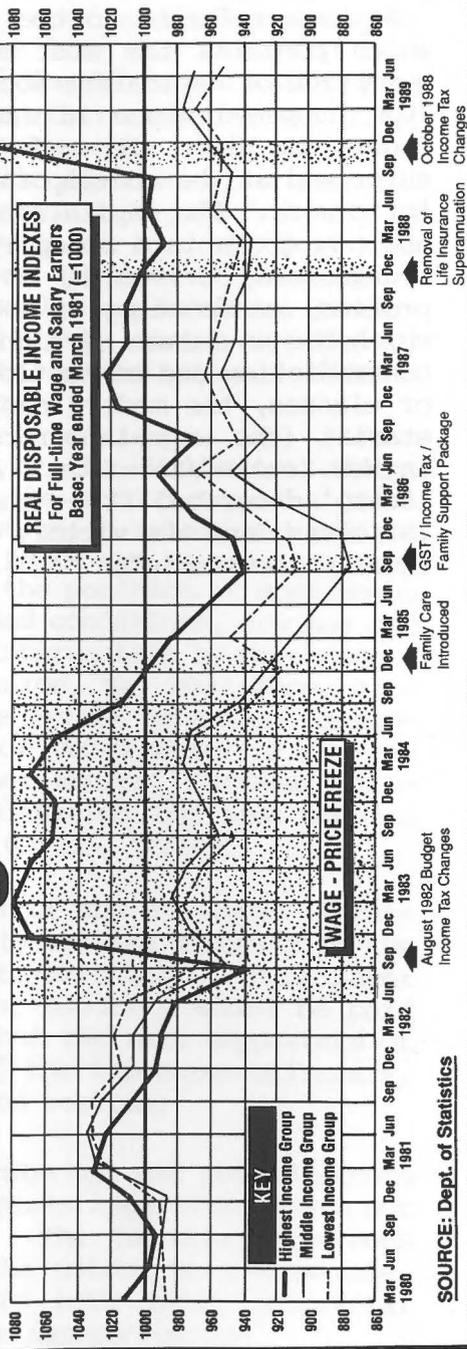
An important component of the employers' strategy is to create a highly-skilled minority in the workforce through "multi-skilling". This layer would be paid more, the majority would be paid less. It is probable that the main supporters of the Compact, outside of the top union officials, reside in this privileged section.

But even the most protected and petted strata — the members of the state apparatus — are not free from interference. The judiciary have been forced to speak out, the police to demonstrate, and the prison officers have taken industrial action, to protect their superannuation.

We have referred to the 'Communist Manifesto', which contains the most concise and scientific summation of capitalist society. Of course, much has happened since it was written by Marx and Engels in 1848. Nevertheless, readers would be surprised at the contemporary nature of this historic work. The capitalist society of those days has now grown into monopoly capitalism, with the bourgeoisie, driven by an insatiable greed for profits, confronting an expanding working class which has no future of dignity and security. The contradiction and contention between the two major classes, the modern capitalists and the proletariat (the wage-labourers), is alive and well in New Zealand/Aotearoa. As the 'Communist Manifesto' described it — the fall of the capitalist class "and the victory of the proletariat are equally inevitable".

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The rich get richer and...



Labour Government - Telecom - Tele - Lie

Perhaps more than any other State Owned Enterprise, the sale of TELECOM will haunt the Labour politicians evermore. In a perfidious act, Parliament took thirteen hours only to pass the necessary legislation enabling the plundering of the public assets by local millionaires and foreign investors. The National Party raised no serious objections. The few so-called Labour 'Left' were conveniently absent. So much for election promises and manifestos. Preparation for the sale of Telecom began behind the back of the then Prime Minister, Mr Lange. According to the recent TV 'Frontline', Sir Ronald Trotter would only take on the Chairman's job on condition that Telecom was sold. He got the job.

Historically, the sale of S.O.E.s is the greatest exercise in expanding the capitalist investment market for private profit since the legalised theft and confiscation of Maori land in the 1860s. As then, the prospect of super-profits assembles financiers and speculators like pigs around a feeding trough. They know that with a near-monopoly of telecommunications, based on one of the highest telephone installation rates in the world, Telecom, with its high cash flow, is one giant milking machine. The purchase price will be recovered by screwing up charges paid by urban residents and rural folk. Security of employment, wages and conditions will be attacked for sure.

But the 'milking' has already begun. Last year twenty-nine top executives received an average salary of \$110,504.00, plus an average of \$16,301. in bonuses, plus a company car. The managing-director of Telecom Auckland, Mr D. Sledge, refused to comment on a report that his starting salary was \$250,000.00 plus perks.

Not unexpectedly, Brierley Investments has its eye on Telecom and is holding discussions with an eye to a joint purchase with American and European investors. This is typical of the New Zealand millionaire class who are ever ready to crawl to foreign investors with plans for joint exploitation of the New Zealand people. The notorious Judas Iscariot would be quite comfortable in their company. Obviously, the greater the foreign investment, the less national independence there is.

From the financial viewpoint, the sale of Telecom will bring no lasting benefit to the ailing economy. In fact it will further weaken it, making it more dependent. With an overseas debt of \$46 billion and an annual current account deficit of \$4 billion, the New Zealand economy has been ravaged by foreign and local monopoly capitalists. Already these foreign investors scoop up some forty per cent of all company earnings. To this must be added the heavy payment of interest on loans, freight, insurance, commission and royalties met by export earnings or borrowings, year after year.

It is this extraction of wealth by foreign financiers that is the immediate cause of the weakness in the New Zealand economy — Too much foreign investment demanding too great a burden of annual paybacks. The basic problem is just not 'debt reduction' — that is the EFFECT. THE REAL ISSUE is the CAUSE — the creation of debt

by the heavy demands of foreign financiers requiring their profits.

The answer lies in removing this annual drain on the wealth created by working people in city and rural districts. The plundering of the economy by imperialist interests must be stopped. As the record of S.O.E. sales shows, the politicians and Parliament are on the side of the millionaires and foreign financiers. Only the people, especially the industrial working class, can stop the erosion of national independence and retain our public assets.

Lavish party pruned back

Public pressure has forced Auckland City Council to slash its grand \$190,000 Aotea Centre opening party to a \$44,000 bash.

Fewer free tickets will be given out to sponsors and VIPs as a result of the cuts.

An evening concert by Dame Kiri Te Kanawa will still go ahead, but only 100 of the 2000 audience will get their \$50 tickets courtesy of the ratepayers.

A morning dedication will also be a feature of the September opening day.

The original lavish budget included a buffet lunch and free drinks for council guests.

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Economic Forecasters divided — Unemployed Unite

According to the New Zealand 'Herald' correspondent, Simon Collins, (3.4.90), New Zealand economic forecasters are now hopelessly divided over the country's chances of earning its living in the next two years.

Why limit their forecasts to two years? The reality is that there is no chance of the country earning its living ever — as long as the heavy burden of foreign investment and interest payments siphon off wealth rightfully belonging to the working people. In the process of removing this parasitic layer of leeches, the working class, together with all other genuine patriotic people, will realise their own strength and proceed to the next stage of building a socialist society.

The immediate question now, however, is to work out appropriate responses to the naked greed driving the millionaire class who demand ever greater sacrifices. Big Business dreams of cheap labour, such as work-for-the-dole schemes.

Their ultimate goal is the conscription of labour as in Nazi Germany — compulsory work at minimum wages as a device to bring greater pressure on employed workers' wage rates.

Towards this end, the Department of Social Welfare is scheming how to reduce benefits and introduce work-test screening of beneficiaries. The aim is to drive many more people on to the non-existent job market, with workers competing for jobs, and lowering wage levels. All in the interest of profit — rather, super-profits.

In response to this situation, the National Unemployed Movement, TE ROOPU RAWAKORE, is organising THREE DAYS OF ACTION, JULY 10th to 12th, IN WELLINGTON. The campaign deserves the support of all employed and unemployed. Wherever there is activity by the people, young or old, Maori or Pakeha, men and women, there should be mutual support and encouragement. Building the people's movement independent of Parliament is a matter of survival.

Build the people's movement independent of Parliament

We have been conditioned by decades of propaganda about the virtues of the parliamentary system. All alternative proposals are excluded. They are dismissed out of hand. Now, under the impact of six years of discriminatory administration favouring the Big Business interests, and before that the wage freeze of the Muldoon era, the people's support for the parliamentary system is sliding.

It is a big step breaking from that support to building a people's movement independent of parliament, from which the people will fashion the power structure they can trust and hold accountable. The correctness of this path forward is confirmed by the very history of people's movements within New Zealand/Aotearoa.

Recently, the National Party Opposition reversed its entrenched stand of support for the visits of nuclear-armed ships to New Zealand ports. Some may claim — and quite rightly so — that the trigger for this U-turn was the nod given by the American State Department. It was not the principal factor, however. The main compelling cause was the people's insistence that no nuclear armed ships visit the country, and also the people's opposition to being dictated to by Big Brother. Under the weight of an overwhelming public support for a NUCLEAR-FREE New Zealand, the previously bomb-happy National Party politicians crumpled. After all, they have their eye on the

Treasury benches, and is not that prospect more important than sticking to "principles"?

In effect, the National Party decision, apparently without reference to the party membership, focuses attention on the role of movements which act independently of parliament. Over the years, after hard slogging and persistent effort, members of the peace movement succeeded in mobilising a majority of the population to express their views. There was a deliberate strategy of arousing and educating the public. A whole range of activities included research, visiting speakers, stickers, petitions, letters to the media, action on land in the form of demonstrations and marches and actions on the water with peace flotillas. At an appropriate time, Local Government bodies were petitioned to declare their city or borough "NUCLEAR-FREE". Finally, the strength of the peace movement persuaded the Labour Government to introduce legislation.

There have been one hundred and thirty years of parliamentary administration, yet the ordinary folk have less control and greater insecurity. But there is another history — a history of people building movements independent of parliament, for the very good reason that the latter cannot be relied upon to work on behalf of the people.

Movements concerned with the environment, the ecology; movements concerned with the status of women, pay equity, anti-pornography, women's refuges; the movement to rectify injustices, to honour the Treaty of Waitangi, to regain land, for Maori self-management, in education, health, justice; the peace movement for a New Zealand/Aotearoa free from involvement in nuclear war capabilities and alliances, foreign bases or facilities; the trade union movement in defence of workers' rights to organise, safe working conditions and adequate incomes; the unemployed

movement struggling to uphold the dignity of working people; the movement to defend civil rights and to reform the prison system; the movement to combat racism; to oppose apartheid.....

Is it not a fact, that in all the wide-ranging activity of the people, the primary consideration of the activists is their relationship with the people. And secondly, is it not also a fact that a healthy people's movement is one which operates independent of parliament. To succeed, people's movements must, of necessity, rely on their own strength, and not subordinate themselves to the advice of politicians or the parliamentary system. Naturally, the parliamentary system, politicians and political parties cannot be ignored. Nor can standing candidates at an appropriate time. For example, when candidates stand for the specific purpose of exposing the narrow class interests that parliament serves, and for assisting the movement outside of parliament to grow, then such candidates should be supported.

Overall, the people's movements cover a wide range of issues. Waste disposal is concerning more people. One group is encouraging its fellow citizens to post flattened plastic milk bottles to the Minister of the Environment, Mr Palmer — post free to the Prime Minister, too. Scores of environmentalists at Coromandel are in action to protect the area from open-cast mining and dumping of waste. Unemployed representatives target the Treasury offices over benefit cuts. Grey Power is on the move in defence of the aged.

All the people's movements should be encouraged. Activists have the task of building ever greater unity. Without question, the history of the people's movements confirms that building them **INDEPENDENT OF PARLIAMENT** is the pathway of advance. Passively waiting for parliament spells disaster.

PEOPLE POWER! is a watchword beginning to be heard more and more today.

SAUCE FOR THE GOOSE !!

"A Mt. Maunganui Labour Party official has challenged politicians intent on freeing up the labour market to apply the same rules to their own pay structures.they should lead by example and step out from the shelter of the Higher Salaries Commission which determines their pay.

"If these politicians want to change the rules and put us all on the same level, it means they will have to negotiate their own rates of pay with their electorates", stated Mr H. Uttinger, Chairman of the Kaimai Labour Electorate Committee. ('Dominion', 3.3.90)

A tribute to Harry Alexander (Alec) Ostler

Alec Ostler died in Auckland Public Hospital on February 8, 1990, after a year's struggle with cancer. Alec joined the Communist Party in the late 1930s in Christchurch, influenced especially by participation in the local Left Book Club discussion group and the Peace and Anti-Conscription Movement, and by opposition to the rise of fascism.

Returning from World War II he worked in Christchurch factories for a few years before being appointed Christchurch District Secretary. In 1956 the Party sent him to Auckland. There he became firstly editor of the 'People's Voice' and then Auckland District Secretary. In later years, as he strove consciously to find the most fruitful means of developing and guiding class struggle in New Zealand/Aotearoa, he came to recognise that narrow, rigid, bureaucratic and sectarian styles of work were more and more isolating the Party from the people, and stifling the enthusiasm and initiative of Party members and supporters.

Alec Ostler was sternly critical and self-critical of this style and helped found the Organisation for Marxist Unity. He consciously sought to change his own style by regular study of the science of Marxism for the purpose of gaining a greater understanding of the social conditions in New Zealand, both past and present. This study took into account the specific class relations within New Zealand. He reached the conclusion that the path to socialism would pass through an

anti-imperialist stage for national independence and against foreign control, under the leadership of the working class.

His recent activities have been dominated by two things. One has been the struggle to achieve the unity of all the groups that claim to be Communist or Marxist in New Zealand, unity in a common practice and programme leading, he firmly believed, to the formation of a single united organisation. Throughout this struggle Alec emphasised that the test of correct policies is in practice, that practice including especially the building of unbreakable ties with the people.

Continued dedication to hockey was the other dominant feature of his life. From playing, Alec quickly moved to umpiring. He became a senior grade umpire renowned for his fairness and his opposition to cheating. He went on to qualify as an international Olympic grade umpire. At his memorial service, five different players, coaches or umpires paid tribute to his service to the game, his honesty, concern, his ever-ready help and friendship. They gave him the love and respect that is earned by selflessness and mateship coupled with a thorough knowledge of the game and determination that it be played properly.

How did this man come to follow this path? He was born into a very well-to-do family in Remuera, his father a prominent judge loyal to the ruling class that gave him his position. Young Alec went to private boarding schools to enable his parents to holiday overseas, ending as head prefect of Christ's College, Christchurch. He went on to Canterbury University to follow his father's law career or medicine. He could have lived comfortably, but he dropped out of university and became a wage worker.

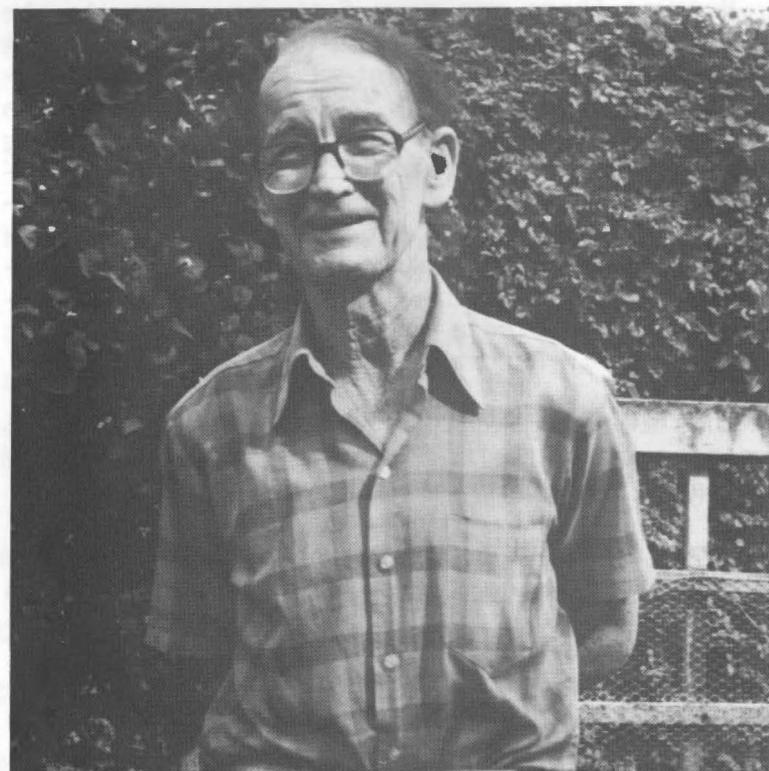
It is often difficult to trace the route by which a person comes to embrace some particular philosophy. But in Alec's case, the final and decisive influence was made by members of the working class. Alec left Christ's College disgusted by its system of fags and prefects. He joined the RAF in England in 1936. Although he loved flying he couldn't accept the class hierarchy he found in relations between officers and "other ranks". He worked his passage back to New Zealand on the freighter 'Kakapo' and there a seaman gave him a text by Lenin to read. Later, in Left Book Club discussions, he met Communists and that provided him with the final route into the party. By World War II he had embraced the world outlook of Marxism, the ideology of the working class, one from which thereafter he never wavered, one which guided all his actions thereafter.

In 1940 he was arrested on sedition charges for printing Communist literature. A terrible to-do in the circles of the rich and powerful for, after all, he was the son of a judge! He refused the establishment's offers of ways out that would hush it up — he refused to do in his mate who was arrested with him — conducted the case himself — received a sentence of a year's hard labour. There it was that he did so much of his initial reading of Marx and Engels, Lenin, Stalin and Dimitrov.

Alec developed special respect for two contemporary Communist leaders. In 1959 he first visited New China and saw "the people standing up" under Mao's leadership. He saw Mao Zedong as foremost in adapting the general theories of Marxism-Leninism to the specific conditions of one country, and in enunciating the principles of Serving The People. He had also a great respect

and deep personal liking for the Australian Communist leader, Ted Hill, who was also earnestly applying Marxist doctrines to Australian reality. For his efforts in applying Marxism here in New Zealand Comrade Alec will be sorely missed.

Alec married Mollie in 1940. The 'STRUGGLE' collective extends its most sincere sympathy to Mollie at this time, to their daughter Judy, and their grandchildren. We share in their loss and we grieve with them over the passing of a comrade, workmate, friend, true patriot and working-class intellectual. Haere ra, Alec!



"Communism and Australia" by E. F. Hill

Until his death in 1988, Ted Hill had spent fifty years in the revolutionary movement in Australia. Under his leadership, a collective Marxist summing-up of Australian experience, of monopoly capitalism, the parliamentary system, the Labour Party, and the path of revolutionary advance took place.

Because there are many features common to the political and social scene here and across the Tasman, no serious student of Marxism and political life and problems in New Zealand/Aotearoa can ignore this work. Naturally, the contents are concerned with another country. The conclusions are relative to that country. Nevertheless, as with all significant Marxist writings, readers should aim to learn from the writer how he applied the general and basic principles of the science of Marxism to the specific conditions in Australia.

This learning of "how to apply" can then be used to study the situation within New Zealand/Aotearoa with increasing ability.

Some people find the European classical writers of Marxism-Leninism difficult reading. This is understandable. But with Ted Hill's remarkably clear analytical style, that "excuse" will not hold up. Young readers should find the book extraordinarily useful. We highly recommend it. Orders may be sent to BOOKS, P.O. Box 23-680, PAPATOETOE

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and include an extra \$2.00, or more depending on the size of the order. Cheques, crossed, should be made out to 'STRUGGLE'.

OUR REQUEST ANSWERED!

Readers have really responded to our March appeal. It is tremendously encouraging and tells us we can continue to bring out 'STRUGGLE', even with the high costs of NZ Post, etc. In many cases sacrifices are made to send us something. We are moved by such actions. May more readers respond during 1990.

Old Harry \$5, J.D. \$9, Mark \$2, Whati \$15, Old Harry \$5, Elsa \$50, D.W.L. \$52, D.& N.B. \$17, B.D. \$2, W.G.H. \$2, H.F. \$27, T.M.W. \$7, R.H.M. \$92, M.O. \$6.80, N.G. \$10, Beattie \$2, R.M.B. \$2, B.R. \$2, I.F. \$12, J.M. \$2, A.M. \$2, Ron \$5, D.L. \$100, W.B. \$10, H.T. \$60, E.B. \$21, J.M. \$10, TOTAL: \$529.80. Our grateful thanks.

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SUBSCRIPTIONS and DONATIONS should be sent to: 'STRUGGLE', P.O.BOX 23-680, PAPANUI

BUILD THE 'STRUGGLE'/READER PARTNERSHIP

Readers have been most supportive of 'STRUGGLE', assisting with finance, press clippings, suggestions and comments. This is a great encouragement to the publishers and editorial staff.

Because of the fast pace of events and trends in our political and social life, this relationship of 'STRUGGLE' with its readers needs developing even more. We are especially interested in the experiences of readers in their activities, their comments on political questions and the results of their discussions with friends regarding articles in 'STRUGGLE'.

We hope that readers will find opportunities to introduce the magazine to friends with a view to gaining new subscriptions.

There are very great challenges facing the people. In order that 'STRUGGLE' may increase its contribution, we invite readers to develop still further the 'STRUGGLE'-READER partnership. We look forward to hearing from you.

Editorial Staff.

STRUGGLE expresses the viewpoint of the Organisation for Marxist Unity
