Though not in substance yet in form, the struggle of the proletariat with the bourgeoisie is at first a national struggle. The proletariat of each country must, of course, first of all settle matters with its own bourgeoisie. ("Communist Manifesto," Marx and Engels, 1847.)

MANIFESTO
OF
THE REVOLUTIONARY WORKERS PARTY
(IVth INTERNATIONAL)

As the betrayal of the working class of the world by the Second "Socialist" International in the World War of 1914-18 made necessary the rise of the Third "Communist" International, so to-day the social-chauvinist and class collaboration policy of the Third International in the current World War, a policy that has led to its dissolution under pressure from the Lears-Loeys Alliance, makes necessary the building of a Fourth "Revolutionary Workers" International. This International must guide the working class in its historic task of destroying the last of the slave-systems, Capitalism, and of rebuilding society on a Socialist basis.
I

THE FIRST WORLD CRISIS.

The year 1914 marked the first world crisis of capitalism. The normal process of capitalist expansion had reached its end. No new worlds remained to be exploited. Further expansion on the part of any capitalist nation could only take place at the expense of some other capitalist nation. It was no longer the simple question of seeking a market for consumption goods; the need was for spheres of exploitation—territories to which capital could be exported and in which the population could be directly exploited. The world had been divided; it was now necessary to redivide it.

That the War of 1914-18 was fought under the idealistic slogans of "The Rights of Small Nations," "The Defence of Democracy," "The War to End War," etc., in no way affected its basic causes. In the period of Imperialism "Peaceful alliances prepare the ground for wars and in their turn grow out of wars. One is the condition of the other, giving rise to alternate forms of peaceful and non-peaceful struggle on one and the same basis, that of imperialist connections and interrelations of world economic and world politics."[1]

"The characteristic feature of Imperialism is precisely the fact that it strives to annex not only agrarian but even the most industrialized regions (the German appetite for Belgium; the French appetite for Lorraine), first, because the fact that the world is already partitioned makes it necessary, in the event of a partition, to stretch out one's hand to any kind of territory, and second, because this is an essential feature of Imperialism in the rivalry between a number of great powers in striving for hegemony."[1]

Such were the true causes of that "criminal, reactionary and slave-driving war." The slogans of idealism were conveniently forgotten when it came to the dictates of Peace Terms.

The armed struggle was brought to a close by the revolutionary section of the toiling masses (Russia, 1917; Central Powers, 1918). In Russia the revolution was carried to a successful conclusion. In the rest of Europe the revolutionary wave was checked by the Social Reformists at the behest of the ruling class. The Arrests of the Western Allies, was hastened on so that the German ruling class could rally against the growing German revolutionary movement. The failure of the working class of Europe
to achieve the overthrow of capitalism is a basic cause of this present World War. Capitalism was maintained in Germany by the victorious Allies as a bulwark against Bolshevism. The Imperialists feared that a German Revolution would join hands with the U.S.S.R., an event which would spell the end of capitalism, not only in Europe, but throughout the world.

All the forces the Imperialists could muster with safety to themselves were flung against the working class of Germany. Former enemies turned to the one single question of seeking a market for consumption goods, the need was for spheres of exploitation—territories to which capital could be exported and in which the population could be directly exploited. The world had been divided; it was now necessary to redivide it.

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(1) Lenin: Imperialism, 1917.

THE CRISIS IN THE WORLD ECONOMY.

Economically, the end of the war of 1914-18 was as catastrophic as its birth. The Armistice, geared to war needs was not too high a prerequisite for the peace-time economy. Unemployment became a permanent feature of all the major capitalist countries. The colonial countries shared in the war—countries. The colonial countries had unemployment, too. They received a tremendous impulse in the development of their secondary industries, thus accentuating the economic crisis.
in the centres of Empire. Capitalist Europe was living on its debts. The industries of the victorious countries were placed upon the defeated nations. Loans had to be granted to the defeated Powers to enable them to meet the payments demanded by the victorious. The dominance of capitalism became ever more involved. Only in the lesser developed countries engaged in primary production was any progress recorded.

The contradictions became more and more intensified as country after country attempted to solve its own particular problems by a programme of national self-sufficiency. In 1929 the crisis engendered by these policies commenced to spread over the entire capitalist world. Unemployment rose to unprecedented heights. The situation described in the “Comintern Manifesto” appeared:

"Society suddenly finds itself put back into a state of momentary barbarism; it appears as a famine, a universal war of devastation had cut off the supply of every means of subsistence; industry and commerce seem to be destroyed; and why because there is too much civilization, too much science, too much industry, too much commerce.... And how does the bourgeoisie get over these crises? On the one hand by enforced destruction of a mass of productive forces; on the other by the conquest of new markets, and by the more thorough exploitation of the old ones. That is to say, by paving the way for more extensive and destructive crises and by diminishing the means whereby crises are prevented."

However the development of the armaments struggle, engineered and supported by finance capital and made necessary by international developments, gave an impetus to industry. The worst features of the economic crises began to disappear before the threat of war.

THE SECOND WORLD WAR

When “Democratic” capitalism in Germany collapsed during the world depression, Hitler, on the one hand backed by the German ruling class and on the other by world capitalism, came to power with a policy directed not only against the Soviet Union but also against the Versailles Settlement. In 1935 permission was given for the rebuilding of the German Navy and the creation of a standing army was commenced.

The Western Powers hoped to balance this reviving danger, with a system of Pacts which, at the same time were built warily against the U.S.S.R.

Germany met the Pacts by the total militarisation of her economy, a process facilitated by the use of that same technique. To alloy the “concern of the Western Powers, Germany launched an uncensored political and diplomatic campaign against the U.S.S.R. with the common enemy of capitalism and assisted Germany to develop a “springboard” towards the East. The seizure of Austria, of Czech-Slovakia, were confined at by the British and the exclusion of the U.S.S.R. from the Munich agreements made the policy plain to the world.

Meanwhile the new world power, America, was asserting herself on the European scene. Europe was an important market for the U.S.A. and she had no intention of accepting a Europe, unified under Hitler, as an Imperialist competitor. After the Munich conference Cordell Hull, a member of the Cabinet of the U.S.A., threatened the British, saying that if any further concessions were made to Germany then no assistance could be expected in the future from the U.S.A. They realised that Germany controlling Europe would be the greatest Imperialist power. It was under pressure from America that Britain went to war against Germany to defend “poor little Poland” even though America itself did not enter the war until December, 1941.

The signing of the Hitler-Stalin Pact, foreshadowed by the change in Soviet policy in March, 1939, freed Germany temporarily from the danger of a war on two fronts. Hitler moved against Poland on the 1st September, 1939, and left the decision to the Western Powers. They declared for war; the new Europe, unified by the fear of the U.S.S.R. Capitalism had used the twenty years respite since 1918 merely to prepare for the Second Imperialist War.

WAR AND THE U.S.S.R.

It is commonly asserted that the Hitler-Stalin Pact started the war. Actually the war had been on for years; the Pact gave the signal for military operations. The plots developed between the Western Powers and Germany against the U.S.S.R. were made perfectly clear at Munich; in March, 1939, Stalin indicated the possibility of a re-alignment. If the U.S.S.R. had not signed the Pact Hitler would have marched East against a Soviet Union left to her own resources. From the view of the supporters of Munich and the Molotov patriots who consider the defence of Anglo-American Imperialism to be the first duty of the U.S.S.R.

The policy of the Soviet Government, which arose from the un-Marxist “theory” of “Socialism in a Single Country,” led to a failure to rely upon the international working class, and to Soviet control of the Communist theory, as an instrument of Soviet foreign policy. From this bureaucratic control arose the tragedies of the Chinese, French and Spanish Revolutions;
it led finally to the resistance of the Finnish workers and peasants against the Red Army. The Soviet Union of 1917 was a national state with a progressive economy. The workers of the world should rally to its defence against the open military attack by Germany, which began in June, 1914, and the economic blockade of the Soviet. Everyone recognises the grave nature of the military attack; the economic attack is not so obvious. The lend-lease relationship is a serious encroachment on the October Revolution. We do not for one moment believe that the people of the U.S.S.R. have achieved a socialist society. It has what we loosely term a progressive economy because it is not bound by the limits of capitalism. This economy, based on two classes, the workers and the peasants, under the bureaucratic, monopartisan leadership of the Stalin Government, arose from the October Revolution of 1917 when the feudal-capitalist state was overthrown by the workers and peasants under the leadership of the Bolshevik Party. The failure of the workers in the leading European countries to join hands with their comrades in the U.S.S.R. resulted in what would have been the building of a Socialist Europe degenerating into a desperate holding on, a fight for time. The eventual reaction which followed brought the Stalinist leadership to power. Yet in spite of this if the U.S.S.R. were to be destroyed it would mean not only that the struggle would have to start again in Russia but that world capitalism would be stabilised by the new Russian market for capital goods and exploitation. But we differ completely from other parties in the methods we consider should be employed to defend the Soviet Union. The Communist Party is prepared to sell out the working class movement throughout the world for lend-lease aid from the U.S.A. The dissolution of the Comintern is ample proof of this. The reformist and capitalist parties support the Soviet Union while it aids their Imperialists to fight the German Imperialists.

The Revolutionary Workers' Party, and the Fourth International as a whole, declares that in the last analysis the only assistance the Soviet Union can have is the extension of the Socialist Revolution to other countries, whether "Axis" or "Axis." The renewing of the proletarian revolution anywhere in the world will shake capitalism to its foundations. True, the idea of the Leninist conception of the class war of the U.S.S.R. cannot be denied. It is well formulated in this extract from a pamphlet issued by the Third "Communist" International in India:

"But supposing Fascist Germany attacks the U.S.S.R.; are you in favour of the workers supporting the British or French Governments in an attack on Fascist Germany?"

"Under no circumstances. Such action would help the German Capitalists to represent the war as one of self defence, it would strengthen the British Capitalists and weaken the British workers; it would put British Imperialism, in the words of Victory, in a favourable position for attacking the U.S.S.R. It would mean the supressing of the inevitable revolts in India and the Empire. On the contrary, by supporting the workers in their struggle against exploitation, profiteering and oppression in war-time (a struggle which is unavoidable in any case), and developing it into a struggle against the war itself, the British workers would undermine Hitler's own front which would be the most effective assistance British revolutionaries could give to the U.S.S.R. in such circumstances."(1)

THE AUSTRALIAN WORKING CLASS AND THE WAR

"The Imperialist War is not our war, and the militarism of the capitalist state is not our militarism. We do not support the war and militarism of the Imperialists any more than we support the capitalist exploitation of the workers in factories. We are against the war as a whole, just as we are against the rule of the class which conducts it and never under any circumstances vote to give them any confidence in their conduct of the war or preparation for it. . . . Not a man, not a ship, not a gun with our support. Our war is the war of the working class against the capitalist order."(1)

But only with the masses is it possible to conquer and establish Socialism; and in these times the masses in the military organisations are destined to play an important role. Consequently it is impossible to effect the course of events by a policy of abstention, by refusing to work in the army or to work in the munition factories. It is necessary to recognise capitalist militarism as an established reality which we are not yet strong enough to abolish, and adapt our practical tactics to it. Our task is to protect the class interest of the workers in uniform and overall. We must endeavour to unite the soldier and the worker in common struggles for common aims. We must, through our activities in the Trade Union Movement, organise combined worker-soldier demands for better pay, for higher dependents' allowances, for better food and camp conditions, and also worker-soldier demands for improvements in the working and living conditions of the workers. We must raise the slogan "Workers in Uniform" in our approach to the soldiers, and break down the hostility which the ruling class through its Press and army officer caste is creating between the soldier and the worker.

It is implied in this that the revolutionary worker who is forced to participate in the capitalist military machine does not abandon his revolutionary activities. He should stand side by side with the mass of soldiers-workers and fight at all times the revolutionary working class point of view and strive to win over the majority to the idea of transforming the Imperialist war into a struggle for Socialist emancipation.

Total war, as waged under modern conditions, involves compulsory military training no less than the appropriation of enormous funds and the subordination of the industries to the manufacture of armaments. As long as the masses accept the war preparations, as has so far proved the case in Australia, mere negative opposition to military budgets and conscription cannot, without a revolutionary programme, yield serious results. People like Ward, Blackburn, Cameron, Caldwell and Lang, who oppose conscription and yet support an "all-out war effort," merely serve to sow confusion in the Socialist ranks. Reactionaries cannot associate with the Socialists. Realists and retain their integrity. The anti-conscription movement in Australia, once a great tradition, and almost a revolution in its rank, has degenerated into a conglomeration of opportunists and confused idealists. The Revolutionary Workers' Party is opposed to conscription as a part of capitalist militarism. It is not prepared to water down its opposition to the Imperialist War in order to carry on a legal fight against conscription.

AUSTRALIA IN THE IMPERIALIST WAR

Australia is a fully developed Capitalist State whose ruling class has hitherto relied on English Imperialism for protection against added influences. The situation in Europe and the entry of Japan into the war left the local ruling class without a protector, and so a hasty alliance was made with the U.S.A. While the capitalist Press has built up a story that America is defending the Australian people from the Japanese hordes, the converse is, in fact, correct—America is fighting for the "rights" of America to control the Pacific Ocean.

The sudden attack on Pearl Harbour and the unexpected success of the Japanese in the East Indies gave a false picture of the strength of Japanese Imperialism. It suited Australian capitalism to play up the "danger" in order to militarise and conscript the people of this country and to pick off the workers many hard won industrial conditions. Reactionary legislation, introduced under the guise of "National Security," has given the ruling class powers as great as those of Hitler.

The basic fear of the Australian capitalist class was not Japanese invasion but the possibility of the development of a revolutionary situation. As the time of the entry of Japan into the war, the ruling class in Australia was in a condition of semi-collapse. Unable to rule, it had called on its Labour hirelings, the Curtin Government, to take over the task of controlling and disciplining the workers. Owing to their efficiency in this task the ruling class has regained much of its strength and the influence of American troops has given them new malleability.

1 Statement on Protestant Military Policy, Socialist Workers' Party of America (6th Int.).
total militarisation of the workers through the Civil Construction Corps and the Army is all part of a gigantic offensive launched by capitalism against the workers.

There has been established in this country an internal police system similar to the Gestapo. A percentage of all civilian mail is opened to provide a check on morale, quite apart from the “list” mail that is always censored. Every man suspected of left sympathies has a dossier and his views and actions are recorded. All the incidents of a police state such as passport system and domiciliary visits are in full operation. The inability of the Labor Party (Social Democrats) to resist reaction has been demonstrated over and over again. France, 1936-39; Germany, 1930-33; Italy, 1920-22 are convincing examples. Only a revolutionary party of the working class can offer serious resistance because such a party recognises the class war and its implications.

THE REVOLUTIONARY ATTITUDE TO IMPERIALIST WAR

In an economy but recently, developed from a colonial status and in a community impregnated with social-patriotism and chauvinism, the revolutionary, faced by a situation such as this war has created, must realise and stand by the international implications of his position. He must remember Lenin’s words in 1916; in his work, “Socialism and War,” he says:

“The advocates of victory of one’s own government in the present war, as well as the advocates of the slogan ‘Neither victory nor defeat,’ proceed equally from the standpoint of social chauvinism. . . . Only a bourgeois who believes that the war started by the governments will necessarily end as a war between governments, and who wishes to be so finds ridiculous or absurd the bogey of overseas fascism, have surrendered their liberty at home. . . . The Labor Party has administered the reaction on behalf of the ruling class. The Communist Party has sold itself in return for Allied “Aid” to the U.S.S.R. Only the Revolutionary Workers’ Party remains to carry on the class struggle in accordance with the theory and practice of Leninism.

The class struggle, the struggle for the revolutionary overthrow of the capitalist state, must be continued. The defeat or decay of the revolutionary movement would be a greater tragedy than the defeat of Australia in this Imperialist War. The defeat or decay of the revolutionary movement would mean that fascism, as it would triumph and could not be overthrown. Capitalism, with its wars and depressions, would be perpetuated. When Lenin wrote “the defeat of one’s own country is the lesser evil” he meant what we have said above. For the war of the working class is the war against their oppressors. The Social-Chauvinists, who betray their class to serve the ruling class in its Imperialist War, are the traitors. “Better to be called a traitor to one’s country than to be a traitor to one’s class.”

Our struggle then is for the overthrow of the Australian ruling class. We strive to turn the workers and soldiers from participation in the Imperialist War to the war against the ruling class. Until the capitalist state is destroyed and a workers’ state takes its place we cannot talk about “defence of our country” for, in a capitalist sense, we have no country to defend. But once the workers assume power, when the foundations of a Workers, Socialist Republic of Australia are laid, then its defence would be the duty of the revolutionary movement of the world.

These are unpalatable truths to many who have accepted the shibboleths of the ruling class, its hireling Press, the “Communists” and the social-patriots! But the fact remains that Socialism cannot come through support of Imperialist War. As a section of the International working class, it is our duty not only to ourselves but to fellow workers throughout the world to continue the struggle for the emancipation of mankind as a whole. If we abandon that struggle we betray our own class.

Capitalism can be brought to an end only by the complete victory of the proletarian revolution. The fact that it has plunged the world into another blood-bath testifies to its fatal contradictions, its inability to satisfy human needs. We must take advantage of every crisis which confronts the ruling class, and this Imperialist War is a major crisis.

Nothing for Imperialist War, Everything for the Class War!
III

THE AUSTRALIAN ECONOMY

Some years ago the Australian Section of the Fourth International characterised Australia as "a junior partner of English Imperialism," recognising that, in the period 1928-35, this country had ceased to be a colony but nevertheless could not stand on its own right as an independent Imperialism. Under the drive of war, industrial development has increased in tempo; but England herself has lost her independent status. Australia is now a dependent Imperialism looking for a master. Its capitalism is fully developed. The perspectives are now the Socialist Revolution or Fascism.

THE ECONOMIC DEVELOPMENT

Australia commenced as a prison—passed through a stage of industrial pastoralism based on convict labour which ended with the gold discoveries of the 1850's, then through a stage of colonial development based on mining and the wool industry; there was a mass irruption of proletarian elements with a high degree of class consciousness: the Irish rebels and the Chartists mixed with the descendants of the convicts to form the Australian proletariat. The basic industries, grazing and mining, were monopolistic in type, required a relatively small number of highly skilled labourers and had a rate of profit much higher than the world average. The distance from the world markets and the competition of richer virgin countries made industries based on cheap imported labour unprofitable. By 1890 the colonial economy was fully developed. From 1900 until the 1920's Australia was a rapidly developing capitalism, a development forced on by the war of 1914-18 and the depression of 1928-35. During the whole of this period the proletariat engaged in a reformist struggle with a highly integrated capitalist class which depended, in the last resort, for its state apparatus of repression upon English Imperialism.

THE PRESENT STRUCTURE

As this war has dragged along the economy has reached its full capitalist development. With imports cut to the bone and under the drive of industrial war requirements, we are making every article that can be made here.

In primary production Australia is organised upon an industrial basis. The great majority of holdings (155,000 out of 233,000—Commonwealth Year-Book 1929, p. 98) are over 500 acres, and machinery is regularly used. The industry is based upon the export trade (66% of all primary produce by value is exported) and its control lies in the hands of the processing and exporting companies, and, in the last analysis, of the financial institutions.

Our economy has long ceased to be organised mainly for primary production; only 29% of persons in occupations in 1933 were engaged in primary industries (in the U.S.A. in 1929, 63% were so engaged). The great bulk of production consists of manufactured goods. These industries have been developed not by cheap labour but on the basis of machine technique and the bulk of local capital has been accumulated from the pastoral and mining industries with their peculiar capital set-up. This, together with the limited home market, has meant that in the major industries the only units technologically efficient have been monopolistic in the sense that the needs of the entire economy have been supplied by one organisation (Iron and Steel, Chemicals, Sugar, Tobacco, Glass, Land Transport, Rubber, etc.), or by very closely interlocked groups (Mining, Sea Transport, Banking and Finance, Insurance, Beer and Spirits, Newspapers, Meat, Wheat and Wool Exports, Textiles, etc.), all of which are themselves welded into a coherent whole by the financial houses. Machairin in his "Economic Planning in Australia" gives a curious example of the closeness of the integration in connection with the Premiers' Plan.

"Outside the Conference there was very strong opposition in financial quarters in Melbourne to the Conference proposals. When compulsory conversion was being considered, a private meeting of 400 leaders of Australian thought was convened in Melbourne to discuss the financial proposals of the Premiers' Conference. At the meeting Mr. R. G. Menzies declared . . .

Report of a private meeting convened by Sir W. Harrison Moore, Melbourne, June 2nd, 1937. The meeting was kept secret and the report of the proceedings was not published because it was not believed to be desirable in the national interests. The report has never been made public." [Author's emphasis].

The result of this large scale organisation has been a highly integrated, flexible economy with a high rate of surplus value. Profits have been poured into every available avenue of investment until further internal development is impossible. Investment henceforth must be in overseas lands, and in the present state of world Imperialism such investment is only possible if backed by military force.
THE ACCUMULATION OF CAPITAL

TABLE I
Yearly Rates of Surplus Values in Factories (in £1,000s)
(From Commonwealth Year Books)

<table>
<thead>
<tr>
<th>Year</th>
<th>Salaries and Wages</th>
<th>Interest, Profits, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1930-31</td>
<td>568,930</td>
<td>55,030</td>
</tr>
<tr>
<td>1931-32</td>
<td>62,480</td>
<td>55,030</td>
</tr>
<tr>
<td>1932-33</td>
<td>59,416</td>
<td>55,030</td>
</tr>
<tr>
<td>1933-34</td>
<td>64,445</td>
<td>55,030</td>
</tr>
<tr>
<td>1934-35</td>
<td>72,335</td>
<td>55,030</td>
</tr>
<tr>
<td>1935-36</td>
<td>82,000</td>
<td>55,030</td>
</tr>
<tr>
<td>1936-37</td>
<td>90,123</td>
<td>55,030</td>
</tr>
<tr>
<td>1937-38</td>
<td>102,079</td>
<td>55,030</td>
</tr>
<tr>
<td>1938-39</td>
<td>106,743</td>
<td>55,030</td>
</tr>
</tbody>
</table>

(It must be assumed in view of the averaging of the rate of profit and the known uniformity of the wage levels that these figures are sufficiently generalised to give a general rate for the whole Australian economy.)

These figures establish, taking into consideration the natural tendency of the keepers of the books, that the division of the added value as a result of manufacture is approximately even as between capital and labour.

To view the matter from another angle, we have the following position with regard to the number of persons producing the goods upon which the present standard of living is based:

TABLE II

| Total available for work, including unemployed, | 1939 | 2,700,000 |
| Persons recruited since | 300,000 |
| Persons engaged in socially useless work: |
| Military forces, etc. | 800,000 |
| Munition workers, and section of naval forces | 400,000 |
| Industry devoted to war | 400,000 |
| Domestic, luxury workers, etc. | 400,000 |

| 1,000,000 |
| 1,400,000 |

So we have 1,400,000 producing socially useful goods in the community at the present time. In other words, under capitalism, one half of the working population is, without further investment and development, not required. The problem for our ruling class is whether, in the circumstances of a post-war world, there will be room for Australian Imperialist development.

Considering both the division of value (Table I) and the activity of the workers (Table II) the rate of surplus value is at least 100%. On a national income of £1,000 million there is available for capitalist consumption and investment some £500 million. We are in a period of acute capital crisis and the higher the value of production the more there is for investment, the more acute the crisis.

THE PANACEA OF PUBLIC WORKS

Such situations as will face the Australian economy after the war have been met in the past in other countries by a lavish programme of public works. In Scandinavia there was a policy of planned public expenditure, and in the U.S.A. we saw the spectacular instance of the New Deal, a method by which the ruling class bought a respite from a revolutionary situation. But the countries that have used these expedients have had low public debts and stable credit. Australia at the end of the war will have a public debt of crippling dimensions and will be in an intensified inflationary spiral. Public works based on borrowing will be impossible. Even now it is difficult to find loan money for the prosecution of the war; how much more difficult will it be to borrow when the capitalist is assessing his losses.

There are other nostrums, Single Tax, Douglas Credit, Central Bank Credit, but there is no solution for the present capitalist economic impasse, except investment overseas: and investment overseas is a function of military power. It is no longer possible to sell to the wide world; the only salesmanship that is effective at the moment is that backed by military force. Unfortunately for our ruling class they are not in a position to participate as principals in the Imperialist struggle: they have to play the role of lackeys to the U.S.A. and England. The difficulties of those leading members of the "Democratic" Alliance are so great that the scavenger's share of the feast must be small; so small, in fact, that it will provide no help for the problems of the economy. Thus, within the limits of a stable and efficient economy, capitalism cannot continue in this country, consequently it must make way for another system or rely on the techniques of force and investment that are called Fascism.

THE WAR PERIOD

Such is the long-term, post-war view of the Australian economy. We are, however, faced by a period of several or four years of war. In this, Australian capitalism is the rather despised lackey of Anglo-American Imperialism. The leaders of the self-styled Democracies are not concerned with
saving Australia, but with screwing every ounce that fear and cupidity can extract from the Australian community for the purposes of "victory."

This means that the manpower of Australia will be forced into the armed forces to do the dying. If necessary, labour will be brought from the U.S.A. and the cheap labour countries of the East, to free the healthy Australian fighting man for the battle front. It also means that the Australian capitalist will have to take manpower from the forces of production until we live under the threat of famine. He will have to screw the rate of surplus value (which means depress the amount of consumption) to a maximum. There will be malnutrition in the midst of plenty, crops will rot on the ground, fields will be left untilled, while the people face starvation.

The recompense the local ruling class expects to receive after the war is illusory. However, we must recognise that the overseas troops of allied though competing capitalists, e.g., the U.S.A., are available to keep the workers of this country in order. Under Capitalism, the workers of Australia must, for the period of the war, work and die; after it, they must starve and die.

THE CLASS STRUCTURE

During the rapid development of the economy, the colonial class structure is ceasing to exist. The middle class is being liquidated into the proletariat; the aristocracy of labour are learning their common interest lies with the proletariat; the distinction between Capital and Labour becomes sharper.

Economically the capitalist class is being organised more closely than ever, but as a result of the break in the tradition of servility to England, the loss of the coercive force that England represented, and the rapid growth of new production relations within the economy, it is politically disoriented. In its fear of working class revolt it prefers, with some loss of profits and prestige, to leave the Labor Parliamentary jockeys to carry out measures the capitalists would not dare impose. However, the process of integration is proceeding and in the face of a common danger, such as an attack by the workers, the capitalists would unite.

The middle class, on the other hand, has been broken up and dissolved in the course of the war. Many have entered the armed forces; others have sunk into the ranks of the workers. For the period of the war, they are impotent in the class struggle. The armed forces, in a large measure, occupy their place in the social system. At the moment the Forces are not allied politically to either side in the class struggle. Many, they are unquestioning servants of the Government, engaging in strike-breaking activities and accepting the propaganda of a Press that represents the workers' struggles as a betrayal of the soldier in the line; however they are also oppressed and, insofar as this oppression drives them, they are on the side of the workers. Their final line-up depends on the progress of the war and the pressures brought upon them. Divorced as they are from the process of production they cannot be relied on by either side.

The working class is also in the process of reorientation and economic reorganisation. New recruits with alien ideologies are coming in from the female domestic workers and the middle class; there is a breaking of craft traditions consequent on reorganisation and dilution. This has increased the natural confusion arising from the unprecedented position of security of employment and wages coupled with the demands of traditional patriotism. It must be admitted that, at the moment, the workers of Australia are, in the mass, desirous of the defeat of the Axis, especially Japan, and desire not Socialism but the prosperous capitalism of 1928. Only patient explanation of the nature of the Imperialist struggle and the dangers of local fascism can assist their development.

It is to the intensification of the class struggle, which the war makes inevitable, that we must look for their education and realisation of their true role.

Against this background of defined classes, a dubious army and intensified economic and class pressures the struggle proceeds. The roles of the Communist and Labor politicians are demonstrated day by day; even the trade union officials appear as props of the capitalist system. The workers are spontaneously reorganising their class for the purpose of struggle, the capitalists hurriedly prepare to face any attempt to challenge their rule. In the meantime, the pressure of the war economy increases and the influence of the American Armed Forces becomes more obvious.

The lines of development of the economy can be envisaged. The course of the class struggle depends on the development of local fighting organs of the working class and the creation of a revolutionary political organisation.
IV

POLITICAL RELATIONSHIPS IN AUSTRALIA

THE AUSTRALIAN LABOR PARTY

Until the most recent times the Australian working class has been satisfied to devote its organisng energies to gaining a greater share of the profits of expanding Australian capitalism. Through the trade unions and the Labor Party, both essentially reformist organisations, the workers won a relatively high level of wages, and secured social legislation famous throughout the world. These gains were possible because of the rapid expansion of Australian capitalism.

After the great strike defeats of 1890-91, the workers believed that the struggle in the industrial field would have to be accompanied by an attempt to gain representation in Parliament. The Unions sponsored the formation of the Australian Labor Party. In its ideology the Labor Party has never progressed beyond a vague gradualism, rather akin to English Fabianism, but lacking any clear cut political theory. The social theories that have been so important elsewhere: Owenism, Socialism, anarchism, syndicalism, Marxism, failed to take root in the insular soil of the Australian Labor movement. Comparatively good wages and plentiful jobs made the workers unresponsive to the idea of any radical change in the ownership of the means of production, a change from Capitalism to Socialism.

There were experiments in state capitalism, such as the railways and other forms of transport, banking and insurance, shipbuilding, brickworks, etc., designed to fill gaps in the capitalist economy. These, however, either languished in an atmosphere of capitalist hostility or were incorporated in the general structure of Australian capitalism and in no way represented a movement towards a working class control of the economy.

Speaking in economic terms the role of the Labor Party has been to assist in the development, along purely capitalist lines, of Australian secondary industries upon whose prosperity the high standards of the workers depended. It endeavoured to prevent the influx of cheap labour by vigorously supporting the White Australia Policy, a policy which has an economic basis that is quite justifiable but which fosters an inter-racial animosity that is entirely opposed to all the international traditions of the working class. No attempt has been made at any time to meet the problem that does exist by action designed to raise the living standards, on an international basis, of the workers of the Pacific and the East. In conformity with its function the Labor Party adopted an extreme protectionist tariff policy and, in general, it has sought, whilst advancing the interests of the workers within the limits of capitalism, to foster national capitalism industry and to protect it against its world rivals.

Thus until the permanent crisis of world capitalism commenced in 1929, the Labor Party tended to reflect the reformist ambitions of the workers. Nevertheless the party instilled an elementary sense of class unity and of the antagonism between Capital and Labor.

THE LABOR PARTY IN THE DEPRESSION—A NEW ROLE

The world depression found the Labor Party unable to understand what was happening or to point a way to the abolition of capitalism. It capitulated to the "recovery" plans of the government, to the wage cuts, currency depreciation, and miserly doles of the Premiers Plan. In Australia, as in every other country, the reformist labor movement revealed that it had in its armory neither the ideological nor the organised weapons to attack the tottering structure of Capitalism. But the setting up of the Socialisation Committees, though they were rapidly liquidated by the bureaucracy, showed that amongst the rank and file of the Party the sparks of revolutionary thought were appearing.

The world crisis, culminating in the present Imperialist War, has brought about radical changes in the roles of the various political groups. Basically these changes flow out of the new organisational form of capitalism, the totalitarian state. For the purpose of waging war, which is the sole remaining avenue for capitalist expansion, the capitalist groups are forced to introduce some measure of planning into the economy, and to regiment every section of the community. The Labor Party is being used by Capitalism to subject the working class to the rigid discipline of the totalitarian state. This is the prevailing tendency, though it has not yet reached full fruition. Hence, whether in or out of office, the Labor leaders find themselves, willy-nilly, serving as the controllers of the country, the great capitalist combinations. They are, in an undeveloped, embryonic fashion, performing the function of the Hitlerian Labor Front.

Since even the most immediate needs of the workers cannot be met under declining capitalism, least of all in its semi-fascist form, a split has developed between the Labor Party apparatus and the rank and file members, who are rebelling against the treachery of the bureaucrats. And power seekers such as J. T. Lang seek to capitalise this discontent.
THE TRADE UNIONS

The organisation of workers in Trade Unions has been carried further in Australia than in any other country; in general, all workers capable of organisation in unions have been organised, a position that has not been even approached in any other capitalist country. Inheriting the traditions of Great Britain, unionism in this country began on a craft basis. In a series of strikes, notably by the shearsers and seamen, the workers established the right to bargain collectively with their employers. In the course of time the inadequacy of the craft basis became obvious and industrial unions, covering all workers in an industry, have come into existence. Under the pressure of the need for united action a general tendency exists for amalgamation and liquidation amongst the craft bodies, a tendency that must be assisted by all revolutionary workers.

Reformist methods having proved so successful during the continued expansion of the economy, the workers accepted the guaranteed union organising and liquidation union, state sanction for their procedure of collective bargaining and the guarantee, by the law of the basic wage and the conditions of the awards. The arbitration system was adopted in all industries, thereby creating the illusion that the class struggle was, and should be, fought out in the Courts. Inevitably the process of legalisation has been carried on by the employers. So far has the process of legalisation been carried on by the employers. So far has the process of legalisation been carried on by the employers. So far has the process of legalisation been carried on by the employers. So far has the process of legalisation been carried on by the employers. So far has the process of legalisation been carried on by the employers. So far has the process of legalisation been carried on by the employers. 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unions remain the basic mass organs of the workers, and they must be transformed into revolutionary weapons of the class struggle.

Within the Labor movement as a whole, the Labor Party as well as the Unions, the revolutionary should not cease in his activity, but should always attempt to stem the rising tide of reaction, calling for resistance to the growing subordination of the officialdom to the capitalist state. He should also cooperate with any section of the movement that adopts a sound working-class policy on some particular issue, such as anti-conscription. The aim must be always to steer these limited demands towards the wider goal, the attainment of state power by the workers. There will be no difficulty in showing the rank and file that the attainment of the most limited demands calls, in this epoch of capitalist decay, for the abolition of the capitalist system of exploitation.

FASCISM IN AUSTRALIA

During the depression a fascist movement first showed its teeth in Australia. The New Guard was formed to solve the crisis of capitalism by the violent suppression of all working-class activities and the reduction of the workers to the level of the dole. It represented the reaction of the most ruthless section of the ruling class to the hand to mouth policy of J. T. Lang. Financed by the biggest monopoly capitalists, led by every type of political careerist, it found its mass basis in the ruined middle class and farmers. During the worst years of the depression the capitalists were ready to call on these elements to preserve their rule.

Nothing is more certain than that Australian capitalism, faced by the ever intensifying crisis, will turn again for salvation to the fascist gauge. Already marked fascist tendencies appear in the services, particularly among the officer groups; and the capitalist Press encourages this tendency by recent propagandas aimed at sowing antagonism between the workers and the soldiers. Ruined petty bourgeois elements, such as small farmers and shopkeepers, swell the fascist ranks as the crisis grows. We must expect anti-capitalist demagogy from the spokesmen of Fascism on the lines of the Nazi slogans, but their objective role in the defence of the capitalist system will be revealed by their hostility to the workers' organisations, their opposition to the workers' struggle, their claim to represent the whole nation, irrespective of class, and above all by their opposition to the demand for the abolition of private property in the means of production.

The answer of the Socialist movement to the onslaught of fascism is not to be found in reliance upon the protection of the law, or an appeal to the state apparatus to restrain the violence of the Storm Troops. European experience proves the capitalist state machine, the police, courts, army, etc., is always thoroughly infected with the virus of fascism. Nor does protection lie in Popular Front movements in which the working class surrenders leadership in the struggle to a motley collection of petty bourgeois elements, many of whom, in the final crisis, will turn more in common with the capitalist regime than with the workers. Of course, this does not prevent the workers from finding allies among the other classes, but always the leadership of the anti-fascist struggle must lie with the workers, under the direction of the workers' revolutionary organisations.

The workers' answer to fascist thug tactics lies in building organisations designed for the actual process of fighting physical fighting in the last analysis. Force must be met by force. In the course of the actual class struggle such bodies as strike committees, strike pickets, defence guards, will be set up. These must be placed on a permanent, disciplined basis, forming the nucleus of a workers' anti-fascist militia.

As long as there is no slackening in the building of this fighting organisation, and so long as the revolutionary groups preserve their organisational independence, it is correct to call for a united front of all the working class organisations against the fascists. Never again must the workers commit the mistake of the German Communist Party in 1932, which split the ranks of the German workers by proclaiming that the Social Democrats were a greater enemy than the Fascists, and substituted the theory of "Social Fascism," with its slogan of "After Hitler Our Turn" which resulted in an alliance between the Communists and the Nazis on the basic issue of the Frussian Referendum and the consequent victory of Fascism.

Once it is made clear that the workers intend to fight fascism and not capitulate before it, large sections of the petty bourgeois will be attracted to the workers, just as the slogans of the Bolsheviks and their determination to seize power in 1917 attracted the vast masses of the peasantry to their leadership.

For some years, since the acceptance of the Popular Front line, great emphasis has been placed on the slogan "War Against Fascism" and it is suggested by the Comintern that Fascism must be met by armed intervention in the countries that have adopted it; particularly at the present time it is alleged that war against the Axis in "War Against Fascism." Workers must understand that fascism is a system of war in which all capitalist powers adopt when the contradictions of their systems pass a certain point, when the strain becomes too great for "democracy" to function. The present war on the other hand is a war between capitalist
powers; some, Germany, Poland, Greece and Italy for instance, organised on a fascist basis; others, Great Britain, France, America, etc., organised as capitalist "democracies"; the particular form of government is by no means a decisive factor in this taken. This is no war between ideologies. This line however plays into the hands of the local fascists. It enables them to introduce the most fascist like oppression under the pretext of the "War against fascism."

The only true war against fascism is the class struggle of the workers against all the capitalists, whatever race or nationality. The workers of Australia must fight the war against fascism in their own country.

THE COMMUNIST PARTY

Twenty-four years after Lenin formed the Third International (Comintern) for the purpose of extending the Socialist Revolution from the Soviet Union to the major capitalist countries of the world, Stalin has decreed its official liquidation. The task set for the Comintern by Lenin remains wholly unfulfilled. Instead the workers of the world have suffered a series of crushing defeats and capitalism has plunged humanity into another imperialist holocaust.

For these catastrophic defeats, and this major set-back to Socialism, the Comintern must bear a great share of the blame. It has not lacked either the numbers, or the organisational principles, or the traditions to lead to a successful struggle for Socialism. On the contrary, its numbers in Germany, France, China and elsewhere at the moment, if we can believe them, even in Australia, have far exceeded those of the Bolsheviks of 1917. Many thousands of militant workers have passed through its ranks. It inherited the enormous prestige of Lenin and the Bolshevics of 1917 because it has refused to follow an international working policy, and instead it has subordinated itself to the directives of the bureaucracy of the U.S.S.R. The bureaucracy has been condemned at all costs to maintain the status quo, even if it means disaster to the workers of the rest of the world. This policy has reached its logical conclusion in the revolution of 1917 and in the abandonment of all the principles of Lenin in the interests of the Soviet Union. The result is that the Comintern, instead of the fact with the labour hating Anglo-American imperialism.

We do not dispute that the failure of the revolutionary wave to extend beyond the borders of the U.S.S.R. in 1917 is in fact a consequence of the isolation of the Soviet Union, made it impossible for the leaders of the country to manoeuvre between the entire capitalist states, playing upon their mutual antagonisms and even making pacts with one group against others. This "peace" was recognised by Lenin and Trotsky. The crime of Stalin against the working class is to lead them to believe in the war against Fascism and to keep them from the open fighting against the capitalist state. The Comintern and the U.S.S.R. have shown their true colour in the domination of the committee of the U.S.S.R. by the bureaucracy.

But once granting the complete control that the Reichstag had over the local sections and the domination of that committee by the bureaucracy of the Soviet Union we can understand the unprincipled changes, first Social Fascism, then to the Popular Front, then to the line against Imperialist War, then to the call for a just peace, finally to the call for the cessation of the class struggle in the interests of the "democratic" powers and the dissolution of the Comintern itself. It is not to be wondered that some of these elements of the working class, despairing of following these violent zig-zags, have become disillusioned and apathetic.

Because for the moment, it is in the interest of both the U.S.S.R. and the Allied Imperialists to unite in a military pact against German Imperialism, the Communist Party of Australia is devoting itself to tying the Australian working class to the war chariot of "Our Own" capitalist class. They have been deprived of a state of class peace with the capitalists, they call for class collaboration and unity, they have been deprived of strike action and support industrial and military conscription. In short, they are acting, in De Leon's phrase adopted by Lenin, as "the vanguard of capitalism."

The Communist Party justifies this policy by the need for the defence of the U.S.S.R. As we have shown earlier and as was stated by Lenin, Trotsky and Stalin himself in his last days, the U.S.S.R. can only be defended by the resurgence of the revolutionary wave in the major capitalist countries of the world. The Allied Imperialists aim at the minimum of their war and the reduction of the U.S.S.R. to a subordinate political and economic position. Their plans against world socialism can only be defeated by the revolutionary activity of the workers and colonial peoples of the world. Opposition to Imperialism and all others must be the basis of this activity while the war lasts.

The slogan "National Unity" can mean nothing but the subordination of the whole country, especially the working class, to the war needs of the capitalists, who control all sources of economic and political power. That is why the
capitalists themselves lead in the call for unity and promise that all will be arranged after the war is over.

The Communist Party of Australia is finding increasing difficulty in pursuing this policy of National Unity in the face of the steady movement of the workers towards the left under the pressure of the war. It is in precisely these organisations, such as the Miners and the Waterworks Workers Federation, in which the Communist Party has control of the apparatus, that its troubles are greatest; the workers hostility must intensify. These are merely a prelude to the inevitable widespread disillusionment that is coming to the militant workers as to the ability of the Communist Party to lead the working class in the attainment of Socialism. And that the Communists can see the writing on the wall is shown by their lying attacks on the members of the Fourth International whom they label with venom, "Trotskists."

THE FOURTH INTERNATIONAL

The Fourth International, of which the Revolutionary Workers' Party is the Australian Section, began as the Left Opposition within the Comintern, developed during the Third Period, the period of Social Fascism, and was formally founded at an International Conference in Switzerland in September, 1938.

It grew steadily in strength until the present war outlawed its sections, all of which courageously adopted and stood by a policy against Imperialist War and for a revolutionary peace. The German onslaught dislocated all work on the Continent, but evidence, mostly of executions, consistently comes through, showing that the sections have revived and are in the forefront in the fight of the European workers against the regime of German Fascism.

In the U.S.A. and the rest of the so-called democracies, although their leaders have been guided, the organisations carry on the fight, sometimes in a twilight of semi-legality, against others under the full pressure of illegality. In every country in which the proletariat struggles against the oppression of capitalism, there is a section of the Fourth International, fighting against this Imperialist War, emphasising the international unity of the working class.

In Australia, as in the rest of the world, as the workers realise in practice the effects of the social patriotism of the Labor Parties and of the manoeuvres of the "Communists" and towards the revolutionary socialist international of the world today, the Fourth International.

PERSPECTIVES OF STRUGGLE

It is against this background of war, oppression and confusion that every worker must consider his position. This is no time for idle regrets, this is no time for apathy or delay. We are close to a time when we must act or for many decades bear the full burden of Australian Fascism. It is clear that the prime need is organisation. Realising it is only through day to day struggles over concrete issues that the workers will approach the problem of the seizure of power, we call upon them to organise behind our banner and fight for the following demands:

1. The financial burden of the war to be borne by the ruling class. The living standards of the workers must be maintained.
2. No deductions from the pay envelopes.
3. Increased basic wage to offset increased cost of living.
4. The elimination of dangerous and unhealthy working conditions and the provision of adequate facilities on the job.
5. Defend the 44 hour week against the threat of organised overtime.
6. No interference with the right to strike.
7. The wage for the job irrespective of sex.
8. As under conditions of war, unemployment can only be due to capitalist mismanagement, all workers to receive unemployment pay equal to their normal wages.
9. No overtime to be worked while unemployment exists.
10. The provision of nation-wide housing, hospital and medical facilities.
11. Education and the welfare of children to be recognised as the first charge on society.
12. Nationalisation of the mines, means of communication and transport and of all public utilities.
13. Take the profit out of war. The government to take over and run all war industries.
14. The armed forces to have the right to set up committees independent of officers and under rank and file control.
15. The demand of the forces for improved service conditions and better pay to be met.
10. Rural workers and farmers to receive at least the urban basic wage over and above interest and rent.

11. The powers of the special "security" police to be checked.
    The move towards military control of the civil population must be fought and defeated.

These demands must be realised if the working class are to maintain even their pre-war standards.

While the workers are engaged in this defensive struggle, the ruling class is preparing for the coming struggle for power. It realises that the day of compromise is over, that there will be no surplus out of which the insurgent workers can be bought off. As the war develops we are approaching closer to a revolutionary situation, a situation in which the economy will cease to supply the basic needs of human beings; and the ruling class, under the pressure of the war and the insistence of the masses will be unable to maintain its stable rule. Two of the conditions for revolution predicted by Lenin will then exist; these we can neither control nor affect; they flow from the contradictions of capitalism.

But the third condition for revolution, the building of a competent, disciplined, revolutionary party, lies in our hands. If we, when the conditions for revolution come into existence, we have built such a party, then we, the workers of Australia, avoiding the debacles and defeats that have marked the history of the working class during the last twenty years, will lay the foundations of Socialism, will make the first break in the capitalist front in the Second Imperialist War.

THE CENTRAL COMMITTEE,

REVOLUTIONARY WORKERS' PARTY,

July, 1943.