

Australia Dossier by Allen Douglas

Rio Tinto attacks the nation-state

The Queen's own company is out to break not only the unions, but destroy the nation as well.

On June 10, the 470 unionized employees of the Hunter Valley No. 1 coal mine in northern New South Wales walked off the job in protest at the plan of their employer, the Coal and Allied company, to institute "individual contracts," and thus to eliminate the three unions to which the workers belonged. Coal and Allied is a subsidiary of the infamous multinational, Rio Tinto Zinc, now known as Rio Tinto. Rio Tinto claimed that the unions had to be wiped out, because the mine's profits had fallen from \$40 million in 1992, to \$5.6 million last year. As of this writing, the strike continues, though both sides have now agreed to talk.

Spokesmen for the unions involved see the situation as a conspiracy to implement the government's new Australian Workplace Agreements Act, designed to eliminate unions altogether. Tony Maher, a strategist for the Construction, Forestry, Mining, and Energy Union, charged that the government of Prime Minister John Howard, which has threatened to bring in troops to keep the mine working, is merely "the political department of Rio Tinto."

Maher's charges have a sound basis: A key Rio Tinto executive, Mike Angwin, who had been seconded to the government without pay to help draft the legislation, is today the company's chief strategist in the Hunter Valley strike. Erroll Bailey, a union safety officer and production miner at Hunter Valley, added, "They want us to work for a bowl of rice and we aren't going to do it. Before Rio Tinto bought this pit three years ago, it was the most profitable in the Hunter. Since then they have run it down so they can jus-

tify this confrontation by saying it is unprofitable."

Rio Tinto has a history of manipulating, and even overthrowing Australian governments, as in the key support it provided to oust the Liberal Party's Prime Minister Sir John Gorton in 1971, and then Labor's Prime Minister Gough Whitlam in 1975. Whitlam and Gorton, each in his own way, were nationalists who wanted to use Australia's great mineral wealth for the good of the nation, instead of the enrichment of a handful of British-owned multinationals.

The stakes in the current strike go far beyond simply installing, or even owning an Australian government: Rio Tinto intends, through breaking Australia's unions (the backbone of the old Labor Party which built the nation of Australia), and through the scam of "Aboriginal land rights," to eliminate the Australian nation-state altogether.

Rio Tinto is the second largest mining company in the world. Together with its business partner, Anglo American, it controls almost 15% of the entire non-fuel mineral production of the Western world. The company is an arm of some of the oldest, and dirtiest, elements of the British oligarchy, and is crucial for that oligarchy's strategy to grab all the world's raw materials it can, in the face of the onrushing global financial collapse.

Rio Tinto was founded in 1873 by Hugh Matheson, with the profits of the Hongkong-based Jardine Matheson, itself founded in 1828 to run opium. Matheson's new company was set up to take over much of the mineral wealth of Spain, after the British installed a pro-free trade government.

Ties to the dope trade have continued into the modern era: Matheson's successor at Rio Tinto in 1898, was J.J. Keswick, a partner in Jardine Matheson, a relative of the Mathesons by marriage, and himself of another leading opium-trading family, while the financing which enabled the 1962 merger between the London-based Rio Tinto and Consolidated Zinc, an Anglo-Australian firm, was provided by the First Bank of Boston, whose ties to the drug trade for over a century have been documented in the best-seller, *Dope, Inc.*

Rio Tinto is controlled by a mere 126 "accounts," who represent a number of the British oligarchy's *fondi* (family funds). Chief among these is the private fortune of Queen Elizabeth, (under)estimated by *Harpers and Queen* magazine in 1991 to be \$13 billion, having grown an astonishing 25% over the year before. The Queen's Rio Tinto holdings are notorious enough, that former RTZ Chairman Sir Mark Turner once observed, "You're running into problems of what the government is going to say about the Queen's involvement."

This is the apparatus now being unleashed against Australia. As serious as the assault is, it has its ironies. Rio Tinto has for years been the chief funder of Prince Philip's "Aboriginal land rights" operation in Australia (see *EIR*, April 28, 1995, "Prince Philip's 'Indigenist' Plot to Destroy Australia"), whose purpose is to splinter the Australian nation-state, which scam is naively supported by the very unions whom the company has sworn to destroy. Meanwhile, Rio Tinto's pals in the Australian government have been doing somersaults trying to figure out how to accommodate recent High Court rulings for "Aboriginal land rights," without totally enraging its voter base, particularly in rural Australia.