

Australia Dossier by Allen Douglas

Rio Tinto declares war

The company's savage attack on Australia's coal union is an assault against the nation itself.

In an extraordinary outburst at Rio Tinto's annual general meeting in London on May 14, Rio Tinto Chairman Bob Wilson accused the Construction, Forestry, Mining and Energy Union (CFMEU) of Australia of costing the company "billions of dollars" through "antiquated work practices" at Rio's coal mines in the Hunter Valley in the state of New South Wales. Wilson charged that CFMEU leader John Maitland "made Arthur Scargill [head of the British miners union in the 1970s] look like a modern trade unionist." British Prime Minister Margaret Thatcher had called upon Rio Tinto to help crush the British coal miners and other unions in the 1970s, which paved the way for the savage Thatcherite looting, and for Thatcher clone Tony Blair to take over the British Labour Party.

For Australia, however, the stakes are much higher, because the trade unions gave birth to the Australian Labor Party (ALP), which built the nation in the first place. With the ALP itself now badly infected with Thatcherism, the unions are the last potential bastion of a commitment to national sovereignty on the continent.

From its earliest days in the great strikes of the 1890s, even before the Commonwealth was founded in 1901, labor called for a national bank modelled on that of Alexander Hamilton in the United States, as the chief weapon to secure sovereignty from the British Empire. (The name of its party was even spelled after the American "labor," as opposed to the British "labour.") Australia's early labor leaders identified their strategic enemy as the City of London-centered "Money Power," as typified by an editorial in

the *Brisbane Worker* of Jan. 5, 1907, the year before the ALP adopted a national bank as part of its non-negotiable "Fighting Platform":

"The Money Power! It is the greatest power on earth; and it is arrayed against Labor. . . . Yes, so far as we are concerned, the headquarters of the Money Power is Britain. But the Money Power is not a British institution; it is cosmopolitan. . . . It dominates the world. The Money Power has corrupted the faculties of the human soul, and tampered with the sanity of the human intellect."

Most illustrative of this "Money Power" is the world's largest mining company, Rio Tinto, with its 51,000 employees in 40 nations, and \$12 billion in turnover last year. Rio Tinto was founded in the 1870s with the profits of Britain's Opium Wars against China, and is today controlled by a mere 120 "accounts," foremost among which are the Queen and the Church of England. The drug ties continue: The second-largest shareholder in Rio Tinto is Prudential Nominees, controlled by the central bank of the world's drug trade, the London-based Hongkong & Shanghai Banking Corp.

Rio Tinto's control over Australia today is breathtaking: Current or "former" Rio executives include the chairmen or deputy chairmen of three of Australia's four major banks; the CEOs, directors, or heads of the crucial "industrial relations" departments of almost every mining company on the continent; and, the heads of the country's dominant cultural and strategic institutions, such as the Australian Institute of International Affairs and the Australian Academy of Sciences.

Rio executives also control dozens of other firms, including the national telecommunications giant Telstra, Qantas airlines, Pacific Dunlop, Ford Australia, Fosters Brewing, Westfield Holdings (a \$7 billion property company), Hudson Conway (which controls the huge Crown Casino in Melbourne), and the Australian Industrial Relations Commission, whose new head was formerly Rio's lawyer, and which has made crucial decisions against labor.

As for the federal government, Rio smoothed Prime Minister John Howard's path to power by giving his chief rival a "golden parachute" to leave politics, and employed Treasurer Peter Costello as its sometime lawyer, while providing a fortune to the several Australian Mont Pelerin Society "think-tanks," from among whose members Howard selected his cabinet. As CFMEU official Tony Maher summed up the case, "The government is the political arm of Rio Tinto."

Rio Tinto is also directing the war against the Maritime Union of Australia, including providing personnel and strategy to the nation's largest stevedore, P&O Ports, whose British mother company, like Rio Tinto, is descended from Britain's 19th-century Far East drug trade. Indicative of the links between the two, is that from 1983 until recently, P&O Australia's chairman, Maj. Sir Rupert Clarke, was the vice chairman of CRA, Rio's chief Australian subsidiary.

The issue for labor is, will it continue its present "trade union only" struggle in the course of the greatest financial collapse in 600 years—in which it is getting inexorably smashed? Or, as it once did, will it fight for the nation as a whole, by fighting for a national bank, and, given the global crisis, for the New Bretton Woods program of American statesman Lyndon LaRouche.