

Life gets tougher as crisis deepens

by Nick G.

The capitalist economic crisis is making it harder to make ends meet. Just ask any of the unemployed, whose ranks continue to grow as companies run their inventories down, a sure sign of a crisis of over-production.

Or talk to the swelling ranks of the underemployed, those whom the Australian Bureau of Statistics describes as “persons who usually work part-time (i.e. less than 35 hours per week) and who want to work more hours.”

(ABS figures released on June 11 for the month of May show the trend towards casualisation: full-time employment decreased by 26,200 to 7,643,100 and part-time employment increased by 24,500 to 3,150,000.)

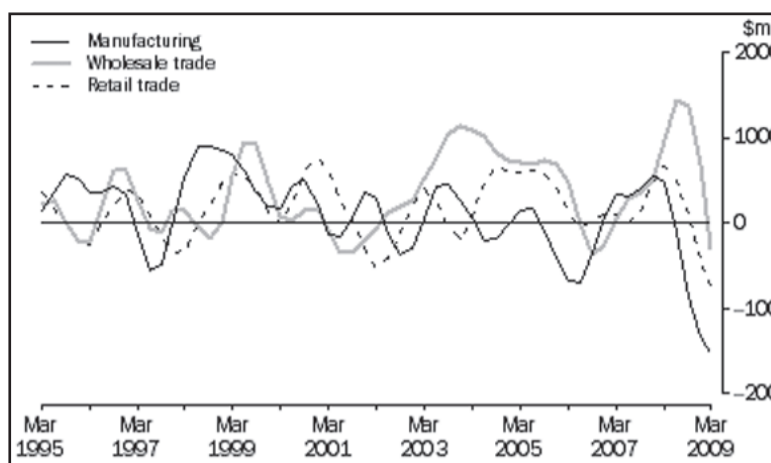
Or talk to the low waged in the community - those for whom there is no longer the security of a defined ‘living wage’ of the kind brought in a century ago by Justice Higgins in the Harvester Judgement.

Capitalism continually exerts a downward pressure on wages in its blind pursuit of the accumulation of capital. The most vulnerable sections of the workforce, those most marginalised from the process of production, fare the worst.

Support groups and charities are seeing the effects firsthand. Anglicare in South Australia has reported a surge in demand for emergency services in the first five months of this year. Its city office reported a 15 percent increase in people applying for urgent help, whilst its offices in the northern and southern suburbs reported 1500 additional applicants in May.

They also noted that workers, rather than the unemployed, were a major component of increased demand. “Now we’re seeing the ‘under-employed’ - they’re still in work but on reduced hours - who are still financially committed to mortgages or rent and they are in trouble,” said the organisation’s managing director.

The total numbers of underemployed workers began to grow as a deliberate strategy of capitalism in the mid-eighties. Capitalists, in search of ways



Falling inventories mean less jobs

to streamline production, had begun to order in parts and materials on a ‘just-in-time’ basis. What was good for the ‘goose’ of material commodities was discovered to apply equally to the ‘gander’ of human labour power. From the point of view of the owners of factories and workshops, workers were, after all, just another commodity in the production of surplus value. Hence the concept of a ‘core and periphery’ labour force was popularised within the ruling class: cut back the number of fulltime workers and expand the ranks of casual and part-time employment. This was assisted by removing trade barriers and imposing multi-skilling on the workforce.

This ‘Just in time’ under-employment added unpredictability of demands by bosses to the unfairness of wages that forces many workers to have to really scrape in order to get by. The anti-WorkChoices ad featuring “Tracey” being called into work by her boss as her distressed children clamour for her care was a strong portrayal of this unpredictability and unreasonableness.

As the authors of *Living Low Paid*, Masterman-Smith and Pocock point out, “minimum wages are no longer indexed to the cost of living and the value of the work performed, or tied to a full-time week.

“Consequently, a minimum-wage job today will not enable a worker (man or woman), their partner and their children to live in frugal comfort -Justice Higgins’ benchmark for a living wage in 1907”.

This process really ballooned in the nineties when, according to the same authors, “rapid

increases in part-time and casual employment accounted for the entire net increase in jobs for all occupational groups excluding managers and professionals.”

Howard pushed this process along with the WorkChoices legislation, but the truth is that it first appeared under the Labor governments of Hawke and Keating.

Even ‘left’ trade union leaders and so-called ‘communists’ like Laurie Carmichael, toured the country praising “workforce flexibility”, saying that it would be welcomed by workers as they could arrange their working lives to suit themselves.

Once again, social-democracy and revisionism accommodated the interests of the working class to the needs of the giant foreign and local monopolies, to capitalism.

It is a sign of the irrationality of the capitalist system that the current worsening of the economic circumstances of workers is occurring precisely because workers all over the world have been too good at what they are employed to do -namely, make things.

Their capacity to be good at what they do has to be put to one side, as the “overhang” of goods, the “excess capacity” of production, “glut on the market” is destroyed. Because capitalism cannot plan production around the needs of the market, but is driven by the need to accumulate capital for its own sake and regardless of the market, then it must revisit this punishment on the workers time and time again.

Enforced idleness of workers and machinery is praised by bourgeois economists for

Editorial

The talking shop of Parliament

No wonder many people are cynical about parliamentary politicians. The ‘Utgate’ affair has dominated the media as the Liberal and Labor parties hurl accusations at each other and compete for the ‘moral high ground’.

Hour after hour, day after day, so much hot air spewed forth from the parliamentary chambers that even the unbelieving Family First Senator Steve Fielding must have thought that climate warming had finally reached its ‘tipping point’.

Back in the real world, most people know that politicians look after their mates, that they have their favourite ‘insider’ public servants and ‘moles’, that they have their favourite journalists and media connections to leak stories and spread rumours and innuendo. There’s nothing new here.

What is a bit novel is the prospect of one or two of them getting caught at it, and even having to resign ‘in disgrace’. How disgraceful to get caught!

While all this circus was being played out, more important issues for the Australian people were put on the back-burner.

The much-heralded ‘Climate change debate’ which might have at least forced each Party to justify their shallowness on this critical issue, was postponed again. As *Vanguard* has previously stated, neither party wants to be locked into a public position that is out of step with US imperialism and are happy to wait to see what the Obama administration gets through the US Congress.

A motion to get rid of the requirement that asylum seekers have to pay the cost of their ‘accommodation’ in detention centres was a serious and moral issue, and would attract massive sympathy with the Australian people. Yet the Parliamentary chamber was almost empty during the debate. So much for the high moral ground! So much for hard work, long hours and earning the taxpayers’ dollar!

Of course, it all demonstrates that the real business of government takes place elsewhere. Such petulant behaviour and self-indulgent slackness would not be tolerated in the boardrooms of the corporate monopolies and bankers. Nor would it be tolerated in the executive suites of senior public service bureaucrats or in the chambers of the High Court judges.

Keeping the system running and looking after profits and privilege is serious business and much too important to be left to politicians!

Under capitalist parliamentary democracy, there is the illusion of democracy, but the people are, to all intents and purposes, disenfranchised. To affect any real progress, people cannot rely on this shambles of parliament, but must look to their own collective strength in the workplaces and communities.

“setting the scene for recovery later this year” (*Australian Investment Review* May 21, 2009).

But there is no immediate sign of relief. Even in the “gung ho” resources sector, the number of old projects being cancelled is greater than new ones being approved (*Australian Investment Review*, May 29, 2009). Unemployment has risen in Queensland and Western Australia, the two big resource boom states.

Figures from the ABS show a fall of 8.9 percent in new capital spending compared with earlier predictions of a 3.3 percent fall. New equipment, plant and machinery replacements are on hold as capitalists try to avoid tying capital up in what Marx called the “Constant” component of capital.

No wonder the only places where customer numbers are growing daily are places like Anglicare, the Salvos and Vinnies.