

REPLYING TO THE ACTU

John Hyde

'Australia Reconstructed' is an ambit claim, of which not every detail was meant to be taken seriously---not yet. Nevertheless the ACTU is being compelled to defend it. The ACTU Biennial Conference was shown not only the 220 page 'Australia Reconstructed' but a small paper 'Australia Reconstructed...Points for Reply'. The latter took the Australian Institute for Public Policy to task for two publications in which AIPP authors question the success of the Swedish Model and the relevance of 'Australia Reconstructed', the Centre for Independent Studies for its paper 'Australia Reconstructed? Some European Reflections' and this column of four weeks ago for 'Hyde's ludicrous description of "Australia Reconstructed" as a fascist blueprint for Australia.'

I didn't describe 'Australia Reconstructed' as a blueprint for anything; blueprints are precise. The sentence to which they objected read, 'The authority of the state is to be employed to impose the consensus of the great upon the small - like Italy in the 1920s and 30s.'

This is the second occasion recently when union officials, speaking to their own rank and file, have put critical words about aspects of Australian trade unionism in my mouth. Do they do it to justify their own existence to their rank and file?

The ACTU criticisms of the AIPP and CIS papers, and indeed of my article are insubstantial. But its response was just the tip of an iceberg; there is fundamental disagreement about the likely consequences of the sort of policies recommended or implied by 'Australia Reconstructed'. I do not believe the ACTU opinion is insincerely held. Their very sincerity makes a corporatist approach a bigger problem for Australia. The ideas of charlatans, which the ACTU officials are not, can be more easily discredited than the ideas of wrong-headed enthusiasts.

We must sympathise with a Prime Minister who has the support of Parliament but must win the acquiescence of the ACTU before he can privatise public enterprises, introduce an ID card, or enact or repeal legislation. That sympathy must extend to the democracy he serves; governments which share authority with organised vested interests have a bad record.

The corporatist model is essentially based on the Machiavellian rules of power politics---those whom you cannot dominate or fool you appease. It is in stark contrast with the rule of law model in which law governs all including the rulers.

Trade unions are legitimate vested interests and the right to join (or leave) a trade union of one's choice is a right that no decent society would deny. In this, Australia falls somewhat short of decency. Legitimate vested interests as such have no right to speak for that portion of society which is not given a vote in their elections or for those people whose membership has been obtained by some form of duress.

Trade unions are not states within the state; they have no right to impose their will on other than a totally voluntary membership. They do have the right to argue, stand candidates or otherwise use the due democratic processes of the state. The same limitations and rights should apply to other vested interests---employer councils, churches, the RSL, farmers' lobbies---in a pluralist society.

Advocates of pluralism, and indeed popular politics, make a case for helping the weak, the disorganised and the effectively disenfranchised to benefit from democratic processes. Lawful procedures help the poor, aborigines and the unemployed. This is the antithesis of corporatism which is inevitably the consensus of the powerful.

The tendency that power has to corrupt all who hold it and all might benefit from its use has often been remarked. ('The Burke Shambles' by Anthony McAdam is a recent case study of the hazards of corporatist politics in action.) The history of the development of liberal democracy is the history of the development of institutions and processes which limit the use of power to proper limited ends achieved by proper limited means.

Liberty is defended by traditions which certain basic rights or freedoms from authority. Freedom from arbitrary arrest or punishment and freedom to speak, worship, hold beliefs, assemble and travel are among these. So is the right to ownership of one's own labour and its fruits---the right not to be a slave. These rights are in turn protected by several checks placed in the way of the executive's (crown's) power. These include Parliament's right to refuse supply, the Parliament's right to know and to publicise, universal suffrage, approximately equal electorates, the independent judiciary, the rule by law and equality before the law. The trouble with corporatism is it avoids each of these checks.

The one place in Australia that basic human freedoms are habitually not respected is in the labour market. One may not sell one's labour without an approved union's blessing. Force is habitually employed in pursuit of 'industrial objectives'---violence occasionally. The labour market is the one place in Australia where corporatism is the normal way.

Mussolini, who began as a self-professed Marxist and ended a socialist, led Italians into a totalitarian state by offering them 'corporatism'. In the 1920s corporatism was very favourably debated in liberal USA. It sucked in many decent Italians. It does offer some short-term gains---Musso ran the trains on time for a while. When a portion of society is already above the law, Machiavellian power politics can achieve beneficial results which the law cannot achieve.

Corporatism can be a real solution to some real problems. Of course it is favoured by the powerful.

In Australia, following The Accord, a small measure of wage restraint was bought by offering the ACTU and the big unions more power. The difficulty with any co-operation-for-power trade is that the price of co-operation will escalate until the 'legitimate' authority must either abdicate or crack down on an adversary which has been made ever more powerful.

In Italy free trade unions were outlawed in favour of a few big unions or corporations approved by the state. In Australia only registered unions are recognised and the ACTU is proposing to reduce their number to about twenty.

I have no hesitation in opposing all corporatist legislation by reference to the Italian experience. It is totally relevant.