

## PROGRESS WITHOUT POVERTY AND CONFLICT

The only reason for the existence of poverty and conflict in any society is 'political'. Let us therefore examine the various types of political parties and analyse why most of them achieve neither progress nor the eradication of poverty and conflict. This can best be seen by studying the trends that are currently taking place in various societies throughout the world.

The various types of political parties can best be summed up in the diagram (opposite), and following detailed analysis.

### 1. LIBERALISM

e.g. British Liberals, Australian Democrats (but not the Liberal Party of Australia which is now Conservative)

Liberal parties have very similar policies to social democrats. Of all the political parties, the liberals and social democrats are probably closest.

Liberal parties tend to attract disenchanted conservatives and those people moving from labor parties to conservative parties as they gain more wealth and security.

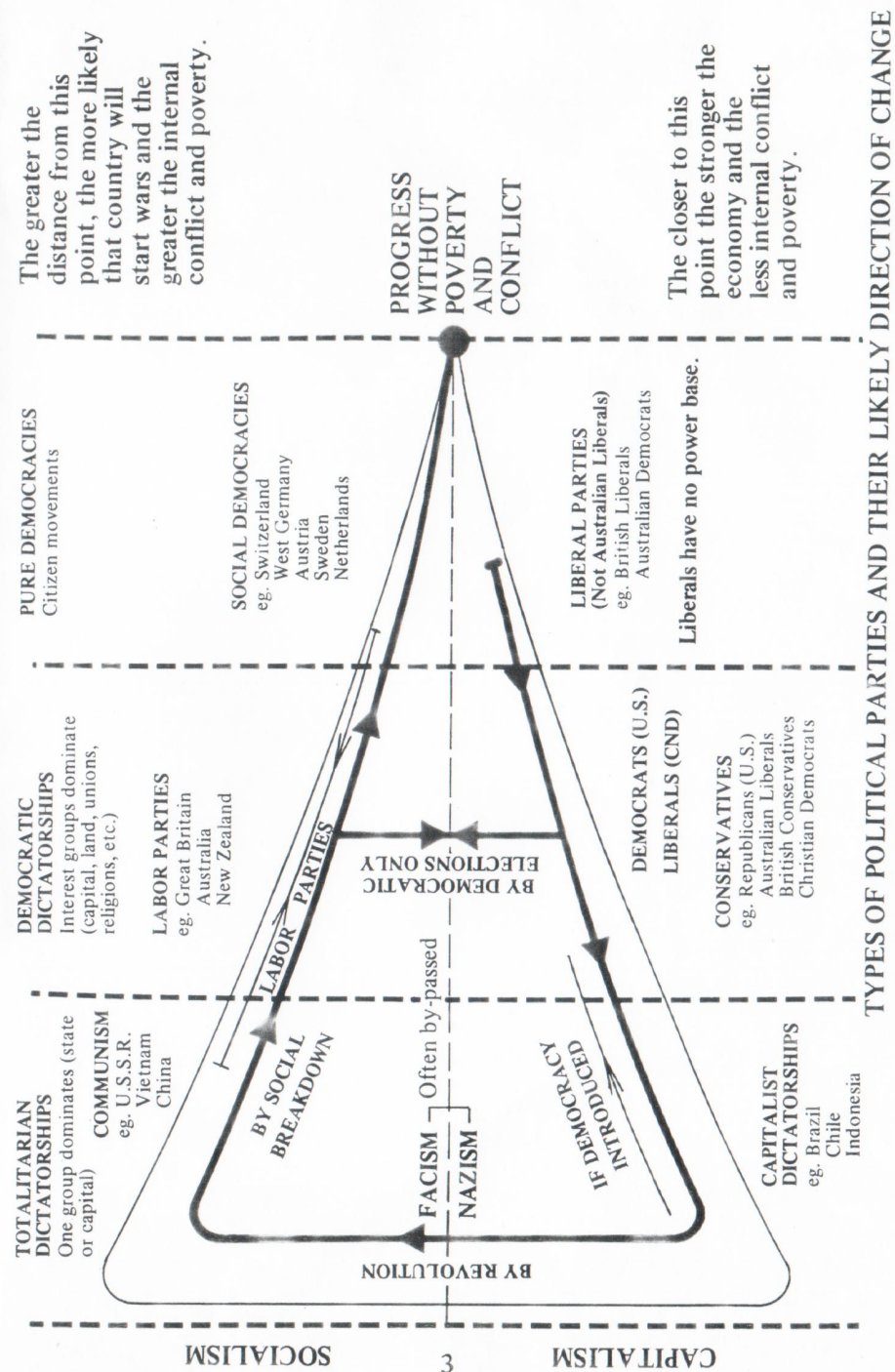
Liberal parties which gain power, e.g. Liberal Party of Australia, Canadian Liberals, U.S. Democrats, move away from true liberalism and become conservative parties. They find it difficult to introduce such legislation as industrial democracy, rights of individuals to raise referenda, welfare policies etc., and in fact become democratic dictatorships. Their societies experience strikes, poverty, inflation and high unemployment.

True liberal parties only remain small. They attract around 10% of the vote and tend to have most of their support in the 25-35 years age group. They never hold power because their appeal can only come from the conservative area and this group has no need to change from its conservative base.

True liberals never effect social change because they never hold political power.

### 2. DEMOCRATIC DICTATORSHIPS

A democratic dictatorship exists in countries where the population democratically elects a government of the right or left every set period of years, and then that government dictates policy until the next election. There is little or no democracy between elections or within industry, e.g. U.S.A., Great Britain, Australia, New Zealand, Singapore and Canada.



### 3. DEMOCRATIC DICTATORSHIPS (Capitalist)

These parties are generally known as conservative parties, e.g. Republicans (U.S.), Liberal Party of Australia, British Conservatives. These parties tend towards totalitarian capitalism unless controlled by democratic elections.

Conservative parties produce very little social change and attract people in their thirties and above who have accumulated property, wealth and job security. The only social change they will enact is enough to keep them in political power.

Countries with long periods of conservative governments normally have great differences in the opportunities for improved qualities of life available to citizens, and in the distribution of wealth.

Conservatives rarely implement social change towards industrial democracy, rights for referenda, national superannuation, free health and proper care for the young.

Their societies are characterised by strikes, high unemployment, poverty, conflict and confrontation in industry and politics, high rates of bankruptcies for small businesses, and little or no national direction.

These governments will never relieve poverty or be without conflict and confrontation within their societies.

The only way to reach a point of 'progress without poverty and conflict' is for the formation, in these countries, of a social democratic party and for this party to win government.

### 4. CAPITALIST DICTATORSHIPS

Conservative parties become totalitarian if not controlled by democratic elections, or a lack of unity and strength by opposition parties.

In terms of poverty and mistreatment of people, capitalist dictatorships are by far the worst!

They are controlled by the military, secret police and large businesses. There are vast differences in the distribution of wealth, and severe poverty is generally widespread.

Wealth in these societies is drained to the military, government officials and big business. These societies are breeding grounds for communists because they follow none of the fundamental social democratic principles, e.g. industrial democracy, rights to referenda, democratic elections, above poverty level incomes.

Extreme right wing capitalists, unbeknown to them, are bedfellows of communists. By allowing extremes in the distribution of wealth, they are digging their own graves. Such countries include Indonesia, Brazil and Chile. Countries which have already turned communist from capitalist dictatorships include U.S.S.R., China, Vietnam, and Cuba.

Existing capitalist dictatorships should be encouraged to become democracies with one of the parties being a social democratic party.

### 5. SOCIALIST DICTATORSHIPS (Communism)

Communist governments keep control of their peoples by eliminating all other likely pressure groups with the use of their armies and secret police.

Elimination of the free enterprise system stifles incentive and consequently their economies become very depressed.

The fact is that whilst the wealth is generally evenly distributed after the military and party have been funded, there is so little of it that widespread poverty exists.

After several generations communist societies break down into pressure groups, e.g. independent trade unions, church groups etc. These independent groups become more powerful than the communist party and the system changes into a democratic dictatorship. This primarily occurs as a result of the people comparing their lack of economic progress with neighbouring social democratic countries.

Communists will never be able to relieve poverty and severe social unrest, or develop strong economies.

Caution should be exercised in dealing with communist countries. As the fabric of their society begins to falter they will find any excuse to commence external wars.

It will be necessary for the people of social democratic countries to maintain strong defence forces until communist countries have changed to democratic dictatorships or social democracies.

### 6. DEMOCRATIC DICTATORSHIPS (Socialist)

These parties represent interest groups of the 'left'

They are commonly known as labor parties. Labor parties are the political wing of the trade union movement and tend to have small memberships (e.g. Australian Labor Party has only 30,000 members). Yet in citizen movement parties like the Social

Democrats in Austria, 10% of the population are members of the party.

Labor parties also tend to attract a large following from the socialist left (communists). Because labor parties attract such small memberships from the general community the socialist left and unions have a large influence on party policy. Labor parties fail to implement such policies as industrial democracy, rights to citizen's referenda, freedom of information act. Their countries have poverty (to the delight of the socialist left!), industrial unrest, conflict and confrontation in politics and the general community, high rates of bankruptcies of small businesses, below poverty level pensions, high unemployment especially among the youth, and little or no social direction.

Labor parties are notoriously poor managers usually as a result of internal pressures between the socialist left, unions and the right wing of the party.

A new party with social democratic policies is the only way to bring countries with these parties to the point of PROGRESS WITHOUT POVERTY AND CONFLICT.

## 7. SOCIAL DEMOCRACIES

Social democratic parties are parties which believe in socialism by the people through democracy. They are citizen movement parties and do not represent sectional interests. They are the only pure democratic parties which have gained popular support and the countries which they govern show progress, little or no poverty and little community conflict.

Countries with social democratic parties include Switzerland, West Germany, Austria, Sweden, Netherlands, Denmark.

Their policies include:

- (a) Industrial democracy
- (b) Taxation of wealth and capital gain.
- (c) Universal health schemes.
- (d) National superannuation schemes
- (e) Freedom of information legislation
- (f) Amalgamation of trade unions
- (g) Above poverty level incomes for all persons
- (h) Care and welfare for children and the elderly
- (i) Expenditure in areas of high unemployment on capital works by government//private industry, (both having industrial democracy).

- (j) High levels of research and development expenditure especially in the private sector in order to create jobs.
- (k) Individual rights to raise referenda.

Social democratic parties are citizen movement parties and will democratically change themselves to the point of PROGRESS WITHOUT POVERTY AND CONFLICT.

## CURRENT POLITICAL ENVIRONMENT IN AUSTRALIA

Australia has over 2,000,000 people in severe poverty, 500,000 of these being children. Approximately 350,000 people are unemployed and some independent surveys indicate that this could be as high as 10% of the work force. Within industry, over 100,000 jobs are being lost from the manufacturing sector each year as companies locate themselves overseas or commence importing rather than manufacturing in Australia. There are between 200 and 400 times more man hours lost due to strikes per 1,000 workers in Australia than in social democratic countries.

Senior citizens receive below poverty level pensions. There are many deprived children and unemployed youth, high inflation, conflict and confrontation in industry and politics, and general confusion governing the country's direction.

Australia has the typical characteristics of a DEMOCRATIC DICTATORSHIP.

## INTEREST GROUPS IN A TYPICAL DEMOCRATIC DICTATORSHIP

Let us examine the various interest group parties in Australia, a typical democratic dictatorship.

### 1. COUNTRY PARTY

This party looks after the interest of farmers. Like most farmers, Australian farmers are victims of natural disasters, as well as fluctuations in the price of their products. Some sections of their industry have introduced social democratic policies, e.g, wool stabilisation policy, etc. but in the main, Australian farmers are subject to probably the greatest fluctuation in annual income than any farmers in the world. Their products are extremely unreliable in getting to market due to strikes in the transport and shipping industries and this causes farmers additional costs, lost markets and the reputation as unreliable suppliers.

Their standard of living is far lower than the farmers in social democratic countries, e.g. Austria, Sweden, Netherlands, and Switzerland and this has resulted because their interest group, the Country Party, does not have control over other interest groups e.g. Labor Party, and consequently farmers suffer.

## 2. LIBERAL PARTY (Conservatives)

This group is supposed to look after the interests of small and large businesses, manufacturers and multi-nationals.

Australia has one of the worst records of small businesses collapsing in the world. Many small businesses collapse as a result of the action of other interest groups, e.g. strikes, non-delivery of goods, or because their owners have not been given the opportunity of management training, expertise or financial assistance. At least 80% of small businesses collapse within their first five years.

The Australian manufacturing industry is in a very depressed state. 100,000 jobs are being lost in this industry each year. Major companies are importing or relocating their manufacturing plants overseas. Australian manufacturers are subject to actions by other interest groups, e.g. strikes etc, which have a devastating effect on their performance. Only a 'fool' would manufacture goods in the current Australian industrial climate.

Multi-nationals are an important part of the business world. They supply technology, finance and expertise in areas small countries like Australia need for development.

However, in Australia, these companies are only concerned about profit and not people.

In social democratic countries multi-nationals have to be concerned with both profit and people. The ironic fact is that multi-national branches do better in social democracies than in democratic dictatorships, e.g. compare Ford of West Germany with Ford U.S.A. and Australia, Volvo Sweden and Leyland of Great Britain.

The Liberal (Conservative) Party in Australia cannot look after its interest group because it does not have control over the whole area affecting its interest group.

## 3. AUSTRALIAN LABOR PARTY

This party is supposed to represent the working class in Australia.

Australia is one of the richest countries per head of population in the world in terms of raw materials and land use. Yet there are 2,000,000 people living in severe poverty, 500,000 of these being children. Old age pensioners receive less than 50% of the pensions received in social democracies. Over 350,000 people are unemployed and 100,000 jobs are being lost annually in the manufacturing industry. 400 - 600 man hours per 1,000 workers are lost annually due to strikes and there is no universal health scheme. Inflation is causing large transfers of wealth from the poor to land holders through capital gain. The party has held federal office for only 15 years in 80 years since Federation, most of those years in turmoil and conflict.

The Labor Party (because of other internal interest groups) instead of acting for the working class, has done a good job of acting against it.

The only reason why Australia has a reasonable financial position is because of the export of large quantities of raw materials and agricultural products. It is certainly not due to the management of the country by the various interest groups.

The only solution is for Australia to become a social democracy.

Let us examine Australia (a democratic dictatorship) with the social democracies.

The results speak for themselves.

	<b>Australia (Population 14,000,000</b>	<b>Social Democracies</b>
Nutritious meal for each child per day	nil	universal
Children in extreme poverty	500,000	nil
People in extreme poverty	2,000,000	nil
Strikes – man hours lost per 1,000 workers	400	0 - 10
Old age pensions	\$53/wk	\$125/wk
Involvement in wars over past thirty years	3	nil
Unemployment	350,000	full employment

Inflation	10%	1% - 5%
Natural resources	massive	comparatively few
Firms relocating overseas	Large numbers	nil
Jobs being lost in manufacturing per year	100,000	Positive jobs being created
Main source of export income	agriculture raw materials	manufac-turing

**AUSTRALIA MUST BECOME A SOCIAL DEMOCRACY  
TO REACH THE POINT OF PROGRESS  
WITHOUT POVERTY AND CONFLICT**

Policies of the Social Democrats are determined democratically by the members of the party.

The following social democratic policies should be immediately introduced into Australia.

**1. INDUSTRIAL DEMOCRACY**

Introduce industrial democracy where workers would be represented on the board of directors in companies and government organisation with more than thirty employees.

**2. TAXATION**

- (a) Personal income tax to be reduced to increase incentive.
- (b) Indirect taxes to be increased on goods and services not deemed essential. On essential goods and services, e.g. purchasing own home, food, transport, clothes etc., there should be no taxes.
- (c) A wealth tax where 2% of the wealth of an individual over, say, \$200,000 is added to their personal income for taxation purposes.
- (d) Capital Gains Tax – Capital gains should be considered income over the period of the capital gain, except on essential investments, e.g. person's own home.
- (e) No personal tax on incomes up to 1.1 times the poverty level. This poverty level varies depending on the dependents of the wage earner. Poverty levels have to be adjusted every three months.

**3. RIGHTS TO REFERENDA**

Allow citizens with signatures from 0.5% of the population to instigate referenda on any issue. Once passed, the result of the referendum could only be altered by another referendum.

**4. RESEARCH AND DEVELOPMENT**

Encourage the tripling of expenditure per worker on research and development in order to create jobs and bring this expenditure in line with other social democratic countries.

**5. FREEDOM OF INFORMATION ACT**

Introduce an act similar to other social democracies so that citizens have access to government information.

**6. NATIONAL SUPERANNUATION SCHEME**

Introduce a national superannuation scheme to ensure that retired workers receive 50% of the average weekly wage. This is universally implemented in the social democracies of Western Europe.

**7. HEALTH**

Introduce a national health scheme.

**8. SCHOOL CHILDREN**

A nutritious meal should be provided for all children at school. An immediate priority should be given to those schools presently classified as 'disadvantaged'.

**9. TRADE UNIONS**

Encourage the amalgamation of trade unions as has occurred in other social democratic countries, e.g. West Germany has less than twenty unions.

**10. EDUCATION**

A uniform education system should be introduced throughout Australia. Each school would have a school board. The school board would be democratically elected and comprise:

- (a) One-third teachers and/or their representatives,
- (b) One-third parents and students and/or their representatives with at least two students,
- (c) One-third representatives from the Education Department.

## 11. NEWSPAPER

Introduce a national newspaper with an independent board of directors including worker representation.

## 12. ABOVE POVERTY LEVEL INCOMES FOR ALL

Monetary remuneration to raise all incomes above the 'poverty level'. Those individuals or families not capable of looking after themselves are to receive this welfare in the form of food, clothes, accommodation, etc. by the government or approved groups.

Other policies are formed democratically by the party as the need arises.

### PRACTICE AND PROCEDURES

These are based on the practices of the ruling Social Democratic Party of Switzerland.

1. The candidates for elections will be democratically elected by members of the party at the local level.
2. Members of parliament are free to vote according to their conscience.
3. If asked to form a government the Social Democrats will endeavour to include persons from all parties in the Cabinet, according to their percentage vote. The leader would be changed every year.
4. The Cabinet determines potential legislation and the country's direction. Examination of this legislation and policy matters would then be carried out by 'experts' from the community.

Committees made up of members from all parties analyse the legislation and policy matters framed by the 'outside experts'.

The legislation and/or policy matters then are subject to a democratic vote of the parliament prior to becoming law.

### AT THE POINT OF PROGRESS WITHOUT POVERTY AND CONFLICT

(An extension of existing social democratic policies)

1. Nearly all of the population will pay no personal income tax. The government will have increased the 'no tax income' level to probably four or five times the poverty level.
2. Superannuation, sickness and unemployment insurance will however still be paid.

3. All persons will receive above poverty level incomes, or welfare for maintaining them above poverty levels, e.g. food, accommodation, clothes, if unable to look after themselves.
4. Taxes will be provided by high indirect taxes on goods not deemed necessities, on wealth, and capital gains taxes. Additional items will be deemed necessities as the community becomes wealthier.
5. Children will have rights to:—
  - (a) A proper nutritious meal each day,
  - (b) Free health, education, etc.
  - (c) Alternate accommodation,
  - (d) Strict protective laws against abuse or mistreatment.
6. Democracy will operate in all facets of a person's life including individual rights to raise referenda even at local government level. Democracy will operate completely in industry, government and all other organisations.
7. Encouragement of individuals to start their own small businesses. In exactly the same way young children are cared for in the social democratic government system, so we must also do the same for persons capable of starting their own business. They should be completely helped with regard to:—
  - (a) Starting finance,
  - (b) Assistance from 'experts', e.g. accounting, the business's direction, marketing, management.
8. The government to encourage firms to develop the country's resources, research and development spending etc., in areas the 'Cabinet' has deemed 'within the interests of the country'.
9. The government to develop projects not considered worthwhile financially by the private sector but deemed essential by the 'Cabinet'.
10. 2% of the G.N.P. should be set aside to aid developing countries.
11. Principles of social democracy to apply to international organisations and people once every country is a social democracy. (The United Nations at present is a democratic dictatorship — being a collection of nations, each with vested interests.)