

Australia Dossier by Robert Barwick

Are unions afraid to fight?

Labor worldwide is campaigning against Rio Tinto, but won't name the firm's real boss—the Queen of England.

An unprecedented worldwide shareholder campaign has been launched by trade union federations, against the union-busting activities of Rio Tinto, the flagship company of the British oligarchy's raw materials cartel. In press conferences on March 8 in Sydney, Brussels, London, and Washington, the Rio Tinto Shareholder Coalition announced that it will submit two resolutions for shareholder consideration at Rio Tinto's London and Melbourne Annual General Meetings in May. The resolutions demand that the company's board of directors become more accountable to its shareholders by appointing an independent, non-executive deputy chairman, and that it implement a code of labor practice complying with International Labor Organization (ILO) standards.

The Coalition, comprising unions which collectively represent 41 million workers, including the Australian Council of Trade Unions (ACTU); the Construction, Forestry, Mining, and Energy Union of Australia; the International Federation of Chemical, Energy, and Mining Unions (ICEM); the British Trade Union Congress; and the U.S. AFL-CIO, have launched what they call "the first-ever shareholder initiative sponsored by unions in several countries," in an attempt to rein in Rio's brutal union-busting, by forcing changes in the company's board, through appealing to the shareholders to whom that board is nominally accountable. "We will be actively encouraging pension fund trustees, money managers, and other institutional investors to support these resolutions," said AFL-CIO President John Sweeney. The Coalition esti-

mates that trade unionists' money accounts for approximately 19% of Rio Tinto's shares, held mostly by pension funds.

However, the campaign is most notable for what is missing—any mention of Queen Elizabeth II, who has invested a sizable portion of her \$25-50 billion personal fortune in Rio Tinto. She is the firm's largest non-institutional shareholder, and its dominant political and financial power.

The unions' emphasis on "corporate governance," therefore, entirely misses the point: Founded in 1873 by the drug-running Jardine Matheson company that helped run the British Empire's two Opium Wars against China, Rio Tinto has always been a leading vehicle of British imperialism. It has, for example, been the main sponsor of the Crown's brain-trust, the Royal Institute of International Affairs, since Rio Tinto chairman Lord Alfred Milner founded the RIIA in the 1920s. It has also poured money into the Mont Pelerin Society, another Crown think-tank, which invented "Thatcherism" and its derivative, "globalization." Mont Pelerin's earliest financial sponsor was *the private money manager of the Queen*, the late City of London financier Harley Drayton. Thus, whether under direct assault by Rio Tinto, or more generally by the "globalization" which is ravaging union membership worldwide, the unions' real enemy is the Crown.

Not all unionists are scared to take on the Queen. A petition circulating in the Pilbara region of Western Australia, the world's largest exporter of iron ore, demands that Australia's ACTU "take vigorous action to hold the

Queen personally accountable for her company's inhuman actions." The petition, which has already been signed by hundreds of union members, concludes, "Since she is by far the single most influential shareholder in Rio Tinto, the Queen herself is ultimately responsible for this assault on our livelihoods and our futures, and *she must stop it.*"

But, more broadly, by not naming the Queen, the unions are undermining their own cause, by allying with the very environmentalist and indigenous movements which were founded by Prince Philip and his World Wildlife Fund (WWF), and funded by Rio Tinto, to smash nation-states. For instance, the 1998 ICEM report on Rio Tinto, *Rio Tinto—Tainted Titan: The Stakeholders Report 1997*, lauded "anti-Rio Tinto" campaigns by such groups as the radical ecologists Friends of the Earth, and the indigenous activists People against the Activities of RTZ (PARTIZANS).

As *EIR* documented in its 1997 report, "The Coming Fall of the House of Windsor," the WWF spawned the worldwide environmentalist and indigenist movements shortly after its founding by Philip in 1960. In Australia, Philip personally started the Australian Conservation Foundation, which set up Australia's environmentalist and indigenist movements, and whose chief funder from the outset was Conzinc Rio Tinto Australia (CRA), now merged back into its parent company, Rio Tinto.

The impotent Rio Tinto Shareholders Coalition campaign was contemptuously dismissed by Rio Tinto spokesman Dr. Tim Duncan, who insisted that the unions had no expertise in "corporate governance," and that Rio Tinto would continue to flout ILO conventions. "By U.K. standards we are ahead of the pack," Duncan told the *March 9 Australian Financial Review*.