

2001 Australian elections: The political issues facing the working class

Part 1

Socialist Equality Party of Australia
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The two most notable features of the 2001 Australian election campaign are the yawning gulf that exists between the official political apparatus and the majority of the Australian population, and the almost identical policies of the major parties. The Liberal-National coalition parties and the Australian Labor Party (ALP)—which have formed the bedrock of the parliamentary system throughout the past century—are despised by masses of ordinary people, who no longer trust or believe politicians or their promises. Electoral support for the two parties has dropped to all-time lows, with record numbers of people expressing their disgust by voting for Independents or minor parties. If voting were not compulsory, masses of people would abstain.

Indeed, one could postulate a new political law: the greater the popular hostility toward them, the more closely Labor and the conservatives draw together. In this election, both the foreign and domestic policies of the two parties are virtually indistinguishable. Prime Minister Howard has seized upon the terror attacks of September 11 and the US led-war in Afghanistan as the best available means for shoring up his electoral prospects and deflecting popular resentment to his government's policies. Without so much as a debate in parliament, let alone a vote, Labor leader Kim Beazley has extended his full bipartisan support to the war and to Howard's troop deployment. Notwithstanding the rhetoric about defending freedom and democracy, both parties have conspired to push through unprecedented anti-democratic measures and scrap the most fundamental democratic processes.

The Australian people have not been consulted, nor have they received any details or evidence. They have simply been told that the Prime Minister is committing military forces to a "war against terrorism" which is open-ended and of indeterminate length, which may involve further troop commitments and extend beyond Afghanistan, which is expected to result in heavy casualties and requires the immediate curtailing of civil liberties.

The Socialist Equality Party unequivocally opposes the US-led war in Afghanistan. The general population is being denied information because the real aims behind the intervention are being covered up. The US ruling elite is cynically manipulating justifiable public horror at the terror attacks of September 11 to pursue its long-cherished agenda: establishing US hegemony over the vast oil and gas reserves of Central Asia.

For his part, Howard has rushed to squeeze from the situation the maximum advantage he possibly can. Backing the United States in its war drive reinforces ANZUS—the US-Australia military alliance—without which Australia's position in the Asia-Pacific region would be severely undermined. In the wake of the intervention into East Timor, the ruling establishment calculates that the deployment of troops to Central Asia, no matter how small and insignificant, will serve as a down payment on future assistance from Washington in its own economic and strategic

sphere of influence.

According to the opinion polls, Howard's strategy achieved some early success—with his popularity soaring for the first time in years. But three weeks into the election campaign there is a growing sense among ordinary people that they are not being told the whole story. Political commentators are already expressing concerns that public support for the war is superficial and could rapidly dissipate.

Howard's endeavours to run a "war election" have been supplemented by his vicious political and ideological campaign against refugees fleeing war, persecution and poverty in the Middle East and Asia. This, too, has been fully backed by Labor. In their unified descent into open state thuggery against thousands of desperate "boat people", both parties have revealed their true colours. Neither Howard nor Beazley has any solution to the economic and social crisis facing working people. Unable to address the fears and insecurities created by their own policies, they turn on the most vulnerable sections of society. The most recent drowning tragedy, which was obscenely welcomed by Immigration Minister Philip Ruddock as a salutary lesson to other potential arrivals, is a direct outcome of their bipartisan refugee policy. It will not be the last.

Well before the events of September 11, Howard began openly playing the race card. The now infamous *Tampa* refugee crisis—in which more than 400 Afghani asylum seekers were barred from entering the country—was consciously provoked by the government in late August as a means of whipping up anti-immigrant xenophobia.

From the middle of last year Howard and Ruddock stepped up their attacks on refugees and authorised increasingly repressive measures against asylum seekers being held in detention centres, under the government's mandatory detention policy.

Their campaign has been designed to invoke one of the country's most notorious traditions. In 1901, one of the first acts of the new parliament was the Immigration Restriction Act, more commonly known as the White Australia policy. It restricted immigration to whites only, on the basis that a non-racist policy would see hordes of Asian aliens overrunning the nation, destroying jobs and living standards in the process. The White Australia policy was particularly championed by the ALP, the emerging trade union aristocracy and a whole host of petty bourgeois populists. They sought to defuse and derail the class struggle *within* the country by railing against an alleged common enemy *outside*.

Farmers, small businesspeople and more backward layers of the working class were the most susceptible, especially in times of economic hardship. White Australia rhetoric was utilised to divert attention from the real source of the crisis in the profit system itself.

Fanning White Australia prejudice has been one of the hallmarks of John Howard's political career. He has worked to cultivate a social base for his free-market economic agenda among the most confused and

disoriented layers of the petty bourgeoisie. In 1988, under conditions of growing economic crisis and militancy in the working class, Howard began to publicly advocate cuts to Asian immigration. In 1994, after the Liberals lost the 1993 election due to widespread opposition to their proposed Goods and Services Tax, he told the party not to “underestimate the significance of Australian nationalism as a potent political issue”.

A few months after winning office in 1996, Howard brought down his first budget, implementing the largest public spending cuts in history. Soon after, he praised the lifting of the “pall of censorship,” when Pauline Hanson, an ultra-right renegade Liberal, delivered her maiden parliamentary speech denouncing Aborigines and Asian immigration. During the past year, Howard and Ruddock have frequented talkback radio to foment racist and xenophobic sentiment.

After September 11, government spokesmen went a step further and began linking immigration with terrorism. Their comments, along with inflammatory articles in the tabloid media, were directly responsible for inciting numerous acts of violence against the Muslim community.

The unprecedented degree of unanimity between the two major parties has deepgoing significance. It represents the culmination of a protracted process whereby the entire structure of official politics has moved sharply to the right. The Labor Party, formed by the trade unions more than 100 years ago to defend the interests of working people has been thoroughly transformed.

In the three decades following the Second World War, both parties pursued a reformist perspective, aimed at defusing the class tensions that had erupted during the 1930s Depression and after the war, raising the spectre of social revolution. Concessions were made to the working class in the form of full employment, rising wages and living standards, social services and the maintenance of the welfare state. A social safety net was established to provide a certain level of protection for the aged, the unemployed and the sick.

Following the political and social upheavals of the late 1960s and early 1970s and the recession of 1974-75, the ruling class made a sharp turn. Confronting growing competition in an increasingly volatile world economic environment, the ruling class organised the Canberra Coup of November 1975, ousting the Whitlam Labor government through extra-parliamentary means. Its aim was to begin clawing back the gains won by the working class in the previous decades.

Instead, however, a seven-year interregnum followed. Compromised by his role in organising the coup, Malcolm Fraser’s government made no significant inroads. It was the Hawke Labor government, backed by the most powerful sections of the ruling establishment that began the sustained offensive against the conditions of ordinary workers that marked the 1980s and 1990s.

In the name of international competitiveness, Hawke and Treasurer Paul Keating undertook a major restructuring of Australian capitalism, opening the economy to the free-flow of international capital through the deregulation of the currency and the banks. The centrepiece of the Labor government’s strategy was its Accord with the ACTU, which was put in place to suppress and derail the type of militant industrial movements that had emerged in the recessions of 1974-75 and 1981-82.

Under the Accord the trade unions isolated and betrayed one major strike after the other, enabling the employers to launch an historic assault on jobs, wages and working conditions and to fundamentally reshape relations in the workplace. Driven by the dictates of finance capital, the Labor government presided over an unprecedented reversal in the social position of the working class, while at the same time enriching a significant layer of the middle class.

By 1988 mounting hostility to Labor’s pro-market program resulted in miners and other sections of the working class demanding that their unions break with the Accord and disaffiliate from the ALP. Labor’s vote in the 1990 federal election was the lowest since 1910. The party only

won office through preference deals with minor parties and Independents.

The ruling class responded to the recession of 1991 and a growing crisis in the Australian economy by demanding far greater attacks. Hawke’s consensus politics—his emphasis on the unions as the mechanism for breaking the back of opposition in the working class—which had served so well for the previous eight years, were regarded as no longer adequate to the task at hand. The business chiefs required a new offensive, and backed Paul Keating to carry it through.

The employers’ main preoccupation was to break down the relatively high wages of Australian workers. As one commentator put it at the time: “The 1990s is going to be ... a decade of reckoning on wages policy that will change the economic landscape of Australia.”

The policies that have been pursued by Howard since 1996 are a continuation of those pioneered by Labor during the 90s. “Reciprocal obligation” and cheap labour schemes, introduced under Keating, were used to force the growing army of unemployed workers into part-time casual jobs. Enterprise bargaining replaced the old wages system. Mass unemployment was used to browbeat full-time workers into sacrificing hard-won conditions.

With the accelerating global integration of production, big business and the finance markets demanded the breakup of all the old mechanisms of national regulation. Articulating the changing needs of the Australian ruling class—whose predominant economic and strategic focus was shifting away from the US and Europe to the Asian region—Keating began to fashion a new nationalism. In place of the isolationist White Australia, he advocated Asian integration, multiculturalism, Aboriginal reconciliation and a new Australian republic—all aimed at lifting Australia’s international image within the Asia-Pacific region.

Keating’s “vision” politics were also aimed at forging a new social base for Labor’s policies. Throughout the 1990s, Labor shifted its focus and appeal away from the working class towards the “aspirational layers,” those sections of the middle class who benefited from its free market agenda. By 1996, the anger and resentment that had been building up for 13 years among ordinary working people towards the party’s big business agenda exploded to the surface. The Keating government was defeated with the largest ever anti-Labor vote recorded in working class electorates.

In the wake of Keating’s demise, one of the most right-wing figures in the ALP was installed as its leader. As Defence Minister from 1984-90, Kim Beazley was known to his Labor colleagues as “Bomber” Beazley, “Dr Strangelove” and “Minister for World War III.” As Finance Minister from 1993-1996, he played a key role in implementing Labor’s privatisation agenda.

As Opposition leader, he initially tried to put a “caring” face on Labor’s policies, opposing the proposed Goods and Services Tax (GST), for example, in 1998 on the grounds that it punished the poor. Since then, Beazley has embraced not only the government’s anti-refugee policies, the war in Afghanistan and the GST, but virtually the entire political and economic agenda advanced by John Howard—a man notorious for being the Liberal Party’s pre-eminent economic rationalist during the past two decades.

* In this election, both Howard and Beazley have made their priority the maintenance of a budget surplus. This amounts to an open commitment to a free market agenda, and a pledge to big business that government policy will be subordinated to the dictates of capital. In the highly likely event of continued downturn, the various cosmetic election promises being thrown around by both parties in the last weeks of the campaign will be broken.

* Neither party will address the deepening crisis in public hospitals, schools, housing and childcare by raising taxes. Both want to cut corporate and income taxes further—again disproportionately benefitting the rich. Howard’s promised tax rebate for first-time mothers will see the wealthy few gain up to five times more than ordinary working women or the unemployed.

* The ALP will maintain the GST. Beazley's much-vaunted "rollback," has turned out to be a farce. It amounts to less than \$1 in \$30—and even then, only after 18 months, and only within the bounds of "budgetary constraints".

* Notwithstanding his "Knowledge Nation" rhetoric about expanding educational opportunities, Beazley fully supports the Coalition's privatisation agenda. Over the past five years, the Howard government's public education cuts have exacerbated the already vastly unequal two-class education system. In 1996, the ALP voted for Howard's "benchmark enrolment adjustment" formula, a mechanism for transferring tens of millions of dollars of government funds from public to private schools. In December 2000, it supported the introduction of a new formula, under which almost two-thirds of federal government spending on education will be directed to private schools, where just 30 percent of students are enrolled.

* Likewise, Labor has supported Howard's moves to privatise the public health system. In February 2000, Beazley announced that Labor would maintain the Liberals' 30 percent private insurance rebate scheme, which allocates more than \$2 billion of government health funds each year as a subsidy to private health insurers at the direct expense of understaffed, under-resourced and crisis-ridden public hospitals.

* The ALP remains fully committed to "mutual obligation," a euphemism for the creation of a cheap labour force through Work-for-the-Dole schemes and obligatory community work for the unemployed, as well as the winding back of the welfare state. With Beazley's support, the Howard government has scrapped the social security system, under which the unemployed, the disabled and the infirm were guaranteed a certain level of income support, and replaced it with a "Participation Support Program" under which recipients are obliged to accept any kind of job, unpaid work or specified training, or be denied assistance.

* The ALP will maintain the privatised Job Network, which was introduced by the Howard government, at a cost of thousands of jobs, after it abolished the government-run Commonwealth Employment Service (CES). The focus of the new system is to coerce the unemployed into cheap labour, rather than assist them in finding work.

Despite their claims to the contrary, the minor parties present no alternative. The Democrats and Greens endorse the war—albeit under the aegis of the United Nations, and insist upon a restrictive immigration policy—albeit one that might admit a few more refugees each year. Democrats leader Natasha Stott Despoja and Greens Senator Bob Brown continue to peddle the time-worn illusion that social reforms can still be won and democratic rights defended by exerting parliamentary pressure on the Liberal and Labor parties. Pauline Hanson's One Nation party unashamedly promotes racism and national chauvinism in order to channel disaffection with the major parties into an extreme rightwing direction.

Some of the candidates make reference to rising social inequality and attack government cutbacks. But the minor parties and the myriad of independents all work to obscure the fact that the source of the deepening crisis lies in the profit system itself. Whatever their tactical differences, the Coalition, the ALP, the Democrats, the Greens, One Nation and the Independents, accept and defend the framework of the present social order.

The eruption of militarism, racism and chauvinism to the forefront of political life, however, expresses, in a particularly malignant form, the depth of the contradictions wracking the world capitalist system.

The only progressive solution lies in developing an independent political movement of the working class, aimed at reorganising society from top to bottom on the basis of genuine democratic, egalitarian and socialist principles. That is the perspective of the Socialist Equality Party, the Australian section of the International Committee of the Fourth International, and its international political organ, the *World Socialist Web*

Site.

The second and final part of the SEP election statement will be published tomorrow.



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