

Behind the "refashioning" of the Australian Labor Party

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Australian Labor Party (ALP) leader Simon Crean has been working furiously, during the past months, to prepare the way for a sweeping overhaul of the party's internal structure. Thirty-eight reform proposals, drawn up by a review panel headed by former Labor Prime Minister Bob Hawke and former New South Wales Labor Premier Neville Wran were released last month. They were hurriedly rushed through a specially convened national executive meeting and will be submitted for ratification to a "special rules conference" in October.

Crean launched the internal review of the party in the wake of Labor's third consecutive federal electoral defeat in less than six years. Even though a Labor victory in last November's election was widely considered to be a foregone conclusion, with the Liberal-National party coalition torn by internal divisions and having suffered a string of resounding defeats in a number of state elections, the ALP's primary vote plunged to 37.8 percent, its lowest since 1906.

The vote underscored both the depth of Labor's general unpopularity among ordinary working people and its refusal, during the course of the election campaign, to differentiate itself in any way from the Liberals. The ALP ignored the myriad social problems confronting broad layers of the population, opting instead to outbid the government on law and order, the "war against terrorism" and, above all, the coalition government's witchhunt against refugees.

Crean was installed as ALP leader after the post-election demise of former leader, Kim Beazley. In nominating for the position, Crean's only policy was the need for "change". Within a few weeks of taking office he launched the internal review, claiming it was aimed at "refashioning" the ALP in order to democratise the party's organisation and structures and provide its rank and file members with more opportunity to determine policy.

Crean's real aim, however, was to appease the large chorus of critics of the ALP within Australia's ruling circles. Just prior to the election, a scathing editorial appeared in Rupert Murdoch's *Australian*, castigating both Labor and the Liberal-National coalition for lacking "ideas, policy and vision." The editorial, which voiced the growing concerns of the more globally-aligned sections of big business, demanded a drastic overall of the parties' structures and policies. Neither party, as presently constituted, was deemed capable of accelerating "free market" reforms or implementing the social and economic policies required for Australian capitalism to remain internationally competitive.

The Russian revolutionary leader Lenin once described the various Labor parties around the world as *bourgeois-workers'* parties. He explained that while they rested on a mass working class base, their perspective of gaining limited concessions for working people was aimed only at ameliorating the worst excesses of capitalism. Their goal was not the overthrow of the profit system, but its defence. Their key role was to contain the class struggle.

Lenin's characterisation aptly summed up the ALP. Founded by the trade unions in 1891, in the wake of the defeats of mass industrial

struggles, its aim was to represent the interests of workers within the parliamentary framework established by the emerging Australian bourgeoisie. When the economy was expanding, the Labor party would campaign, under pressure from below, for certain piecemeal reforms. In times of recession, Depression or war, Labor became the chief mechanism for placing the burden of the crisis onto the backs of the working class.

But the viability of national economic regulation, on which the Labor party's national reformist perspective was based, has been shattered over the past 20 years by profound transformations in global economy—the revolutionising of communications and the globalisation of production produced by vast changes in technology. From 1983, when Labor won office with Bob Hawke as prime minister, until 1996, when the Keating Labor government was thrown out in the biggest anti-Labor landslide ever, the ALP undertook, under the banner of international competitiveness, to restructure Australian capitalism, deregulating the currency and banks and opening the economy to the flow of international capital. In the process, Hawke and Keating systematically destroyed past reforms and concessions, effecting an historical reversal in the social position of the working class. By the end of its 13 years in office, the Labor party had achieved the highest levels of social and economic inequality in Australia since the Great Depression.

Once loyal to the party, the vast majority of workers have become deeply angered and disgusted by what they regard as the ALP's betrayals. As a result, the party's mass base has almost completely eroded. One aspect of the changed relationship between Labor and the working class is the party's inability to raise any serious financial backing from workers. In the past, party members and supporters would donate to the party, organise fund-raising activities and take up collections in their workplaces. Any attempt now to collect for the ALP on a job site, even if someone could be found to do it, would be met with howls of derision. The party relies almost exclusively on large corporate donations, state electoral funding and union affiliation fees, and even these are rapidly declining because of the collapse in union membership.

The review process itself has revealed that the ALP has ceased to function, in any meaningful sense, as a political party. It no longer has an active rank and file membership and is unable to claim the support of any significant section of the working class.

Many of the submissions from party branches and leading ALP figures to the review panel make for interesting reading. They paint a picture of a party—founded more than 100 years ago, with mass working class support—in its final death throes.

Typical is a recent article (*Quarterly Essay*, No 6) by former Labor Senate leader John Button, industry minister in the two Labor governments that held office from 1983 to 1996. Button, who is intimately familiar with the subterranean workings of the ALP, describes attending a dreary local branch that attracted only seven other people, two of whom were parliamentarians. He points out that, in the past, anything less than 40 or 50 people would have been considered a "bad night."

Button describes current Labor parliamentarians as “a new class of professionals” who come “from the ranks of political advisors, trade union policy officers and electoral staff...” Out of a total of 96 Labor members of parliament returned after the 1998 elections, for example, 53 came from jobs in party or union offices. He admits that the names dominating Labor’s parliamentary wing—the ALP’s family dynasties—read like a list of “gentlemen’s outfitters’—Beazley and Son, Crean and Son, Ferguson Brothers” etc.—and that “the present generation of dynastic representatives makes up about 10 percent of the ALP lower house”.

ALP frontbencher Carmen Lawrence laments, in her submission to the panel, that members “interested in debate about ideology and policy become frustrated and leave” and, moreover, in “some cases are never even allowed to join because they represent a threat to the factional establishment”—referring to the factions that control the party. “New members,” she admits, “are made to feel like intruders at someone else’s feast”.

She continues: “Those with the talent, or an appetite for turf wars, are more likely to prosper and find advancement than those with a genuine interest in policy and the broader interests of the labour movement.” Of course Lawrence, like Button, has first-hand experience.

Crean’s selection of Hawke and Wran to head the ALP’s review panel is significant. Both men played a central role in reshaping the Labor Party during the 1980s.

This is especially true of Hawke. Installed as Labor leader just days before the 1983 election, he enjoyed the backing of powerful sections of big business. Perhaps his most crucial policy initiative, from the standpoint of the employers, was his Accord with the trade unions. In the name of “consensus” the Hawke government carried out a sustained offensive against the working class, allowing employers to launch an historic assault on jobs, wages and working conditions and fundamentally reshape relations in the workplace.

As for Wran, as Labor premier of NSW, Australia’s most populous state, from 1976 until 1986 and national president of the ALP from 1980 until 1986, he presided over the party during Hawke’s first years in office. His primary value to Crean is his extensive connections in the powerful New South Wales state party. These are critical, because for Crean to refashion the party into a more pliant instrument, capable of responding quickly to rapidly shifting corporate demands, he has to break the grip of the various entrenched factions over the party machine.

Led by cliques of parliamentary personalities, party hacks and union bureaucrats, the factions have traditionally dispensed favours, including parliamentary careers and lucrative party positions. Their overriding concern has been the preservation of their own interests, against those of their factional rivals. Because of this, any policy change in the ALP has always been a slow, torturous and, at times, explosive process.

In essence, the review panel’s recommendations are aimed at undermining the factions’ power bases in the various state ALP branches, reducing their representation at national conference and weakening their hold on the mechanism for selecting parliamentary candidates. Included are moves to fundamentally change the make-up of the party’s national conference, its premier decision-making body. Up until now, delegates to the national conference have been elected by the state conferences. But the state conferences are the power bases of the various factions, each of which organises block votes from their supporting unions for their own nominees to national conference.

The panel recommended that delegates no longer be elected in this way. Instead, it proposed that the size of the national conference be significantly increased, with an enlarged component made up of delegates elected through direct state-wide balloting, open to all ALP members of more than two years standing. Moreover, union representation at the conference will be reduced from 60 percent to 50 percent, while federal and state parliamentary leaders will automatically be appointed delegates.

All federal members of parliament will be given the right to speak and move motions.

These changes are being presented as a means of “empowering” the membership. In reality, their purpose is to concentrate all decision-making power in the hands of the national executive. One of the most significant proposals is the creation of a new permanent policy-making body, the National Policy Committee. Its purpose will be to replace the old factions, enabling the party to make decisions and change policy quickly, without the need to navigate through the murky waters of factional intrigue. Once the NPC is established, the role of the national conference will be reduced largely to rubberstamping its decisions.

The panel also recommends measures to prevent “branch stacking”, a practice widely used by all the factions. Branch stacking involves the compiling of fraudulent lists of members, which the factions then use to boost the votes for their own nominees in contests for parliamentary candidates. The panel proposed that the ALP’s national campaign director and federal parliamentary leader be consulted before any candidate is selected. Again, under the guise of democratising the party, the panel wants to strengthen the hold of the national executive over the pre-selection process.

Other recommendations, such as requiring members of parliament to hold regular meetings with constituents and to promptly reply to correspondence and motions from the party branches, are largely cosmetic. That these proposals needed to be made, however, does provide a small indication of the degree of contempt with which ALP parliamentarians routinely view their constituents, not to speak of the few ordinary members still in the party.

Throughout the entire reform process, Crean has been regularly warned that corporate backing for his leadership is dependent upon his dealing, once and for all, with the party’s factions and their union backers. One prominent article in the *Sydney Morning Herald* recently intoned: “...now Mr Crean has started down that path (of overhauling the party) it is vital he succeeds. Otherwise his authority will be badly undermined.”

But Crean’s road to reform is proving to be a rocky one. Faction bosses and union heavyweights have been enraged at the impending loss of power. As a result, a series of ALP state conferences, held over the past few months, have erupted into stormy conflicts. In Queensland, Crean was booed and jeered by delegates during his keynote address. In New South Wales he was unceremoniously bundled into a small back room and harangued by 15 leading union officials for nearly 20 minutes before being allowed to mount the podium. The party leader was apparently warned that some of the reforms, including changes to the union “60-40” rule, “would not be tolerated” and that he had better not raise them at the conference. In Victoria, the conference voted to eject 33 delegates endorsed by the national leadership of the Australian Manufacturing Workers Union. The vote amounted to a declaration of support for the union’s Victorian branch, which had recently suspended its affiliation to the ALP and withdrawn its delegates following a protracted brawl with Victorian Labor Premier Steve Bracks, a Crean supporter.

Crean has claimed he will not buckle. “I wanted to modernise the Australian Labor Party and that meant modernising its relationship with the unions. I’m not going to walk away from that. If people find that difficult and make decisions personally that they can no longer stay in the party, that is up to them.”

Nevertheless he has been forced to make compromises to ensure he has the numbers to push the reform measures through the October conference. To appease key unions, for example, he has proposed the reestablishment of the defunct Australian Labor Advisory Council. Established under the Whitlam Labor government in the early 1970s, the ALAC was used extensively by Hawke to provide the Australian Council of Trade Unions and its affiliates with a direct say in ALP policy making.

Despite this, sections of the union bureaucracy are moving to distance

themselves from the party. Some have already resigned, like Dean Mighell, secretary of the Victorian State Electrical Union and president of the Victorian Trades Hall Council. Others, including several Victorian union branches, have indicated they may join the Greens or disaffiliate from Labor and form a new union-based party. As well as being angered over the impending reforms, they are increasingly alarmed at the collapse of Labor's support among working people. There are growing fears that significant layers of workers, hostile to Labor's pro-market agenda and thoroughly disillusioned with years of union sell-outs, are beginning to look for an anti-capitalist alternative.

Australian Manufacturing Workers Union (AMWU) national secretary Doug Cameron admitted, in his submission to the internal party review panel, that "working people are looking for a party that boldly and unashamedly speaks for them." He went on to add: "The Labor Party is not that party".

Cameron announced the AMWU would debate either launching a "struggle to transform the Labor Party to one based on working class ideas and aspirations" or financing a new workers' party "more attuned and relevant to workers' interests".

But the unions are no less moribund, from the standpoint of defending workers' interests, than the Labor party. None of the various union factions has any fundamental difference with Labor's program, and all of them, especially the AMWU, played a central role in Labor's assault on workers' conditions and living standards. In the event, Cameron has apparently decided to remain in the ALP.

Whatever political formations emerge from the ALP's rotting corpse, they will be grounded on the same nationalist and pro-capitalist political perspective that has guided both Labor and the unions since their inception—a perspective that has always been diametrically opposed to the long-term historical interests of the working class. Only a party based on the program of socialist internationalism and dedicated to the struggle for social equality can legitimately claim to represent the working class. This is the program advanced by the *World Socialist Web Site* and the Socialist Equality Party.



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