

# Australian Labor Party's latest leadership crisis comes to a head

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After weeks of infighting and media-fuelled destabilisation, Australian Labor Party federal leader Kim Beazley yesterday called a leadership ballot for Monday, opening the way for a challenge by Labor's foreign affairs spokesman Kevin Rudd.

A definite air of farce surrounds these events. Almost exactly three years ago, a similar operation saw Simon Crean ousted and Mark Latham installed in an equally desperate bid to revive Labor's electoral fortunes on the eve of a federal election. Labor's leadership has become a revolving door—if Rudd replaces Beazley, it will be the ALP's fifth change of leader since it lost office in an historic landslide in 1996.

It is no mystery why none of Labor's leaders have been able to stem the disastrous collapse of Labor's support. During 13 years in office under Hawke and Keating, they all worked hand in glove with the trade union bureaucracy to implement a far reaching agenda of economic deregulation that slashed workers' wages and conditions and boosted corporate profits to record levels.

Since then, despite deep-seated popular hostility toward the Howard government, Labor has been unable to regain ground, fundamentally because its program is no different to Howard's. For all the brawling between the myriad of sub-factions inside the ALP, all subscribe to the pro-market policies that Labor has pursued for the past 25 years.

The recent crushing defeats of Howard's Liberals in the Queensland and Victorian state elections have again highlighted the level of opposition to Howard, fuelled by the criminal invasion of Iraq, the imposition of sweeping industrial relations (IR) laws to smash up workers' conditions, rising interest rates and glaring social inequality.

Beazley has been trying to channel this discontent behind Labor by calling for a partial withdrawal of Australian troops from Iraq and pledging to scrap the IR

laws. But his manoeuvres have fallen flat among working people because of Labor's record and lack of any essential difference with the Howard government. Beazley and Labor have backed the bogus "war on terror", fundamental attacks on democratic rights, the demonisation of refugees and Muslims and regressive social policies.

None of Labor's leadership shifts have involved any principled differences on program, perspective or policy. Monday's ballot will be the same. Beazley and Rudd are equally right-wing and wedded to the US strategic alliance that underpins the Howard government's military interventions in Iraq, Afghanistan and throughout the Asia-Pacific region.

Their statements yesterday simply highlighted the lack of any real difference between them. Rudd and his running mate, Labor's health spokesperson, Julia Gillard, merely issued vague generalities about a "new vision" and having "a bucket load of energy". Beazley offered only his record of "experience" and having "done the hard yards". That "experience," however, essentially consists of losing two elections to the Howard government, in 1998 and 2001, after serving as a senior minister in the Hawke and Keating governments of 1983-96.

Beazley initially quit as Labor leader in 2001 to give way to Simon Crean, a fellow Hawke cabinet minister. But Crean's opinion poll ratings were so abysmal that he was dumped in favour of Latham in October 2003. Latham's chief attribute in the eyes of Labor MPs was that he offered the prospect of winning the backing of the Murdoch media empire. Despite being initially lionised by Murdoch's newspapers, however, Latham proved spectacularly unable to win popular support for his free-market nostrums.

A year later, Latham led Labor to its worst defeat in 75 years, whereupon Beazley was resuscitated and returned

unopposed to Labor's top post in January 2005. The media generally welcomed Beazley's return, anxious to stabilise the ALP. Yet, his opinion poll ratings never rose above 30 percent. In June this year, Beazley attempted to stave off a leadership challenge by vowing to "tear up" Howard's draconian IR laws.

Beazley had previously refused to oppose the "WorkChoices" laws outright. His about-face was announced at the NSW Labor Party conference, a bastion of the right-wing party and union bosses, who are anxiously seeking to preserve their roles in policing the requirements of employers. Murdoch's the *Australian*—a strident advocate of the IR laws—immediately denounced Beazley, warning in an editorial that he had jeopardised "Labor's relationship with the big end of town".

Beazley soon sought to assure business leaders that Labor's IR policy would enable them to achieve their cost-cutting objectives via negotiations with unions or common law individual agreements. Nevertheless, the Murdoch media and the *Australian Financial Review* continued to voice displeasure with Beazley, concerned that he was stirring up, rather than suppressing, widespread popular opposition to the industrial laws.

The *Australian* helped trigger the latest crisis by running polls showing that Labor's primary vote had fallen to 37 percent, Beazley's approval rating had dropped to 28 percent and only 27 percent of voters favoured Beazley and his deputy Jenny Macklin, compared to 52 percent for what it termed the "dream team" of Rudd and Gillard. These polls, which are largely media-driven, do not reflect any genuine popular movement for any of the candidates.

By helping to bring on the Rudd challenge, Murdoch and the rest of the media establishment are casting around for a means for refashioning the Labor Party into a viable alternative to put pressure on the Howard government to press ahead with the corporate agenda, or, if need be, replace it.

Today's editorial in the *Australian* spelt out the concerns in ruling circles most bluntly. Obviously disturbed at the depth of antiwar sentiment revealed in the US Congressional elections, the newspaper warned Labor against raising the issue of Australia's involvement in the Iraq war or engaging in "class war rhetoric" on the industrial relations laws.

Instead the *Australian* declared that the future of Labor, whoever the next leader is, depended on "recapturing its reform passion" and setting out "an agenda for the next big round of microeconomic reform, ground that Mr

Howard has been too timid to tackle."

This editorial is just one of many in the *Australian* expressing discontent with the failure of Howard to pursue the "reform agenda" more aggressively. But with the Labor Party lurching from one disaster to the next, the problem for the corporate elite and media magnates is the lack of any means to spur the government. The crisis of the Labor Party is a crisis of the two-party system, which has dominated Australian political life for more than a century.

The *Australian* advises Labor to "challenge Mr Howard from the Right". But that is exactly what a succession of Labor leaders have been attempting to do for the past decade, resulting in even further alienation and disgust with both parties among broad layers of working people. All of the various gimmicks employed by Labor have failed to hide the fact the party has no essential differences with Howard and the deeply unpopular agenda that both parties are committed to.

The concerns expressed in the *Australian* meet up with fears inside the ALP that it is about to lose another election and sink into political oblivion. The frenzy of sordid backroom manoeuvring and deals is driven solely by the criterion as to who will present the best image for the next election and who will attract the backing of the media and corporate establishment. The factional labels—left, right and centre left—have ceased to have any meaning as MPs jockey for position and personal advancement. Like Latham, Rudd's main virtue is that he is a fresh face, unencumbered by previous commitments, and thus in the best position to lead the party in the direction demanded by the ruling elites.

Regardless of who heads Labor after Monday, it will only lurch further to the right. While echoing those in military circles calling for a disengagement from Iraq, Labor will back the stepped-up operations in Afghanistan as well as the neo-colonial interventions in Solomon Islands, East Timor, Tonga and across the south Pacific. Labor also will continue its fervent support for the assault on basic legal and democratic rights in the "war on terror" and the dismantling of working class working conditions and living standards.



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