

Australia: In face of deepening opposition, Howard government implodes

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After a week of political turmoil, with the majority of his cabinet wanting him to quit, Prime Minister John Howard has been forced to say that, while he will lead the government into the election, he will retire during the next term if his government wins office.

Howard's promise not to serve another full term is aimed at quelling the panic and disarray now evident within the ranks of the ruling Liberal Party. This follows a series of opinion polls showing that the government faces being swept out of office in the election due to be held before the end of this year.

Up until now, Howard has insisted he would continue in office as long as the party wanted him. But faced with the clear sentiment among leading cabinet members that he should go, Howard decided to take the advice of his family, and stay on.

Having no viable alternative—the leader-in-waiting Treasurer Peter Costello is more unpopular than Howard—the senior Liberals fell into line behind the incumbent. As one senior journalist put it, Howard said boo and they ran away.

The leadership turmoil then assumed farcical dimensions as senior ministers, who had earlier indicated they no longer supported Howard, emerged from a party room meeting on Wednesday to declare they were solidly behind the prime minister.

The crisis wracking the government was precipitated by last week's publication of a Newspoll opinion survey, which showed the government trailing the Labor Party 41 to 59 percent. In response, Howard asked his close supporter Foreign Minister Alexander Downer to canvass cabinet opinion about his leadership. Downer convened a meeting in his Sydney hotel room last Thursday between events held for the Asia Pacific Economic Cooperation (APEC) summit.

That the prime minister has been able to cling to power despite losing the confidence of his cabinet indicates that while government MPs may have preferred Howard to resign, none is prepared to mount a challenge. This includes Costello, who, after failing to contest the leadership last year, despite telling journalists he would, has failed to win sufficient support from his colleagues to take on Howard now. Opinion polls indicate the treasurer would fare worse than Howard, since he is widely identified with the government's social spending cuts and big business tax breaks.

Howard's promise to hand over power is almost certainly part of a deal struck with Costello and other cabinet members. It is the quid pro quo for Costello's loyalty through the election campaign.

After yesterday's party meeting, Costello issued a statement formally declaring his support for Howard's leadership. Most of his statement, however, dealt with his personal "vision" for Australia. The treasurer even refused to directly answer repeated questions as to whether he believed Howard could win the election. "I think the team can win," was his reply.

The media has speculated that Malcolm Turnbull, the environment and water resources minister, was behind the move to destabilise Howard.

According to one report: "His critics were accusing him of hoping Mr Costello would take the leadership, lose the election and leave him to contest a subsequent ballot". Such allegations were fuelled when Janet Albrechtsen, a right-wing columnist for the *Australian*, last week called on Howard to step down. While Albrechtsen has long backed Howard, her husband is an active supporter of Turnbull.

Whatever the case, Howard's response to the crisis has reportedly caused further ructions within the government. "Beneath the surface there is puzzlement, pessimism, confusion and anger," the *Australian's* Paul Kelly reported. One cabinet minister told the newspaper, "Why did he [Howard] ask for soundings to be taken if he was not prepared to act on the conclusion?" Some MPs were reportedly unhappy that Howard paid less attention to their opinions than he did to those of his wife.

The Liberals' panic is driven by mounting evidence that they face a near-certain electoral rout. Last week's Newspoll was just the latest in a series of polls this year consistently showing the government far behind the Labor Party. In April, Howard warned his colleagues they faced electoral "annihilation". If the federal election result corresponded to the opinion polls, not only would the government suffer a massive defeat, but senior ministers, including Howard himself, could lose their seats.

Earlier this year when anti-government sentiment found its first reflection in the polls, official circles expressed bewilderment. According to virtually every columnist, political pundit, and editorial writer, there was no rational explanation for popular discontent amid ongoing economic growth. The latest explanations—that Howard has been in power too long, that people no longer listen to him, that Australia is looking for "generational change" with Labor leader Kevin Rudd 19 years younger than the prime minister, etc., etc.—are simply facile.

All the various accounts miss entirely the far-reaching political shift underway which has taken the government, media, and the Labor Party by complete surprise. The reality is that opposition to the Howard government has coalesced around a whole number of interrelated issues.

Taking first Australia's economic growth: discussion of "unprecedented prosperity" only underscores the gulf that separates the official establishment and the media from ordinary working people. The recent boom, largely driven by China's growing demand for natural resources, has been accompanied by rapidly escalating household debt and mounting social inequality.

Rising living costs, particularly in housing, fuel and food, have made it increasingly difficult for millions of people to make ends meet. At the same time, a series of interest rate hikes this year have hit the "mortgage belt"—an important component of Howard's constituency since 1996. According to a report issued last week, home repossession in New South Wales have doubled since 2005, with 2,300 writs of possession issued in the last six months, many in the working class suburbs of Sydney's southwest, where house prices have collapsed.

The government's despised WorkChoices industrial relations legislation has led to a further weakening of the social position of the working class.

While the ultra-wealthy and big business are enjoying unprecedented windfalls, working people have seen their living conditions stagnate or decline. Among the least skilled and lowest paid layers, WorkChoices has had a direct and dramatic effect. A study released this morning by the University of Sydney's Workplace Research Centre found that employees in the retail and hospitality industries had lost up to 30 percent of their earnings under the new WorkChoices agreements.

Howard is now widely perceived to represent interests directly opposed to those of ordinary people, including the privatisation of healthcare and education and the issuing of multi-billion handouts to big business.

Above all, the prime minister is now viewed as a dishonest and cynical manoeuvrer. Nowhere has this been demonstrated more than in Howard's embrace of the US-led war on Iraq, and the lies and falsifications used to justify it.

The prime minister's decision to join the invasion in 2003 was made in the face of overwhelming public opposition. Since then hostility towards the government has only intensified, as the scale of the barbarism and destruction unleashed under the US-led occupation has become ever clearer. Many are becoming aware that the Bush administration—with Howard's full support—is now preparing an onslaught against Iran, threatening a holocaust throughout the Middle East.

At the same time, there is growing unease and anger towards the government's assault on democratic rights and legal norms in the name of the "war on terror". The David Hicks case provided a particularly clear example of the political shift underway. Under conditions of a growing popular movement demanding Hicks's release, Howard was forced to ask the Bush administration for his repatriation from Guantánamo Bay despite vilifying the young man for years as a dangerous terrorist.

But as in the case of Hicks, none of Howard's policy initiatives this year has shifted public sentiment. To the uniform astonishment of the media and his own party, all the old political moves have produced only negative results.

A high-spending budget that included lavish spending promises for carefully targetted constituencies failed to give the government even a momentary "bounce" in the opinion polls. Then followed the Northern Territory military-police intervention, with unanimous support from the media and the Labor Party. But the response from most ordinary people was that the whole initiative was driven by Howard's electoral calculations, not any concern for Aboriginal people. Likewise, the government's attempt to whip up a terrorist scare by targeting Dr Mohamed Haneef badly backfired. Initial public scepticism was quickly confirmed by evidence indicating the entire case was nothing but a scare campaign based on another cynical frame-up.

Howard intended last weekend's APEC summit as the launching pad for his re-election campaign, providing him with the opportunity to posture as an experienced world statesman, strong on national security, with ties to the most powerful global leaders. But like everything else, it ended up a liability. US President Bush's fulsome praise for Howard served as yet another reminder of the prime minister's complicity in war crimes, while the unprecedented security operation—which saw the lockdown of Sydney and a police-military mobilisation on a scale never before witnessed in Australia—drew widespread condemnation.

As the Howard government's crisis has intensified, the Labor Party has made ever more strenuous efforts to assure the media and big business that, if elected, it can be trusted to continue the Liberals' right-wing agenda.

The level of coalitionism in Australian politics has left broad layers of working people effectively disenfranchised, with the major parties advancing near-identical programs. After every major Howard government initiative—including the Northern Territory intervention, the Haneef prosecution, and the APEC security lockdown—Labor leader Kevin Rudd has immediately declared his full support.

Such is the level of unanimity in Canberra that a new political vocabulary has emerged to describe Rudd's approach: "me too-ism" and "bear hug politics".

Rudd's criticisms of Howard are routinely issued from the right. He accuses the government of being too cautious in its "free market" economic reform measures. Promising to resume the agenda pursued by the Hawke-Keating Labor governments between 1983 and 1996, Rudd has sought to convince big business that Labor is the party best able to implement a far-reaching reform program that will boost labour productivity and corporate profits.

Assuaging fears within business circles regarding his commitment to repeal the Howard government's WorkChoices industrial relations (IR) legislation, Rudd last month unveiled his finalised IR proposals. Predictably, all the essential elements of WorkChoices will be retained under a Labor government.

Rudd has also stressed his full support for Australia's alliance with US imperialism. Far from opposing Howard's militarist agenda, Labor is committed to escalating it. Following a 45-minute private discussion with President Bush during the APEC summit, Rudd emerged declaring: "Our core strategic relationship will remain with the US. I am a life-long supporter of our alliance with America and that will continue into the future."

Obedying diplomatic protocol, Rudd revealed nothing of what passed between him and Bush. There is little doubt, however, that the Labor leader stressed his full support for the "war on terror" and for US objectives in the Middle East, notwithstanding his tactical difference concerning the role of Australian combat troops in Iraq. Rudd proposes to withdraw these forces, which make up about half of all Australian personnel in Iraq and the Gulf, in order to redeploy them to Afghanistan, as well as to East Timor and the South Pacific.

Rudd's positions are winning him support within layers of the ruling elite who have become dissatisfied with Howard. A major editorial in the Murdoch-owned *Australian* on August 30 all but endorsed a Labor victory. "After 11 years in office, the Howard government's achievements leave a lot to be desired," the newspaper complained. "Set against the micro-economic reforms of the Hawke and Keating Labor governments during the 1980s and '90s, the Howard reform legacy is thin. The opportunities have been many, but Mr Howard has chosen to preside over a high-taxing, big-spending and very centralised government... He has spoken loudly but done little."



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