

# Australian Greens pledge fiscal responsibility: we are “sensible and mainstream”

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Elections held last month in the Australian Capital Territory (ACT) have served to clarify, yet again, the role of the Australian Greens as defenders of the political establishment. In the face of rising voter support, this nominally opposition party, which describes itself as “the third force in Australian politics”, has been quick to demonstrate its underlying defence of the ALP and the interests of the corporate elite.

The Greens won a record four lower house seats in the ACT elections held October 17, claiming the balance of power. For two weeks Greens leaders engaged in back room discussions with the ACT Liberals and Labor. No details were made public, but the results of their wheeling and dealing were confirmed on October 31, when Greens MP Meredith Hunter signed a “parliamentary agreement” with Chief Minister Jon Stanhope, handing Labor the support it required to form government.

Labor and the Greens announced their “joint determination and commitment to work together in a spirit of cooperation”, their “joint vision of a sustainable and productive private sector economy” and “confirm[ed] their commitment to fiscal responsibility and the maintenance of a balanced budget through the economic cycle”.

The new Labor government is a de facto coalition. The Greens have pledged to: “i) ... guarantee their support for the passage of Appropriation Bills for ordinary annual services of the government; ii) Not to support any other party’s no-confidence motions; iii) Maintain confidence in Chief Minister Jon Stanhope and his Ministers ...”. Despite all their campaign rhetoric about providing “third party insurance” to the electorate (i.e., a check against the major parties) the Greens have pledged in advance that they will not challenge Labor on any fundamental issue.

The ACT elections saw Labor’s majority reduced from nine seats to seven, on the back of concerted public opposition to budget cuts and a round of school closures. But Labor’s Jon Stanhope has made clear there will be no backing down: “I don’t resile from the school closures, but I am prepared to better understand how we might have pursued that particular process in a way that engaged the community...”. In other words, the problem is not the cuts themselves, but the way they are “sold” to the public. This is where the Greens will play the critical role. The Greens’ deal is a lifeline to Labor and signals their willingness to help impose Labor’s agenda.

Stanhope’s post-election statements have stressed the essential

political unanimity between Labor and the Greens. “There was [sic] no great ideological or political clashes in the negotiations it was really about priority and prioritisation, about cost, do-ability, rather than philosophy, policy or policy details,” he told the *Canberra Times*.

A press release from Meredith Hunter on October 31 gushed: “the Labor Party has agreed to a parliamentary reform agenda which will establish the ACT Assembly as a world leader in scrutinising and opening up the processes of government and taking a more collaborative and inclusive approach to the processes of parliament.” In reality, the Greens have handed Labor a blank cheque on all essential questions. The various “commitments” made by Labor—sops relating to “transparency”, “social inequity” and climate change—are aimed at bolstering illusions in Labor and the parliamentary system and will do nothing to address the underlying causes of growing social inequality and environmental disaster.

## Greens provide “senate silver lining” for Rudd

Bob Brown, the leader of the Australian Greens, has spelt out his party’s agenda in no uncertain terms. Responding to the ACT election and to last month’s Australian Newspoll, which showed a record 13 percent support for the Greens, Brown said that Green politics was now regarded as “sensible, optimistic and mainstream”. He pointed to the role of Greens MPs throughout the country: “The four Greens in Tasmania are proving the most stable and sensible group in Parliament”, while federally “the Rudd Labor Government is finding that the Greens are backed up by a sensible policy platform and that negotiation on legislation is challenging but achievable.”

Federal Greens senator Christine Milne was even blunter. In a speech delivered October 27 at The Sydney Institute, entitled “Green Politics, the Balance of Power and the Green New Deal”, Milne declared “We are ready for government”. Milne told the Institute—a right-wing think tank long frequented by former Australian Prime Minister John Howard—that voters were “throwing down the gauntlet to the Liberal and Labor parties”. She continued, “[T]here is a very real prospect of a major political realignment with the Nationals in decline, the Liberals in flux and Labor disappointing its voters.”

Milne's speech was aimed at reassuring the political establishment that the Greens could be relied on to bring stability to the parliamentary system, particularly under conditions of deepening economic crisis. The Greens had demonstrated "collaborative ways of working" and "cooperative politics". In Tasmania, the Greens had supported both Labor and Liberal governments: "The majority Liberal government of Robin Gray [1982-1989] had driven the State into a parlous economic situation and the Labor-Green Accord had to turn it around. It was a difficult period of protests and unrest as the public service was slashed and public spending was cut. The Greens never wavered from the task. Nor did we do so with the Rundle [Liberal minority] government when again we had to rectify the reckless spending of the Groom majority Liberal government."

Revealed in these words is the two-faced character of the Greens. Their support among voters, especially the young, derives from their public posturing as a party advocating defence of the environment, greater equality and opposition to war. But the remarks of Milne and Brown demonstrate that the Greens' program is based on a strident defence of the profit system.

A recent *Sun-Herald* column by Michelle Grattan headlined "Senate comes to the party" made note of "the important new positioning" of the Greens. Referring to negotiations over the passage of Labor's budget through the senate, Grattan wrote: "The way it is working is rather like what happens when dogs are offered a common basket: there is a lot of growling and jostling but eventually they often decide that climbing in together is better than being left out in the cold."

The impetus for this "climbing in together" has been provided by the global financial crisis. "The black news of the financial crisis," wrote Grattan, "has paradoxically had some silver Senate lining for the Government. The Opposition has stuck to previously determined positions but the crossbenchers have changed or become inclined to greater co-operation." By way of demonstration, Grattan referred to the Greens' support for Labor's changes to the Medicare levy, quoting Brown: "With the financial crisis, we needed to get an outcome if possible and get an outcome now." Rudd personally called Brown to thank the Greens for their support after the government's bill was amended to provide tax relief to 330,000 taxpayers—rather than the 485,000 proposed in Labor's original bill!

"I think there has been a very significant melting of the feeling in Labor that the Greens were going to be difficult to deal with," Brown told Grattan.

On October 16, the Greens in the senate backed Labor's limitless guarantee to Australian bank deposits, a move designed to match similar government guarantees being established in Europe and elsewhere to prevent a collapse of the banking system. The Australian scheme commits potentially hundreds of billions of dollars of taxpayer funds to bailout collapsing financial institutions. With financial markets seizing, and trillions of dollars being wiped off global share markets, spelling social disaster for the jobs and livelihoods of the majority of the world's population, the irrationality and destructiveness of the capitalist system was being openly demonstrated.

The Greens sought to conceal this fact. On October 16, echoing

Rudd's public attack on "extreme capitalism" the previous day, Bob Brown moved a senate amendment to Labor's bank guarantee bills, seeking to place a limit on CEO and executive salaries. Brown positioned the Greens as the most conscious and enlightened defenders of capitalism. He quoted John Kenneth Galbraith on the role of Roosevelt's New Deal during the Great Depression of the 1930s: "It is now generally accepted that the Roosevelt revolution saved the traditional capitalist economic system in the United States and the well-being of those whom capitalism most favoured. By adaptation the anger and the alienation were diminished, and economic life became more stable and secure. This would not have happened had those who, on the full maturity of time, were saved and most rewarded had their way".

Brown explained the meaning of these words as follows: "Galbraith is saying that whether you have the Democrats or the Republicans in power—read the Labor Party or the coalition in Australia—the democratic system is so nobbled by the big end of town and the culture of contentment that if it is accepted that rich people have a special wisdom to run the economic system then that will lead repeatedly to a failure of the financial system in the way that we are witnessing yet again..."

According to Brown, a political force is needed (i.e., the Australian Greens) that will rise above the narrow self-interest of individual capitalists, to save the system as a whole, thereby, in the long run, "saving" and "most rewarding" the overall interests of the financial aristocracy. This is the essential content of the Greens' calls for regulation of the financial system.

The Greens are backing Labor, helping to augment its various bailout measures to the central pillars of capitalism with the requisite window-dressing, revealing in the process their commitment to the profit system. But this will not stop the entire milieu of middle class radical groups and "lefts" from continuing to promote them as an oppositional force. An article in the October 25 edition of *Green Left Weekly* greeted the ACT Greens' election results as follows: "a shift to the left by the Greens in parliament this time will result in a significant strengthening of their political future, and the future of us all."



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