

# Australia: Labor's factional war—a deepening crisis of the parliamentary system

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The internecine war that has broken out in the Australian Labor Party, with the publication of a series of leaks aimed at damaging either Prime Minister Julia Gillard or her deposed predecessor Kevin Rudd, is more than a passing factional conflict.

Immediately it threatens to derail the party's election campaign, creating the conditions for Gillard's government to be the first to lose office after just one term since the ill-fated Scullin government of 1929-31. In the longer term, such is the level of internal rot and decay, the factional war could also see the break-up of the party itself.

At the turn of the twentieth century, the Marxist movement explained that the Labor Party functioned primarily as an electoral machine, aimed at winning office. Almost one hundred years ago the Russian Bolshevik Grigory Zinoviev wrote that it only came to life every three years or so at election time, as little bureaucrats emerged from the trade unions to crawl over the backs of workers and make their way into parliament.

There has been no greater crime than for a Labor member, especially an MP, to undermine a party election campaign. The eruption, therefore, of a bitter factional conflict in the midst of this campaign, has profound historical significance.

The immediate origins of the conflict lie in the unprecedented coup against Rudd—the only time that a first-term prime minister has been deposed without the chance of recontesting. But the underlying causes go deeper. They lie in the vast changes that have taken place in the political landscape over the past three decades.

During the post-war boom, lasting from the end of the 1940s to the mid-1970s, internal cohesion in the Labor Party was maintained by the adherence of the various factions, whatever their ideological differences, to the common program of national reform through parliament.

On the Labor “left”, even the “socialist-inclined” members never suggested that the working class should fight outside the framework of parliament against the profit system itself. At the same time, the “right” factions always recognised the vital role of the “left” in keeping the more militant sections of the working class within the confines of bourgeois parliamentary politics. As the saying went in Labor leadership circles, the party needed two wings to fly.

However, far-reaching economic and social transformations over the past 30 years have transformed the party's factions, and they now bear no resemblance to those of the past. Labor's program of national reform and regulation—the common perspective on which the factions previously rested—has been shattered by the globalisation of production that began in the 1980s.

Under the Hawke and Keating governments, the so-called “left” faction” in the Australian Labor Party (ALP) and the trade unions, together with the various Stalinist trade union leaders, became the chief enforcers of the program of economic “restructuring”, in the interests of “international competitiveness”, and the smashing up of the organised labour movement that went with it.

After 13 years of Labor governments, the mass base of the party had

totally collapsed, and by the beginning of the 1990s, it had become little more than a state-funded electoral apparatus.

Increasingly, adherence to the “free market” became the Labor Party's guiding perspective, and the old ideological differences between the different factions dissolved as they lost all connection with the working class. The factions became transformed into ruthless warring cliques—some labelled “left” others “right”—that used various methods, such as branch-stacking and the use of MPs' state electoral funding, to secure positions of privilege, power and influence.

This process went furthest in the country's most populous state, New South Wales. It found its highest expression in the state government of former Labor premier Bob Carr, whose central preoccupation became managing and manipulating the news cycle in order to stay in power.

In the three years of the Rudd government, the same methods—and even the same, former NSW, factional heavyweights—have been at work. When the mining industry giants began ratchetting up their campaign against Prime Minister Rudd and his Resource Super Profits Tax in June, in an election year, it coincided with a precipitous—and highly manipulated—drop in Rudd's popularity as measured in a range of opinion polls. The factional warlords, desperate to avoid an election defeat, and connected by myriad ties to the mining and finance industries, responded by organising the coup of June 23-24, citing the results of the polls and focus group surveys.

Rudd's axeing was the product of the ever-deepening degeneration, over a period of more than three decades, of the entire system of so-called “parliamentary democracy.”

Every parliamentary government, whatever its political colouration, serves the interests of the ruling corporate and financial elites, not those of “the people” from whom its power supposedly derives.

Of course, it must take the needs and aspirations of the population into account, but not for the purposes of meeting them. Rather, the art of governing in a bourgeois parliamentary regime consists of finding ever new means of implementing the demands of the ruling stratum from above, while deflecting or neutralising those emanating from below.

During the post-war capitalist boom, governments, both Liberal and Labor, achieved this by implementing limited reforms and concessions. But the increasingly pressing problem from the 1980s onwards has been how to implement a “reform” agenda in the interests of the ruling elites that is diametrically opposed to the interests of the broad mass of the population.

Because of strong residual illusions in the working class in Laborism and social democracy, the Hawke-Keating Labor government was able to maintain electoral support for several years, despite growing hostility to its “reform” program of privatisation and the adoption of an increasingly “free market” agenda. By the beginning of the 1990s, however, this had largely evaporated, amid deepening hostility to the Laborites in the working class.

Far from abandoning its “free market” agenda, Labor embraced it ever

more tightly, driven by the intensified demands for “international competitiveness” that resulted from economic globalisation, especially after the fall of the Berlin Wall in 1989, the dissolution of the Soviet Union in 1991, and the increasing integration of China into the world market after 1992.

These global shifts had a profound impact on the parliamentary system. The creation of myths and fictions, not to speak of outright lies, has always played a critical role in parliamentary politics. But from 1990s onwards, and increasingly over the past decade, this has assumed ever more grotesque forms.

With no substantial difference between the major parties on virtually any question, elaborating and discussing a program as a means of attaining office has been replaced by a round-the-clock system of manufactured political spin. Both Labor and Liberal adopt the broad agenda demanded by the ruling elites, as transmitted through the various media outlets. They then translate this agenda into various meaningless sound bites, tested for their “popularity” in “focus groups” and opinion polling, and organise stage-managed media events to deliver them to the populace. As soon as one set of slogans or spin wears out, the parties’ media departments invent another.

Political leaders are not selected by their parties on the basis of their programmatic or policy positions, but according to their skill in managing this process. At the same time, the most powerful operatives in the party organisation become those who control the party apparatus. How powerful can be seen from the fortunes of recent leaders in both major parties.

Over the space of just seven years, the Labor and Liberal parties have gone through no less than nine leaders. Labor has been led by Simon Crean, Kim Beazley, Mark Latham, Kevin Rudd and now Julia Gillard. The Liberal leaders have been John Howard, Brendan Nelson, Malcolm Turnbull and now Tony Abbott. Leaders are installed, given the appropriate “image”, provided with directions on the basis of poll findings, and then removed when conditions change or they have exhausted their usefulness.

There are growing signs, however, of mounting dissatisfaction in ruling circles with the operation of this system. While it may have performed adequately enough over the past two decades—a period of general expansion for the global and Australian economy—the shocks delivered by the global financial crisis and the vast shifts in geopolitical relations resulting from the rise of China have dramatically changed the situation.

The campaign waged by the major mining transnational corporations against the Rudd government’s proposed tax is indicative of the new economic reality confronting every government. When Rio Tinto chief Tom Albanese warned in a speech on July 8 that all governments should take a lesson from the events in Australia, he was speaking for global capital as a whole: any measures undertaken by national governments that conflicted with its interests would not be tolerated.

This message has been underscored in two major editorials published today. According to the *Australian*, the newspaper was misled when it backed Rudd in 2007. Instead of acting as an “economic liberal”, as he had promised in the 2007 election campaign, he had since revealed this was “mostly spin”. In fact he “led Labor into wasteful spending and government intervention.”

The *Australian Financial Review* was even more explicit. In an editorial headed “Show courage of convictions” but which could be more appropriately titled “Let market forces rip” it demanded that Gillard “tell us how she plans to make us more competitive in the world’s most dynamic region.”

The problem confronting the ruling elites is that the agenda they are demanding—an austerity program that will bring social and economic devastation for millions of ordinary working people—cannot be implemented within the present political set-up. This is the significance of the criticism being raised, in all sections of the mass media, of the

hollowness of the 2010 election campaign and was summed up in an editorial published in the *Weekend Australian* of July 31-August 1.

“This election campaign,” the editorial began, “is defined not by a contest of ideas but by the art of professional combat between professional politicians unwilling and ill-equipped to prosecute the national interest. The battle being played out between Julia Gillard and Tony Abbott has revealed the exhaustion of contemporary politics. It is a development that carries significant risks and casts doubt on the willingness of our elected representatives to govern rather than engage in the shallow pursuit of power.”

According to the editorial, the rise of the “energetic politically smart communicators” signifies “perhaps for the first time, the triumph of the political class over the national interest.”

In other words, the concentration on political spin and the pursuit of short-sighted poll-driven policies, manipulated by factions and cliques, has blocked the implementation of the program being demanded by the ruling elites. Placed within this context, Labor’s factional war is the expression of a deeper process—a crisis not just of the ALP but of the entire political order.

Significantly, the *Australian* has expressed enthusiasm for the election campaign on just one occasion: when Gillard responded to a leak that she had opposed a new paid parental leave scheme, as well as an increase in the aged pension, by declaring that she had questioned in cabinet whether these would be affordable. An editorial hailed her “spirited resilience” and “commitment to fiscal discipline” and declared it was “a side of Ms Gillard we would like to see more of as the campaign unfolds.”

It is not difficult to imagine a time when, under conditions of major economic or geo-political crisis, the *Australian* will be calling for a strongman, or strongwoman, to step forward, clear away the fractious parliamentary groupings that have so badly served the “national interest” and take the necessary emergency—authoritarian—measures to shore up bourgeois rule.

While that time has not yet arrived, the political coup that ousted Rudd, involving the intervention of extra-parliamentary forces, along with mounting hostility in ruling circles to the present parliamentary set-up, means that it may not be long in coming.

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