

# Australian PM announces new cabinet

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Prime Minister Julia Gillard yesterday announced her new cabinet, following a raft of ministerial resignations in the wake of last week's failed leadership challenge by supporters of former prime minister Kevin Rudd. The new appointments underscore the depth of the crisis confronting the deeply divided minority government, and point to Gillard's determination to tack even further to the right on both domestic and foreign policy.

The cabinet reshuffle has exposed Gillard's isolation within her own government. Entirely dependent on the factional and trade union powerbrokers who installed her in office in the anti-democratic Labor Party coup of 2010, the prime minister has loaded up her trusted ministers with additional portfolios. For example, Craig Emerson, the minister for trade and competitiveness and minister assisting the prime minister on Asian Century policy, is now also the minister for tertiary education, skills, science and research. Greg Combet heads the merged "super ministry" of climate change, industry and innovation. Attorney-General Mark Dreyfus has also become special minister of state and minister for the public service and integrity.

One of the central figures behind the 2010 coup, Don Farrell, was promoted to minister for science and research and minister assisting on tourism. Farrell, a figure with no public profile whatsoever, controls the Labor Party apparatus in South Australia, within which he is known as the "godfather" or "pope". Farrell is steeped in reactionary, anticommunist politics. His father was one of the founders of the right-wing Democratic Labor Party. Farrell went straight from university into the Shop, Distributive & Allied Employees Association (SDA), which is controlled by the most right-wing, Catholic elements of the union bureaucracy. After becoming SDA state secretary and national president, he used his factional influence to enter the federal senate in 2007.

Gillard declared that the new cabinet signalled "a government of purpose and a government of unity". In reality, the government is rent down the middle, with the removal of Rudd's supporters leaving a virtual cabinet-in-exile sitting on the parliamentary backbenches. One newspaper calculated that a dozen former ministers had a total of 53 years of cabinet experience between them.

The sole prominent Rudd backer who survived is Anthony Albanese. Despite being Rudd's would-be deputy prime minister, Albanese remains minister for infrastructure and transport and was yesterday given the additional roles of minister for regional development and local government. Gillard's inability to sack him reflects the highly tenuous standing of the minority government—as Labor leader in the House of Representatives, Albanese is responsible for managing relations with the rural independents who prop up the government. The prime minister feared that disrupting this relationship could see the MPs withdraw support, triggering the government's early collapse.

The chronic instability in Canberra is an expression of the profound crisis wracking the entire ruling class in Australia. All the parliamentary parties, not just Labor, are deeply divided.

Neither the Gillard nor the Rudd camps have anything whatsoever to do with the working class or its interests. The divisions between them reflect sharp conflicts within the bourgeoisie over how to respond to the impact of the global economic breakdown and to the explosive geopolitical tensions between the US and China, Australia's most important strategic ally, and most lucrative trade partner, respectively. Ever since she was installed in office, Gillard's orientation at home has been to orchestrate a ruthless austerity and pro-business economic restructuring drive targeting the working class, and abroad, to unambiguously align Australian imperialism with Washington's

confrontation of Beijing.

Two of yesterday's appointments, Gary Gray and Michael Danby, are an indication of the prime minister's determination to press ahead on both fronts.

Gray replaces Martin Ferguson as minister for resources and energy (also taking on the posts of tourism and small business). The appointment was dictated to Gillard by the mining companies, who made clear that Gray was the only choice acceptable to them. Ferguson, formerly president of the Australian Council of Trade Unions (ACTU), had functioned as an unabashed lobbyist for the mining conglomerates, agitating for project approvals, against environmental and other regulatory holdups, and for favourable taxation and investment arrangements. Gray will pick up where Ferguson left off.

The new minister is just one of several senior government personnel to have moved through the lucrative revolving door between the Labor Party apparatus and the mining industry's corporate boardrooms (see "Australia's political coup leaders and their big business connections"). A former Labor Party national secretary, in 2000 Gray became head of corporate affairs for Woodside Petroleum, Australia's largest national gas producer, before he entered parliament in 2007 via a seat in Western Australia. In 2010, two weeks before Rudd was removed, Gray publicly spoke out against the proposed Resource Super Profits Tax, against which Woodside Petroleum had been campaigning, together with other mining companies.

Gray is the miners' man. In his first public statements as minister, Gray insisted that the mining giants ought to be granted access to whatever guest worker schemes they required, including so-called enterprise migration agreements. While careful not to directly contradict Gillard's recent xenophobic nationalist campaign against 457 temporary work visas and for "Australian jobs", Gray clearly signalled that he would be fighting for the interests of big business, across the board, within the Labor cabinet. His appointment was universally praised by corporate circles and the financial press.

Similarly welcomed was Gillard's elevation of Michael Danby. While the Melbourne MP only received the minor post of parliamentary secretary for arts, his promotion underlined the prime minister's

commitment to her unconditional alignment with US and Israeli foreign policy. Since Labor came to office in 2007, Danby has been the most outspoken backer of Israel within the government, routinely regurgitating the Zionist state's pretexts and lies to defend its crimes against the Palestinian people.

The Israel issue has been an important touchstone for Gillard in her rise to power. As documented in the US diplomatic cables published by WikiLeaks, she embraced the Zionist state as a means of making clear to Washington and everyone else that she would be a safe pair of hands as Labor leader and prime minister. In December 2008 and January 2009, while Rudd was on leave, Gillard served as acting prime minister and declared her enthusiastic support for Israel's criminal invasion of Gaza that left more than 1,000 dead.

Last November, Gillard earned a black mark in Washington's books after she was unable to enforce a demand that Australia vote with the US and Israel against Palestine receiving an upgraded membership status within the UN General Assembly. Foreign Minister Bob Carr led a mutiny that resulted in Australia abstaining, instead of voting "no". With Danby's promotion, Gillard is emphasising that she remains fully behind Israel and all its policies.

Danby has also previously spoken out against those elements of the foreign policy establishment that want some accommodation between Chinese and American strategic interests in East Asia and the Pacific. In September 2010, he co-authored an article in the *Australian* castigating foreign policy analyst Hugh White for opposing the Obama administration's "pivot" and calling for a regional "concert of powers". This, Danby thundered, would mark "a Canberra Munich moment" with "the newest manifestation of the totalitarian challenge, the People's Republic of China".



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