

Australian Labor Party dumps Gillard as prime minister

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Labor parliamentarians Wednesday night decided, by 57 votes to 45, to remove Julia Gillard as party leader and prime minister, and re-install former Prime Minister Kevin Rudd. The switch underscores the unprecedented character of the crisis wracking not only the Labor Party, but the entire Australian parliamentary system.

Labor's leadership change marks a desperate attempt to stave off massive defeat in the election announced for September 14. Internal party forecasts have anticipated it could be left with as few as 24 seats in the 150-seat federal parliament, such is the depth of hostility within the working class towards the government.

Gillard has been unable to escape public anger over her role in the sudden and antidemocratic removal of Rudd as prime minister in 2010. Ever since then, her role as prime minister has been overwhelmingly regarded as illegitimate. While never publicly discussed, Washington played a central role in the overnight coup, behind the backs of the Australian population and the Labor party itself. US embassy "protected sources" in the Labor and trade union bureaucracy installed Gillard after the Obama administration had become increasingly opposed to Rudd's diplomatic attempts to position Canberra as a mediator between American and Chinese strategic interests in the Pacific. Gillard, in contrast, committed herself to aligning Australia unconditionally with Washington's aggressive "pivot" to Asia, aimed at militarily and diplomatically encircling China in order to maintain US imperialism's unchallenged domination of the region.

In her press conference after being deposed as prime minister last night, Gillard stressed that one of her most important achievements, of which she was particularly

proud, was the strengthening of the Australia-US alliance.

In February last year, when Rudd last challenged Gillard, he won just 31 votes, but the looming electoral defeat apparently prompted 26 more MPs to switch sides this time. Factional powerbroker Bill Shorten—widely known as the leader of Gillard's "Pretorian guard", who helped orchestrate the coup exactly three years ago—played the key role in shifting the balance of power within the government. After weeks of discussions with his factional colleagues, Shorten told a press conference immediately before last night's caucus meeting that he was defecting back to Rudd. "I believe that Kevin Rudd leading us to this election will provide Australians, my colleagues and those who support the Labor Party, the best chance of Labor winning office after this election," he declared.

The sordid manoeuvres of Labor's careerists have been driven, in the most immediate sense, by their desperation to retain the spoils of office. Beneath the turmoil, however, the Australian ruling elite is deeply concerned about the implications of the Labor Party being reduced to a small parliamentary rump, as it has already been in the state parliaments of New South Wales and Queensland, with the potential to disintegrate entirely.

The oldest and historically most reliable political instrument for subordinating the working class to the Australian capitalist nation state, the Labor Party has ruled during every major crisis and political turning point over the past century—during World War I, the Great Depression, World War II, in the early 1970s as the post-war economic boom was breaking up, and in the 1980s and early 1990s when sweeping pro-business economic measures were imposed, in response to a fall in profit rates and the emergence of globalised

production. Now Labor is facing its worst ever crisis amid the most serious breakdown of the global capitalist system since the 1930s. Australian capitalism confronts a looming recession triggered by the abrupt end of the mining and construction boom, escalating social tensions generated by an avalanche of job cuts and stepped up corporate demands for reduced wages, and explosive geo-strategic rivalries between US imperialism and China.

An editorial in the *Age* Fairfax-published newspaper last Saturday, “For the sake of the nation, Ms Gillard should stand aside,” pointed to some of these concerns. It raised the prospect of opposition leader Tony Abbott assuming office without his policies having faced any scrutiny from the corporate elite, which continues to press for an explicit Liberal-National coalition commitment to European-style austerity measures. The *Age* declared that a failure to remove Gillard would represent a “travesty for the democratic process”, because “as it stands, the coalition is being given a free run by a Labor Party which is tormented by its own frailties; too many of the coalition’s proposed policies, some little more than slogans, are sliding through.” It warned of the danger to “our democracy” if an Abbott-led coalition came to office on this basis, with “the opportunity for Labor to present a vigorous opposition in parliament ... diminished”.

Outlining his agenda as prime minister both before and after the ballot, Rudd spoke out of both sides of his mouth. He announced his intention to challenge Gillard for the leadership by appealing to widespread working class opposition towards spending cuts, and postured as an opponent of Abbott’s plans to “copy the British conservatives—launch a national slash and burn, austerity drive, and drive the economy into recession as happened in Britain”. After winning the caucus vote, he struck an entirely different note, issuing an extended plea to business at his press conference. “We have been natural partners in the past, we can be again in the future,” he declared, adding that a major priority would be to work “very closely” with the “business community”.

It is precisely the Labor Party’s record as the ruthless enforcer of the demands of big business and the financial markets during the past three decades—first under the Hawke-Keating governments between 1983 and 1996 and then under Rudd and Gillard since

2007—that has led to its terminal crisis. After repudiating its former program of limited social reform for the working class, Labor no longer has any genuine social base. It is nothing but a hollowed out, bureaucratic apparatus sustained, at least for now, through corporate sponsorship and state funding.

The latest leadership change raises the spectre of a constitutional crisis. At the time of writing, Rudd is yet to be sworn in as prime minister by the governor general, Quentin Bryce, the head of state, and the Queen of England’s representative in Australia. She is reportedly seeking legal advice as to how to proceed. Rudd heads a party without a parliamentary majority. Gillard’s minority Labor government was based on deals that she made with two rural non-party “independent” parliamentarians, Tony Windsor and Rob Oakeshott. Both indicated yesterday morning that they would retire from politics at the next election, but before then could withdraw support from the government, if Gillard were deposed. Unless Rudd secures sufficient cross-bench support, he could lose a parliamentary no confidence motion.

Even if the new Labor leader does secure a majority on the floor of parliament, none of the issues underlying the government’s crisis has been resolved. Rudd presides over a deeply divided party, rent by sharp conflicts and hatreds. His victory, by a narrow margin, immediately triggered the resignations of several senior government ministers, some from the cabinet, others from parliament itself, in protest at the prospect of working under his leadership. The list includes Treasurer Wayne Swan, Communications Minister Stephen Conroy, Trade Minister Craig Emerson, Climate Change Minister Greg Combet, Agriculture Minister Joe Ludwig and School Education Minister Peter Garrett.



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