

# The Australian election and the rout of the Labor Party

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10 September 2013

The Australian Labor Party was thrown out of office in last Saturday's national election, having suffered its lowest vote in 110 years, following an election in which none of the fundamental issues confronting millions of ordinary working people—the drive to war, the deepening assault on jobs and living standards and the escalating attacks on democratic rights—was raised, let alone addressed.

The vote was not a reflection of overwhelming support for the Liberal-National Coalition, which was returned to office, but the outcome of widespread anger and disgust felt by broad layers of the population after six years of Labor government.

The only explanation offered by the Australian media and political establishment for Labor's defeat was that it resulted from personality clashes and bitter internecine feuding between the two party leaders, Kevin Rudd and Julia Gillard. In fact, the inner-party struggles were themselves bound up with the intense pressures generated by rising geo-political tensions and the impact of the most severe world economic crisis since the 1930s.

In the immediate wake of the 2008–09 global financial crisis, the Australian economy had been relatively shielded from the economic consequences by continuing demand, particularly from China, for its mineral exports. But the basic dilemma confronting the Australian ruling class—between its economic reliance on China, on the one hand, and its strategic dependence on the US, on the other—only intensified as the Obama administration initiated its aggressive “pivot to Asia” against Beijing. As the mining boom unravels, big business is now demanding a wholesale restructuring of the Australian economy at the direct expense of the working class.

It is these fundamental contradictions that have

fuelled the unprecedented political turmoil of the past six years. In November 2007, the former conservative Howard government lost office after suffering the second largest electoral rout in the post-World War II period. Labor won office with a 6.1 percent positive “swing”, while a sitting prime minister lost his own seat for the first time since 1929.

Just over two and a half years later, in June 2010, the new Labor Prime Minister Kevin Rudd was ousted in an overnight inner-party coup orchestrated by Labor and union factional leaders closely aligned with the US embassy. This was the only time a Labor leader had ever been ousted in his first term. Rudd had alienated Washington by making proposals to ease US-China tensions and was closely associated with Labor's stimulus spending measures, initiated in the aftermath of the collapse of Lehman Bros in order to bail out the banks and big business.

However, popular hostility to the anti-democratic ousting of Rudd resulted in near-defeat for his replacement, Rudd's former deputy, Julia Gillard. The August 2010 election resulted in the first hung parliament in 70 years, with neither of the major parties able to secure a majority. Gillard formed a highly unstable minority government with the backing of the Greens and rural independents and proceeded to implement the agenda demanded by her backers.

Unconditionally embracing the Obama administration's “pivot” to Asia, Gillard agreed to station US Marines in Darwin and open up other Australian bases to the American military. She also juked Rudd's stimulus measures and imposed a budget schedule of permanent cuts. But her involvement in the 2010 coup continued to plague Gillard and, as her government's right-wing policies generated deep anger in the working class, her

popularity sank to record lows.

Facing the prospect of the Labor Party being reduced to a tiny parliamentary rump, Gillard's colleagues decided to remove her from office, just weeks before the September 2013 federal election, and replace her with Rudd, whose political comeback was without parallel in Australia or anywhere else in the world.

Rudd's return was primarily aimed at preventing an electoral debacle by capitalising on his status as the victim of the 2010 coup. In his concession speech on Saturday, the former prime minister declared that "despite the prophets of doom I am proud we preserved the Labor Party as a viable fighting force for the future."

Nothing could be further from the truth. None of the issues underlying the Labor Party's political crisis has been resolved. It is not a matter of parliamentary numbers, but of the collapse of Labor's former program of national economic regulation and limited social reform, under the impact of the globalisation of production over the past three decades. Like its social democratic counterparts around the world, the Labor Party has been transformed into a political instrument of the corporate and financial elite for boosting corporate profits and ensuring the "competitiveness" of Australian capitalism. The result has been unprecedented social polarisation, with the working class suffering declining wages, structural unemployment, and acute financial insecurity.

This process began under the Hawke-Keating Labor governments of 1983–1996 and accelerated under the 2007–2013 Rudd-Gillard governments. The result is a Labor Party despised within the working class, regarded as no different from the Liberal-National coalition.

The 2013 election has once again underscored the immense dangers facing the working class as long as its crisis of perspective and leadership remains unresolved. Without a conscious political break from the Labor Party and a conscious turn to the fight for a revolutionary socialist perspective, hostility towards Labor and the official political establishment can be utilised by the ruling class and its political agencies for its own reactionary ends.

Most of the anti-Labor vote in last Saturday's election flowed not towards the Liberal-National coalition, but into an array of right-wing and nationalist

parties. More than one in five of all votes, a record high, was cast for one of the "minor" parties, i.e., those other than Labor and Liberal-National. While this was a protest vote, it has not altered the fact that the working class remains politically disarmed as the Abbott government prepares to unleash a ruthless onslaught, on behalf of the ultra-wealthy and the major corporations—something Labor would also have done had it been returned to office. The ruling class is openly turning towards anti-democratic forms of rule as it prepares for further predatory wars abroad and social counter-revolution at home.

Workers and young people need to urgently strike out on a new road. There is no solution to be found within the moribund parliamentary apparatus. The Socialist Equality Party's election campaign provided the only basis for working people to intervene politically in defence of their own independent class interests—making a decisive political break from the Labor Party and all its props and apologists, including the pseudo-left organisations such as Socialist Alliance and Socialist Alternative, and the building of the SEP as the new socialist and internationalist party required for the immense social upheavals that lie directly ahead.



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