

Australia: Major parties prepare further austerity after Victorian state election

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Tomorrow's state election in Victoria will be quickly followed by a stepped-up offensive against the living conditions and basic rights of the working class, regardless of whether the Labor Party or the Liberal-National coalition holds office. All of the election promises will quickly be ditched as the impact of the worsening global slump is felt across the Australian economy.

The official campaign has been a sham from start to finish. The opposition Labor Party has appealed to widespread hostility toward the government's budget cuts, especially to the Technical and Further Education (TAFE) and public school system, while the Liberals' campaign has centred on reminding people of the previous Labor government's record in office from 1999 to 2010.

Both Labor and Liberal are desperately trying to appeal to the bitter anger and disgust felt by ordinary people toward the major parties—though both represent the interests of big business and are committed to implementing further cuts to education, health, and other basic social services.

This agenda has been deliberately covered up in the election campaign. Behind the scenes, however, both Premier Denis Napthine and Labor leader Daniel Andrews have sought to win the backing of key sections of the corporate elite by advancing themselves as the most reliable proponents of austerity and other pro-business measures.

At the beginning of the campaign last month, Labor announced that if elected it would “maintain a AAA credit rating and healthy surpluses every year in office.” Victoria is the only Australian state that has avoided a downgrade in recent years amid a sharp downturn in international commodity prices and the end of the Australian mining boom.

Asked on November 19 if that meant that health and education spending could be cut in order to maintain the AAA rating, Andrews made clear it would. He also boasted of his closed-doors discussions with the Standard and Poor's and Moody's credit rating agencies in New York. “The AAA credit rating is critically important,” he declared, “and that's why I took the time to visit with the agencies last year and went and sat with them and talked to them about the bipartisan commitment to a AAA stable rating. I know how important it is and we will do everything to guarantee it.”

This pledge to do “everything” demanded by international finance capital was made at the same time as newly released economic data confirmed a worsening crisis. The government's projections of surpluses over the next four years are based on forecasts of 2.75 percent annual economic growth, with unemployment declining to 5.5 percent. Growth is currently just 1.7 percent and unemployment 6.8 percent. The situation is set to deteriorate. Within the next two years, the car industry is scheduled to be entirely shut down, triggering more mass layoffs in working-class communities that are already wracked by depression-level unemployment.

The Victorian state election has again highlighted the unprecedented crisis wracking the entire parliamentary set up in Australia.

At the last election four years ago, the then Labor government was backed by every significant business lobby group and media outlet, but lost office amid working class opposition to its pro-business record. Then, in 2012, Premier Ted Baillieu was forced to resign after corporate executives complained that he moved too slowly in implementing their demands.

Baillieu's successor, Napthine, now faces the

prospect of leading the first one-term government in Victoria since 1955. Opposition to Napthine's policies has intersected with wider anger over the austerity measures implemented by the federal Liberal-National government. The Victorian Liberal Party told Prime Minister Tony Abbott and other senior government ministers to stay out of the state during the campaign, in an attempt to distance it from the federal government's cuts.

The enormous disgust felt by ordinary people toward the major parties has triggered unprecedented political volatility. Each election cycle is dominated by the cynical attempts of whichever party is in opposition to posture as an opponent of its rival's pro-business policies. Then, once the election is out of the way, exactly the same agenda is pursued by the new government.

During this election campaign, more conscious elements within the political establishment have raised the alarm that this kind of electoral politics is unsustainable. *Herald Sun* commentator Shaun Carney earlier this month noted that the various advertisements run by Labor and Liberal candidates barely mention the names of their political parties.

"Obviously, focus groups are telling the parties that they're not popular, that voters who decide elections are antagonised by the very name of the organisations," Carney wrote. "So you can understand why, as a short-term strategy to get through the next contest, the parties and candidates want to bury their identification. But it's a strategy that's producing diminishing returns... For voters and for the parties, it's clear that this can't keep going on. The political system is seizing up."

Fairfax Media's *Sunday Age*, in its last editorial before the election, endorsed the Labor Party, "with little enthusiasm and much reservation." It warned that "Victorians have become deeply disengaged," adding that the primary task of the next government was to "show some humility and work hard to restore faith in the political process."

The Greens are attempting to keep opposition to the major parties within safe parliamentary channels. They aim to win one or two lower house seats for the first time, positioning themselves as guarantors of "parliamentary stability" for the ruling elite, potentially as holders of the balance of power or as fully fledged coalition partners of either the Labor or Liberal parties.

The Greens' campaign, like those of the two major parties, has ignored the escalating economic and social crisis. It has instead been preoccupied with opposing the government's proposed East-West toll road, appealing to the local concerns, particularly in its base among a narrow upper-middle class layer in Melbourne's inner suburbs. The pseudo-lefts contesting the election, the Socialist Party and Socialist Alliance, rest on the same constituency, with their parochial campaigns promoting themselves as more militant opponents of the road than the Greens.

The state election has underscored the fact that the working class remains effectively disenfranchised, with none of the parties and candidates representing the independent class interests of working people.



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