

# An internationalist strategy to oppose the China-Australia Free Trade Agreement

**The Socialist Equality Party**  
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Malcolm Turnbull, installed as Liberal Party leader and Australian prime minister in a factional coup on September 14, has made clear that the China-Australia Free Trade Agreement (ChAFTA) is at the centre of his economic agenda. Backed by powerful business groups, the media and state premiers, the new Turnbull government has brought forward the debate on the trade agreement by tabling the legislation in parliament this week.

In the course of his leadership challenge, Turnbull declared that Labor opposition leader Bill Shorten's "catastrophically reckless approach" to ChAFTA made him "utterly unfit to be prime minister." For months, Shorten, the Labor Party and the trade unions have been waging a reactionary nationalist campaign against the free trade agreement, demanding greater protections to "defend Australian jobs" and encouraging anti-Chinese xenophobia.

The unions have ramped up their anti-ChAFTA campaign in the Canning by-election in Western Australia, due to be held on September 19, with rallies and leaflets accusing the government of selling out Australian workers. Feigning concern for the hundreds of thousands out of work, they denounce the deal for allowing Chinese companies to bring in foreign workers and for removing tariff protection for local industries.

Both sides in this debate are engaged in lies and deceit, particularly over their claims to be defending the jobs and living standards of Australian workers. They represent competing factions of the Australian ruling elite, which are both striving to maximise their profits at the expense of the working class: on the one hand, those who see lucrative business opportunities in closer economic integration with China; on the other, those who fear greater competition from Chinese firms and goods.

The Socialist Equality Party insists that the working class can only defend its interests on the basis of an independent class stance that rejects both factions of the political establishment. "Free trade" and protectionism are rival strategies for defending the interests of the Australian corporate and financial elite. Neither serves the interests of

the working class. We oppose ChAFTA from the standpoint of unifying the working class in Australia, China and around the world against the devastating attacks on jobs, wages and working conditions being produced by the worsening crisis of global capitalism.

The ChAFTA deal has nothing to do with "free trade" and everything to do with the aggressive trade war policies being pursued by governments around the world. Its origins lie in efforts by Australian banks and corporations since 2005 to gain competitive advantage in China's still largely protected consumer markets against their corporate rivals in North America and Europe. The economic slowdown in China, which has led to falling commodity prices and the collapse of the Australian mining boom, has only spurred efforts to gain wider access to Chinese markets.

Under ChAFTA, Beijing will slash tariffs for Australian goods over the next two to nine years. Australian agribusiness expects a multi-billion dollar windfall. Tens of thousands of small Chinese farmers will face ruin as Australian companies flood China with low-cost dairy, wool, beef, sheep, pork, seafood, wine and other commodities. Australian-based banks, insurers, health-care corporations, tourism operators and education providers also expect to rapidly expand their Chinese operations.

For its part, China wants to consolidate Australia as a key supplier of raw materials and primary products. The country is already the second largest destination for Chinese foreign investment after the US and concessions granted by Canberra in ChAFTA will encourage Chinese companies to significantly increase their investments, particularly in mining and natural gas projects, in infrastructure such as ports, and in agriculture.

Beijing also views closer economic integration as a means of weaning Australia away from its close involvement with Washington and the US "pivot to Asia"—a strategy aimed at undermining Chinese influence and retaining American hegemony in the Indo-Pacific region by every means, including military conflict. Australian military bases are central to the Pentagon's plans for war. Trade deals like

ChAFTA are also part of Beijing's efforts to thwart the US-sponsored Trans Pacific Partnership—an Asian economic bloc that excludes China.

Labor and the unions are focussing their campaign on an annex of ChAFTA allowing Chinese corporations that invest over \$150 million in a project to bring overseas workers into Australia. The unions are also agitating against clauses that will allow Chinese companies in Australia to bring “intra-corporate transferees” and executives, equipment installers and servicers, and skilled workers in specific occupations, such as Chinese chefs and medical practitioners.

The labour bureaucracy's claim to be defending “local jobs” is a fraud. Over the past three decades, the unions have collaborated with employers and governments, Labor and Liberal, in a relentless drive to restructure economic life, destroy jobs and drive down living standards to achieve “international competitiveness.” Nearly half of all workers are now employed on a temporary, casual or part-time basis. In construction and other industries, large sections of the workforce are self-employed “independent contractors,” rather than full-time employees with overtime pay, holidays, sick pay and other rights.

The purpose of the unions' anti-ChAFTA campaign is not to defend jobs, but to cover up their own collaboration with big business in the destruction of jobs. The Australian Workers Union, for instance, is currently denouncing ChAFTA and demanding that the government purchase “Australian steel,” as it works with BlueScope management to destroy at least 500 more jobs in the Port Kembla steel works.

Time and again over the past three decades, the unions have suppressed any resistance by workers and cooperated to ensure the “orderly closure” of plants and the decimation of hundreds of thousands of jobs in mining, steel, the waterfront and across manufacturing industry. They are currently collaborating with the government and car companies to shut down the entire Australian car industry.

The unions cynically deny that they are promoting racism. However, the message of their anti-ChFTA campaign is clear enough: the greatest threat to jobs is not the corporate drive for profit, but cheap Chinese labour. A television ad produced by the Construction, Forestry, Mining and Engineering Union (CFMEU), for example, has a stereotypical Anglo-Saxon Australian asserting “they're letting Chinese companies bring in their own workers” and concludes with him telling his blond-haired, blue-eyed son, “you won't even get a look in...”

The political attorneys for the unions are the various pseudo-left organisations, such as Socialist Alliance and Socialist Alternative. An article posted on Socialist Alternative's *Red Flag* website on September 1 is a gushing

tribute to the unions' campaign in the Canning by-election. It fails to mention that the central axis of this campaign is nationalist opposition to ChAFTA. Socialist Alliance in its *Green Left* publication takes a different tack, attacking pro-ChAFTA media commentators who point to the racist logic of the unions' campaign, and defending the union campaign to defend “Aussie jobs.”

Not accidentally, the unions are finding allies among right-wing and semi-fascistic outfits, such as the Australia First Party and the Australia Freedom Party, as well as those active in the vicious anti-Chinese and anti-immigrant Reclaim Australia movement.

The anti-ChAFTA campaign harks back to the racist White Australia policy, on which the unions founded the Labor Party in 1891 and the Australian nation-state itself was established in 1901. From that time, nationalist and racist ideology has been used by Labor and the unions to indoctrinate Australian workers in the false belief that they share common interests with the Australian ruling class and divide them from the oppressed masses of Asia. Today, amid the deepening global economic breakdown and rising geopolitical tensions, the Labor Party has signed up to the US “pivot” against China that threatens to plunge the region and the world into another catastrophic world war.

The struggle to defend jobs and living standards, and to oppose war, can only be conducted on an internationalist and socialist basis. The Socialist Equality Party calls on workers to reject the lies promoted by the pro- and anti-ChAFTA camps and to fight for the unity of workers across national boundaries, in China, Asia and around the world, in a common fight against the profit system and its reactionary division of the world into competing nation states. Society must be restructured along socialist lines on the basis of a rationally planned world economy, to meet the pressing social needs of all humanity, not the profits of the wealthy few.



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