

Australian government beset by turmoil

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Paralysis wracked the Liberal-National Coalition government last week over the cutting of wage rates for thousands of low-paid workers, underscoring a profound crisis confronting the entire Australian political establishment. Growing social discontent, combined with the immense uncertainty generated by the Trump presidency, has fuelled deep divisions in ruling circles that are increasingly calling into question the future of Prime Minister Malcolm Turnbull.

For four days last week, Turnbull refused to defend the previous week's ruling by the Fair Work Commission industrial tribunal to slash by up to 50 percent the extra amount paid for Sunday and public holiday work—penalty rates that many low-paid retail, hospitality, fast food and pharmaceutical workers depend upon to eke out an existence.

Clearly concerned at the outrage among broad layers of working people over the across-the-board cut in workers' wages, Turnbull sought to distance the government from the decision, claiming it was a ruling by an independent industrial “umpire.” He did not indicate support for the pay cut—a measure long sought by business—until Friday, after being condemned for not “selling” it by the Murdoch media and Tony Abbott, the man he ousted as prime minister 18 months ago. Turnbull sought to justify the attack on workers' conditions by claiming it would increase employment by small businesses.

Today, however, the government politically backpedalled again. Treasurer Scott Morrison signalled that in its annual budget in May the government would abandon more than \$13 billion in cuts to welfare, family tax benefits, pensions and other social spending that have remained blocked in the Senate since the 2014 budget. Only three weeks ago, Turnbull and Morrison unveiled an “omnibus” bill, containing all the stalled cuts, to try to demonstrate to the financial elite that they could impose the measures that Abbott had

failed to deliver.

Last Friday, Turnbull desperately attempted to divert discussion by aligning himself with Trump's vast expansion of US military spending and rhetoric against Islamic terrorism. Turnbull used the arrival in Australia of the first two \$100 million F-35 Joint Strike Fighters being purchased from Lockheed Martin to boast that his government was undertaking “massive” military spending—the “biggest, ever in peace time” and that he had discussed these plans with Trump, who was “very, very impressed.”

Turnbull repeatedly declared that Australia was “killing terrorists” in the Middle East, thanks to his government's legislation enabling the armed forces to kill “terrorists” well away from any battlefield. This legislation, in fact, cleared the way for civilians to be targeted as part of the latest escalation of the “war on terror,” which is a pretext for US-led operations to secure US control over Syria and the rest of the region, after the catastrophes created by the earlier invasions of Afghanistan and Iraq.

Turnbull's claim he had been praised by Trump, who had cut short his first phone call with the former, highlights the underlying impasse confronting Australian imperialism. It remains heavily dependent, as it has been since World War II, on the US, militarily and strategically. Yet Trump's unilateral “America First” drive to assert US global hegemony has thrown a giant question mark over all the calculations that the Australian capitalist class made when it lined up behind the Obama administration's “pivot to Asia” to confront China.

Not only has Trump pulled the plug on the Trans-Pacific Partnership, the economic thrust of the “pivot,” through which the Australian ruling elite hoped to gain more lucrative access to Asian markets. His threats of trade war and military conflict with China imperil Australia's largest export market and magnify the

danger of a catastrophic nuclear war, with Australia functioning as a key US base.

When Turnbull ousted Abbott in September 2015, he claimed he would provide the “economic leadership” to “transition” Australia away from the collapsing mining boom, largely based on exports to China, by developing “agile” and “innovative” new policies. This claim lies in tatters, with large parts of the country mired in recession, corporate investment plummeting, full-time jobs being decimated and real wages falling.

The resulting discontent has only intensified since last July, when the government barely retained power after it called a double dissolution election of both houses of parliament, in a failed bid to break through the blockage of its legislation in the Senate. Since then, the government has worked closely with an array of right-wing populists in the Senate, particularly Pauline Hanson’s anti-immigrant One Nation, whose senators have voted with the government on nearly 90 percent of its legislation.

Increasingly, Hanson is being promoted in the corporate media, together with Senator Cory Bernardi, a right-wing defector from the government, and lower house MP George Christensen, who has repeatedly threatened to defect. While reflecting the rifts wracking the government, they are being used to channel the mounting disaffection in reactionary nationalist and xenophobic directions, trying to emulate Trump by posturing as anti-establishment figures.

Yesterday, Hanson was afforded a 20-minute interview on Australian Broadcasting Corporation television’s flagship “Insiders” program to peddle her anti-Islam chauvinism, accusing Muslims of trying to impose sharia law on Australia. At the same time, Hanson revealed something of her utter hostility to the working class. She stridently backed the penalty rates cut and emphasised her desire to “stabilise” the government of Turnbull, with whom she had “a good rapport.”

Amid this turmoil, the Labor Party, backed by the trade unions, is seeking to return to office by cynically exploiting hostility toward the penalty rates cut. Union officials met on the weekend to draw up a “WorkChoices” style advertising campaign, hoping to reprise the 2006–07 campaign that diverted opposition to the Howard Coalition government’s workplace laws behind the re-election of a pro-business Labor

government under Kevin Rudd and Julia Gillard, which passed similar anti-democratic legislation.

Labor leader Bill Shorten’s feigned outrage at the wage-cutting is doubly hypocritical. As a key minister in the last Labor government, he initiated the Fair Work Commission’s review of penalty rates, and, as a longtime union leader, played a central role in scrapping penalty rates for many retail, fast food and service workers via union-imposed enterprise agreements with major companies.

With the Liberal Party government in Western Australia likely to be defeated in next Saturday’s state election, the Turnbull government’s instability could come to a head this month. An editorial in Saturday’s *Australian* warned that because of his “apparent paralysis” Turnbull was on borrowed time.

“For almost a decade now our nation has been stuck in a period of developmental diapause, where alternating periods of partisan upheaval and political ineffectiveness have stymied both fiscal repair and economic reform,” the editorial declared. “The markets, the public and Mr Turnbull’s own culpable colleagues are running out of patience.”

This message points to the protracted crisis of capitalist rule. This is firstly bound up with the inability of successive Coalition and Labor governments to push through all the austerity and wage-cutting measures demanded by the wealthy elite and the global financial markets. Since Howard’s Coalition government suffered a near-record electoral rout in 2007, every government has unravelled in less than three years.

Washington has also demonstrated its willingness to bring down any government that fails to unconditionally line up behind the US confrontation with China. In mid-2010, Rudd was ousted by US-backed Labor Party figures after he proposed that the US make some accommodation to China’s rapid economic growth.



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