

New Australian government to intensify pro-US militarism and class war

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In the wake of the August 24 ousting of Malcolm Turnbull as prime minister, his replacement, former Treasurer Scott Morrison, has flagged an intensification of the economic nationalism, anti-Chinese xenophobia, scapegoating of immigrants and pro-US militarism that has dominated official Australian politics for the past decade and more.

Morrison named his cabinet on Monday. His ministerial appointments represent an explicit overture to the most right-wing layers of the Liberal Party who were responsible for tearing Turnbull down.

Peter Dutton, the candidate of the right in the leadership ballot, was reinstated into the powerful Home Affairs ministry, where he will continue to oversee the witch hunting of Muslims and other immigrants and refugees, as a “threat” to internal security.

Mathias Cormann, whose desertion from Turnbull provided Dutton and his backers with the numbers to oust the prime minister, was reinstated as Finance minister and leader of the government in parliament’s upper house, the Senate.

Angus Taylor from the right grouping, a public opponent of wind-powered energy generation, was given the Energy ministry. Alan Tudge, who has denounced immigrants for forming “cultural bubbles” in Australia’s major cities and has advocated that new migrants should be required to pass an English-biased “Australian values test,” was given the new “Cities and Population” portfolio.

Morrison failed to give ministries to two of Dutton’s main backers and relative newcomers, former special forces officer Andrew Hastie and former army general Jim Molan. The profile of both, however, has been dramatically raised and they will function as powerbrokers within the government.

Former Prime Minister Tony Abbott, who was stripped of the leadership in September 2015 by a party coup

launched by Turnbull, and who then led the protracted campaign to bring him down, was also not given a cabinet position. He intends to remain in the parliament and Morrison has named him “Special Envoy on Indigenous Affairs,” giving him a high-profile media role touring Aboriginal communities.

Despite losing the leadership contest to Morrison after ousting Turnbull, the right faction, which enjoys the backing of the Rupert Murdoch-owned media, will put its stamp on the government’s agenda. This is indicated by the policies that Morrison and his new cabinet are flagging for the Liberal-National Party Coalition government’s campaign for the next election, which must be held by May 2019 at the latest.

In terms of foreign policy, the Morrison government will remain firmly aligned with Washington’s economic and military confrontation with China, to ensure the US remains the dominant power in Asia and internationally. Morrison has already invited President Trump to visit Australia as soon as possible. The new foreign minister, former Defence Minister Marise Payne, has confirmed that Chinese communication companies Huawei and ZTE will be banned from any role in the development of a 5G mobile phone network on “national security” grounds.

Julia Gillard’s previous Labor government, which had fully committed Australia in 2011 to the US anti-China “pivot to Asia,” had already proscribed Chinese companies from participating in the country’s new broadband internet network.

In June 2018, the Coalition and Labor joined forces to push through draconian “foreign interference” legislation. The new laws are, above all, aimed at developing a xenophobic witch hunt against alleged “Chinese agents of influence” in Australian business, politics, academia and media.

On energy policy, Morrison has signalled that his government will repudiate any Australian commitment to

reducing its carbon emissions by expanding renewable generation, and may subsidise the construction of new coal-fired and gas-fired power plants. Australia is among the largest exporters of coal and natural gas, and a powerful section of its corporate elite has a vested interest in pushing back against any move away from fossil fuels, regardless of the long-term consequences.

The new cabinet is also discussing stepped up attacks on recipients of social welfare benefits. These include increased drug testing and the extension of the so-called “cashless” payment system, in which the most disadvantaged layers of the population are issued debit cards that can only be used at selected stores and for specified items. The demeaning and stigmatising “cashless” policy has been trialled for more than a decade in impoverished indigenous communities and some working-class suburbs.

On immigration, Morrison has indicated that his government will look to forcing new migrants to spend up to five years living in Australia’s regional areas. This policy, which has been discussed over recent years, is a direct overture to right-wing attempts to blame the lack of infrastructure and services in the major cities, such as Sydney and Melbourne, on “too many people,” rather than on the real cause—decades of underfunding and unplanned development.

Taken together, the various policies being rolled out or considered underscore the fact that one of the main objectives behind Turnbull’s ousting was to refashion the Liberal Party into a far more right-wing movement. Under conditions of immense international geostrategic tensions, and intense social antagonisms within Australia, the dominant faction of the ruling class is demanding that the entire political establishment commit to suppressing opposition to its military alliance with the US, and to the ever worsening social and economic conditions facing the majority of the population.

The ruling elite is acutely aware that Australian capitalism is spiralling toward an economic crisis that will inevitably provoke explosive class conflict. The Trump administration’s “America First” trade war measures against China and other US competitors are leading toward a global slump. Canberra’s backing for Washington is likely to result in retaliatory measures from China, Australia’s largest export market. The steady rise in US interest rates, aimed at sucking international investment into Wall Street, is causing currency falls and generating enormous pressure to follow suit in numerous countries, including Australia.

The impact has already been predicted. At present, due to a speculative property market boom, causing staggering increases in housing prices and rents, 25 percent of mortgage holders are in “housing stress”—that is, they cannot pay down their mortgage repayments and meet other household costs. Just a one percent rise in interest rates will increase that figure to 40 percent. A two percent rise in rates—back to the level of 2012—will put 50 percent of mortgage holders under stress. If rates rose by four percent, which would return them to their average, then over two thirds of households would be left hovering on the brink of default.

The underlying cause of the social crisis is the decades-long suppression of working-class wages and the shattering of permanent, secure employment under successive Labor and Coalition governments. Incomes have fallen so low that, as far back as 2015, at least 54 percent of those surveyed reported that they suffered financial stress, defined as not being able to afford regular meals, pay their mortgage, rent or bills on time, or having to borrow or ask family or friends for assistance to make ends meet.

On the other hand, as is the case around the world, the capitalist and upper-middle classes have enriched themselves through the hardship inflicted on the working class. A Credit Suisse study in 2017 estimated that the top 1 percent controlled 23 percent of all wealth—more than the bottom 70 percent of the population combined.

While hundreds of billions of dollars are being allocated to expanding the military, intelligence and police agencies during the coming years, public health, education and other essential services are being starved of resources and teeter on the brink of dysfunction.

Combined with the prospect of war with China, social inequality is the over-riding factor behind the continuous right-wing lurch of the entire political establishment—into seeking to divide the working class with anti-immigrant demagoguery and toward authoritarian forms of rule.



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