

The Labor Party tries to “save capitalism”

Mike Head: SEP candidate for Oxley
3 May 2019

Australia’s Nine Media newspapers last weekend featured a column by *Sydney Morning Herald* political editor Peter Hartcher, headlined: “Could Bill Shorten be the saviour of capitalism?”

The very question reflects deep anxiety in ruling circles. Hartcher is acutely conscious of mounting working class struggles globally, and growing support for socialism, driven by ever-widening social inequality.

He noted that a US Gallup poll last year showed that only 45 percent of voters under the age of 30 had a positive view of the capitalist system, while 51 percent had a positive view of socialism. An Australian survey last year produced similar results.

Fearful that this discontent and political ferment can lead to social revolution, sections of the corporate elite are looking to the Labor Party, led by Shorten, to take office in order to head off, and then suppress, the unrest.

Hartcher said a former Australian Stock Exchange chief executive recently advised business leaders to read the *Communist Manifesto* by Karl Marx and Frederick Engels.

The “struggle” between the capitalist class and the proletariat “is becoming more relevant today,” Elmer Funke Kupper informed readers of the *Australian Financial Review*. He warned: “Several of the drivers of discontent in the 1800s echo in 2019. These include a lack of real wage growth, concerns about trade and globalisation, and a growing sense of inequality.”

In their famous document, Marx and Engels showed not just how the private profit system inherently concentrates wealth in the hands of a tiny minority, via the exploitation and impoverishment of workers. They explained that, in doing so, the capitalist class produces its own “grave-diggers”—the international working class itself.

As Kupper’s remarks reveal, the ruling class is

terrified that the emerging support for socialism can become a conscious turn toward revolutionary Marxism and the program fought for by the Socialist Equality Party and its candidates in the May 18 federal election.

The SEP explains in our election statement: “The vital issue facing the working class is not the futile attempt to change the mindset of the ruling elites through the ballot box, but the development of its own independent political movement for socialism, to abolish the profit system, the source of all the social ills and political dangers it confronts.”

Shorten is urging workers to make yet another futile attempt to convince the ruling class, via a Labor government, to give them a “fair go”—the slogan he repeats endlessly.

Hartcher noted: “Bill Shorten is campaigning on fairness. He doesn’t want to tear down the capitalist system. He wants to save it from its own excesses.” At the same time, Shorten was “cautiously” promising “sensible reforms in consultation with business.”

This sums up Shorten’s duplicity. He is speaking “fairness” while reassuring big business leaders that Labor will do nothing without their approval.

Hartcher asked: “Would it be ironic for a former trade union leader to rescue capitalism?” Shorten replied: “It’s happened before.”

In fact, the ruling elite has relied upon the Labor Party, in every period of capitalist crisis, to work with the unions to “rescue” the profit system by stifling working class opposition.

Labor was called to office during the carnage of both world wars, in the Great Depression of the 1930s, and amid the global upsurge of protests and strikes from 1968 to 1975. It was recalled again to implement pro-market restructuring amid the vast globalisation of production in the 1980s and 1990s, and impose the burden of the global financial breakdown of 2007-8.

At the party’s national conference last December,

Shorten warned of today's explosive political disaffection. He said his "number 1 ambition," was "to rebuild trust in our democracy." Labor had to hold out the "hope" of reducing the worsening inequality.

During the post-1968 political turmoil, a previous Labor leader, Gough Whitlam also declared it was Labor's task to "serve and preserve parliamentary democracy." His government was the last, however, that could offer social reforms, although limited, such as public health insurance and sole parents' benefits.

Over the past four decades, the basis for reformism has been shattered by globalisation, which has undercut all forms of national economic regulation. Labor, like social democratic parties and trade unions internationally, long ago renounced its old program of extracting concessions from the ruling class. It turned to dismantling the past gains of workers in order to make its "own" capitalist economy "globally competitive."

In his discussion with Hartcher, Shorten was specifically referring to Bob Hawke, who headed Australia's union movement before, according to Hartcher, turning the country into "the most successful developed economy in the world."

From 1983 to 1996, the Hawke and Keating Labor governments worked closely with the unions to impose the global corporate agenda of de-regulation, privatisation and destruction of full-time jobs and working conditions.

This began a vast redistribution of wealth, from the working class to the financial oligarchs. Hartcher himself observed: "When Hawke took the prime ministership, labour's share of income was more than 60 percent of GDP." Today, it is under 55 percent, while the profits share of income has risen from about 30 percent to 38 percent.

Shorten has implemented this anti-working class agenda. First, he was a long-time Australian Workers Union boss. He specialised in collaborating with employers to tear up penalty pay rates and other basic conditions for low-paid workers, such as casualised cleaners.

Shorten then became a key minister in the Labor governments of Kevin Rudd and Julia Gillard from 2007 to 2013. Labor slashed welfare spending, propped up the banks and finance houses, and fully committed to the escalating US preparations for confrontation with

China.

The SEP is alone telling the truth in this election: there is no basis for the socially progressive reform of capitalism. No less than the Coalition, a Labor government will intensify the attacks on social conditions, continue the drive to war and deepen the accompanying assault on democratic rights in order to suppress dissent.

We are standing candidates in this election to outline the genuine Marxist—that is, Trotskyist—program that is necessary for the working class in Australia and internationally to overthrow the bankrupt capitalist order and begin the construction of a new socialist world.

Authorised by James Cogan for the Socialist Equality Party, Suite 906, 185 Elizabeth Street, Sydney, NSW, 2000.



To contact the WSW and the
Socialist Equality Party visit:

wsws.org/contact