

Australian Labor Party courts big business

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Officially, the Labor Party is awaiting the results of an internal review into its catastrophic May 18 election loss before writing a new policy platform. In reality, its response—a further shift to the right to openly embrace the interests of the wealthiest layers of society—is being implemented already.

Anthony Albanese was installed unopposed as Labor leader after its vote dropped to 33 percent—its lowest for a century. He immediately ditched his party’s phony election pitch of seeking a “fair go” for working people. He pledged to forge closer ties to business, promote “wealth creation” and appeal to “aspirational” and “successful people.”

How far Labor has gone down this path, without a whimper of opposition in the Labor and trade union leadership, was highlighted last week by the *Australian Financial Review*. The newspaper’s political editor Philip Coorey reported:

“Federal Labor is blitzing boardrooms as it works overtime to mend relations with the business community, while also shifting its policy emphasis away from tax and spend towards the generation of economic growth. As part of the opposition’s post-election recalibration, shadow treasurer Jim Chalmers met 42 businesses in September alone, at an average of more than 10 a week, and spoke at 11 separate industry forums.”

Coorey said Chalmers had started circulating among business chiefs a “policy discussion paper” that commits Labor to “an economic growth agenda and to working with business.”

In line with the alarm bells being sounded in corporate boardrooms, the paper criticises the Liberal-National government over the deteriorating economic outlook, which last week forced the central bank to slash its cash rate to a record low of 0.75 percent. This had “left Australia dangerously exposed in the event of an external shock or global slowdown, at a time of

escalating global economic risks.”

The document urges “a mindset of partnership and co-operation” between the government and business. It advocates fast-tracking business-related infrastructure spending and other immediate action to stimulate the economy, and policies to “tackle major drags on productivity” in order to boost corporate investment.

Significantly, Labor’s paper warns of deepening disaffection with capitalism. “Trust in institutions has declined around the world, and there is evidence that Australians’ trust in government has declined in recent years,” it says. This was especially so among people “experiencing the sharper edge of economic transition and high levels of unemployment.”

While the paper pays lip service to creating “good, well-paid jobs” to “lift the overall living standards of all Australians,” the past four decades have demonstrated that the corporate offensive means the exact opposite: the destruction of full-time jobs, the driving down of real wage levels and the lowering of working class living standards.

In Australia, the Hawke and Keating Labor governments from 1983 to 1996 spearheaded this global assault. They worked hand-in-hand with the union bureaucrats to impose financial deregulation, privatisations, job destruction and cuts to health, education, housing, welfare and other social programs, resulting in a vast transfer of wealth from the working class to the super-rich.

Making presentations to corporate boardrooms, pledging to serve their interests, is not new for Labor leaders. Chalmers’ predecessor Chris Bowen did the same in the lead-up to the May 18 election. He boasted to the *Australian Financial Review* in January that he had contact details for most of the country’s top 50 CEOs in his mobile phone and was a “regular caller and texter” to captains of industry.

“How Chris Bowen plans to emulate hero Keating as

a reformist treasurer,” was the newspaper’s headline. Bowen restated his determination to match Paul Keating’s record by further restructuring the economy in the interests of big business.

As the WSWS warned, Bowen’s promotion as a potential “new Keating” showed the fraud of Labor’s posturing as champion of “fairness” in order to head off explosive working-class discontent.

For good reason, many workers, based on decades of bitter experiences since the 1980s, did not believe Labor’s rhetoric. After years of Labor governments imposing the dictates of the financial elite, Labor’s vote crashed to historic lows in many working-class electorates, while it rose to new heights in some of the most affluent seats, reflecting its true social constituency.

As a result, the Liberal-National Coalition was able to scrape back into office, despite its own vote also falling, aided by vote-swapping deals with far-right parties that falsely depicted themselves as “anti-elite” forces.

Having failed in their cynical election pitch, Labor’s leaders have joined the capitalist media establishment in claiming that the election result marked a shift to the right, not a rejection of Labor’s phoney promises.

In order to reinforce this message, Chalmers was selected to deliver this year’s Labor Party “Light on the Hill” address. This is an annual “vision” statement, usually delivered by the party’s leader or someone designated as a potential future leader. Previous prime ministerial presenters include Hawke and Keating, as well as Gough Whitlam, Kevin Rudd and Julia Gillard.

In what the Murdoch media’s *Australian* hailed as a “landmark” speech on September 28, Chalmers declared: “Re-establishing our growth credentials is part of reclaiming Labor’s rightful place as the party of aspiration and opportunity.”

Chalmers glorified “three decades of liberalisation”—saying it had “made our economy more competitive and flexible.” But he warned of “new challenges, including financial instability, job insecurity and income and wealth inequality.” Labor had to find ways to overcome the “declining faith that our politics and economics work for middle Australia.”

Chalmers ruled out a return to “left populism,” let alone “old left socialism.” Having seen their “fairness” pretences discredited, the Labor leaders and their union

partners have drawn the conclusion that further such talk runs the risk of opening the door to a social explosion.

Chalmers ridiculed “warmed-up nostalgia for the 1970s, or even for the 90s for that matter,” saying Labor needed “something new and different.” He provided no detail, however, on exactly what that entailed.

Instead, Chalmers spoke vaguely of the importance of business in creating jobs and growth, and the need for “budget responsibility.” These are code words for enforcing the ruling elite’s demands for higher rates of profit, at the inevitable expense of workers, and for the further slashing of social spending and corporate and high-income taxes.

Labor has made a down-payment on that pledge already by voting for the Coalition government’s massive income tax handouts to the rich. Billions of dollars will be handed to the top 5 percent of the population—those taxpayers receiving more than \$200,000 a year—while the millions of low-paid workers, students and welfare recipients trying to live on less than \$41,000 a year will get nothing.

This is no aberration. Since the 1980s, globalisation has shattered Labor’s previous reformist program of extracting limited concessions from the capitalist class to head off working class unrest. Labor, like social democratic parties and unions internationally, turned to dismantling the past gains of workers in order to make its “own” capitalist economy “internationally competitive.”

The Labor and trade union leaders, like their predecessors, from Hawke and Keating onward, are unequivocally committed to continuing this path, which means inflicting even greater attacks on working-class conditions as global capitalism plunges into trade wars, slump and military confrontations.



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