Australia: Anti-corruption hearings underscore growth of far-right in Liberal Party

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Hearings at the Independent Commission Against Corruption (ICAC) into allegations against leading members of the New South Wales (NSW) state branch of the Liberal Party have underscored the rot and decay of that key pillar of capitalist rule and the emergence within it of far-right forces.

Notwithstanding its veneer of independence, ICAC is a highly political body. Its investigations, and the airing of corruption allegations in capitalist politics more generally, are invariably bound up with sharp conflicts within sections of the political establishment.

The current investigation, dubbed Operation Rosny, has both revealed and likely resulted from the factional divisions that are tearing the Liberal Party asunder amid its existential crisis. The exposed intrigues and conflicts involve not only the NSW Liberals, but the federal party, including its current and former leadership.

The hearings centre on the activities of a semi-secret faction within the NSW Liberals that dubbed itself the "Reformers," over a period from roughly 2019–2022.

The investigation has two interrelated tracks. One is that the Reformers engaged in dubious and potentially illicit fundraising activities. The other is that the finances were being raised as part of a plot to take over the NSW Liberal Party and to refashion it into a hard-right outfit.

Those involved were not minor players. Its founders were Christian Ellis, described as a "powerbroker" within the Liberal Party, and Robert Assaf, who was prominent in conservative Catholic circles. Two senior members of the Reformers, Charles and Jean-Claude Perrottet, are brothers of Dominic Perrottet, who was Liberal leader and NSW premier from October 2021 to March 2023.

A vast amount of complicated and involved material has been presented at the hearings, which are ongoing. Everyone who has testified has denied any criminal wrongdoing and has not been charged with any offence. Given that the investigation itself likely emerged out of murky intrigues and the absence to date of criminal proceedings, caution is advisable.

The allegations are nevertheless explosive.

Some of the accusations of financial malfeasance centre on the relations between senior members of the Reformers and property developer Jean Nassif. He is a fugitive, having fled potential civil and criminal action after the collapse of his Toplace firm in 2023.

ICAC is investigating whether Charles Perrottet, another alleged Reformers leader Jeremy Greenwood and Ellis solicited or anticipated receiving about $2 million from Nassif/Toplace, either for Liberal Party membership recruitment and renewals or in connection with political assistance sought by Nassif. It is also investigating potential donations from hotelier Michael O'Hara.

The alleged funding arrangements relate to a period prior to Nassif's downfall. However, under NSW electoral funding laws, donations from property developers as well as businesses involved in the liquor and gambling trades are prohibited. The claim is that attempts were made by Reformers figures to disguise such donations as fees for consultancy and other services.

ICAC is investigating whether Nassif's interest in such arrangements was connected to a vendetta he was waging against the then building commissioner David Chandler, who was scrutinising Toplace projects, as well as his intense enmity to Liberal MP David Elliot. Audio played to the commission allegedly heard Nassif boasting that he had played a role in Elliot losing his preselection for a parliamentary seat.

The electoral laws notwithstanding, financial chicanery is part and parcel of capitalist politics. The laws themselves are an attempt to cover over the extent to which successive NSW governments, Labor and Liberal alike, have governed very directly in the interests of particular sections of business, particularly the property developers.

In that context, the overtly political elements of the hearing are more revealing. ICAC is investigating claims that the Reformers were surreptitiously plotting to take over the NSW Liberal Party, including through branch stacking and the recruitment of 5,000 devout Christians to the party.

The Reformers alleged activity occurred under conditions where the Liberal Party was fraying, in NSW and nationally. After decades of social polarisation, the relatively large middle-class base that formed the constituency for a traditional "broad Church" conservative party has disintegrated.

The result has been not only a massive collapse in electoral support, revealed most dramatically in the May, 2025 federal election where the Liberals were reduced to a rump, but factional conflict that has at times approached a civil war.

The Reformers allegedly emerged, at least in part, out of the

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campaign against same-sex marriage in 2017. While "moderate" elements of the Liberal Party backed equal marriage rights for homosexuals, noting that it would strengthen the institution of marriage and was essential to making a broad political appeal in modern society, opposition to that right became a rallying cry for conservative elements.

In addition to opposing gay marriage, the Reformers would advance other conservative positions on social issues, including hostility to abortion and euthenasia. Its positions were grounded in hardline Catholicism. It presented those various questions, not as single issues, but as part of a battle for the direction of the Liberal Party and the nation, very explicitly directed against "moderate" factions of the Liberal Party.

Dominic Perrottet has not been accused of any wrongdoing and is not a subject of the ICAC investigation. However, some commentators have noted his close relationship, not only personal but political, with key Reformers' leaders, including claims that Charles Perrottet was instrumental in his brother's political rise.

In the lead-up to the ICAC investigation, an anonymous dossier was tabled in the NSW parliament in February 2023 on the activities of the Reformers. It alleged that Dominic Perrottet, his brother Charles and senior Liberal MP Damien Tudehope were the Reformers' "primary decision makers."

Whatever the answer to the various questions raised, Dominic Perrottet is himself a right-wing figure. As the WSWS has previously documented, the early stages of his political career were bound up with the integration of a layer of extremely conservative Catholic youth into the right-wing faction of the NSW Liberals dubbed "the uglies," whose founder the Lithuanian Lyenko Urbanchich had been a significant Nazi collaborator during World War II.

Perrottet's ascension to the position of premier was itself the outcome of an ICAC investigation, which resulted in his predecessor Gladys Berejiklian resigning. Berejiklian was a "moderate." While Perrottet's leadership appears to have been based on an uneasy truce between more moderate and hardline elements, he continued to boast of his "conservative values."

The signature policy of his brief premiership was to collaborate with the federal government, other state administrations and the then Labor opposition in the overturning of limited COVID safety measures and the adoption of a "let it rip" policy that explicitly placed profits before health and lives.

The activities of the Reformers clearly intersected with factional conflicts in the federal Liberal Party.

An article in the *Sydney Morning Herald* last month recounted an extraordinary scene in November 2022, in which then federal Liberal MP Sussan Ley secretly drove eleven hours from the parliament in Canberra to her electorate of Farrer, to forestall a coup to take over her seat allegedly being organised by the Reformers. Ley, who successfully prevented her ouster on that occasion, was associated with a "centre-right" faction that earned the enmities of far-right elements because of its collaboration with the "moderates."

Ley became the federal Liberal leader following the May, 2025 election defeat, when the traditional urban conservative party retained just 9 of 88 metropolitan seats across the country. Her leadership was marked by a desperate and forlorn attempt to hold together the few "moderates" who remained and more right-wing forces within the Liberal and National parties, while repeatedly capitulating to the latter.

In February, Ley was ousted as Liberal leader by Angus Taylor, a more hard-right figure. Taylor is not a subject of the ICAC hearings or accused of wrongdoing. Reformers cofounder Assaf nevertheless testified that Taylor knew about the group's activities and was supportive and it appears that members of the group had discussed soliciting funds from him, though there is no evidence that payments were ever made.

Former Prime Minister Tony Abbott, who for years has pushed for the Liberals to take a more overtly right-wing line, was elected the party's federal president in May, declaring in Trumpian tones that it would lead a "people's revolt." Assaf has stated that Abbott too was supportive of the group's activities. Abbott has condemned the ICAC investigation as a factional "hit job," targeting "enthusiastic young Christians with a strong sense of mission."

The intense divisions underscored by the ICAC hearings point to the reality that the Liberal Party as it previously existed is all but politically finished. When Ley quit parliament in a parting shot at Taylor after her ouster, it was not the Reformers that took her seat, but the far-right One Nation party. It has surged in the polls over the past year, consistently eclipsing the Liberals and at times Labor as it makes a fraudulent populist pitch to mass disaffection.

The most revealing response has come from NSW Labor leader Chris Minns, who has repeatedly said that he will not "gloat" over the hearings or seek to use them to advantage in the lead-up to the state election next year.

In comments reported by the *Herald* last month, Minns stated: "My concern is that people say, 'Well, I've seen Labor at ICAC, and I've seen the Liberal Party at ICAC. I'm going to vote for a third party this time.'"

The remarks underscore the reality that the two-party system is essentially a fraud, with both the Liberals and Labor serving the same capitalist interests, whatever their episodic differences. And they point to the fact that what is unfolding is not only a breakdown of the Liberals, but of the entire two-party system amid an unprecedented crisis of global capitalism, marked by war and massive inequality.

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