

Australia: The political calculations behind Prime Minister Gillard's "Timor Solution"

By Patrick O'Connor
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Prime Minister Julia Gillard's pledge to construct a so-called regional processing centre in East Timor, for refugees intercepted en route to Australia, has triggered a sharp reaction in Timor.

Last Thursday the Timorese parliament unanimously rejected the Labor government's proposal, "firmly rejecting" any "detentions centres and/or migrant processing", and urging the government to adopt "an unequivocal position on this matter before our international partners and before the government of Australia". The resolution was moved by the parliamentary speaker Fernando "Lasama" de Araujo, who leads the Democratic Party, the second-largest party in the coalition government headed by Prime Minister Xanana Gusmao.

Members of Gusmao's National Congress for Timorese Reconstruction (CNRT) also voted for the resolution. Government members were clearly angered by Gillard's decision to announce the refugee "Timor solution" without even bothering to consult Gusmao or any government minister beforehand. CNRT spokesman Aderito Hugo told the *Australian*: "We don't want to become an Australian political commodity based on the fact Julia Gillard is shortly to go to elections. This Australian approach doesn't consider us as a sovereign nation. Australia seems to regard its smaller neighbours as puppet states."

Opposition party Fretilin also rejected Canberra's proposal. Fretilin general secretary Mari Alkatiri, who was ousted as prime minister in 2006 through a provocative Australian "regime change" operation, said that there was "zero" chance of a refugee processing centre ever being built in Timor. While in office, Alkatiri had rejected Timor becoming part of the "Pacific solution", devised by the former Australian government of John Howard, which saw more than a thousand asylum seekers imprisoned for years in detention centres built in Nauru and Papua New Guinea.

Timor's most prominent journalist, and editor of the *Tempo Semanal* newspaper, Jose Belo, wrote an op-ed piece sharply condemning Canberra. "While the Australian government seems unwilling to assist Timor-Leste in leveraging Woodside, a major Australian petro firm, into developing downstream pipeline and refinery facilities in Timor-Leste it seems quite happy to unilaterally announce that it seeks to build a

'pipeline' to a processing centre for refugees and asylum seekers in Timor-Leste," Belo wrote. "So Australia gets the oil and gas and Timor-Leste gets the asylum seekers. Sounds like a bad deal. Especially when one considers that the oil and gas is Timor-Leste's, while the asylum seekers are seeking refuge in Australia."

Tom Allard, writing in the Fairfax daily newspapers last Friday, noted that "Gillard appears to have fundamentally misread the mood in East Timor towards Australia." Noting that the country "has been drifting from its big southern neighbour", Allard highlighted the growing influence of rival powers including China. "It bought Chinese patrol boats instead of Australian ones, frustrated by conditions placed by Australia that it viewed as infringing on its sovereignty. And, while Australian investment in East Timor stutters, China is pouring in money, paying for the construction of Ramos-Horta's new offices and the country's expansive new foreign affairs building. More long term, China is eyeing off East Timor's oil and gas assets."

Papua New Guinea also appears to have ruled out accepting Australia's refugees. Betha Somare, spokesperson for Prime Minister Michael Somare, said: "Our official position has been that the asylum seekers issue is an internal Australian problem."

In response to these regional reactions, there has been widespread commentary in the Australian media over the past week about Gillard's supposed "miscalculation" or "gaffe", allegedly reflecting her naiveté or lack of experience with foreign affairs.

In reality, however, the prime minister and her advisers knew exactly what they were doing. The central purpose of her speech delivered last Tuesday at the Lowy Institute for Foreign Policy was to unveil a Labor government shift, even further to the right, on refugees—establishing a bipartisan consensus with the Liberal Party on the need for offshore refugee detention facilities, and returning the reactionary nostrum of "border protection" to the centre of official politics. The response of the Timorese and other governments to the proposal had no bearing on these political objectives.

Jason Clare, Labor's parliamentary secretary for employment, declared last Wednesday: "The policies of the

two major parties are 95 percent the same. The key is developing policies that are effective and practical and will work.”

Last Friday’s *Australian* published an editorial expressing some concern that “the Dili announcement now has all the hallmarks of the Kevin Rudd approach to policy formulation—a thought bubble rushed into print ahead of solid negotiation and adequate consideration”, but nevertheless hailed Gillard’s “brave speech” which had delivered “what she needed in political terms—an unambiguous change of direction on asylum-seekers”.

Gillard understands that she was installed as prime minister in order to orchestrate a shift in government policy across several key areas. The unprecedented removal of Kevin Rudd, via a backroom coup orchestrated by a handful of shadowy Labor Party faction bosses, acting at the behest of key sections of business and finance, was not aimed at simply providing the government with a fresh facade. This was demonstrated in Gillard’s extraordinary rush to junk the Resource Super Profits Tax, delivering the major mining companies’ demands within their assigned deadline.

But the mining tax forms just one part of a wider pro-business agenda that Gillard is committed to implementing if Labor is re-elected. One factor in Rudd’s ousting was his perceived inability to proceed with a change in fiscal policy from stimulus to austerity. Decisive sections of the ruling elite regarded the former prime minister as too wedded to the stimulus spending measures that he enacted in the aftermath of the 2008 financial crash. With the deepening global sovereign debt crisis, world financial markets are demanding debt reduction and lower budget deficits in virtually every advanced capitalist economy. Although there will be no discussion of this issue in the official election campaign, the next federal government will be tasked with slashing public spending in areas including welfare, health, education, social infrastructure, and public sector wages and jobs.

Gillard’s refugee policy is the necessary ideological counterpart to this pending offensive against the social position of the working class. Consistent with the wretched historical traditions of the Labor Party and White Australia, the government’s measures are intended to incite xenophobia and national chauvinism, scapegoat asylum seekers, and divert mounting opposition within the working class towards disintegrating social infrastructure and substandard services, starved of public funding and affected by privatisation and pro-business deregulation measures.

It was precisely these calculations that were behind Gillard’s decision to follow up her Lowy Institute speech with a staged photo opportunity, using naval patrol boats off Australia’s northern coast as a backdrop. She appeared alongside David Bradbury, the Labor parliamentarian for Lindsay, an electorate covering Sydney’s working class outer western suburbs, which has suffered decades of government neglect with

disproportionately high unemployment and poverty.

Gillard has won plaudits from right-wing layers, including former One Nation leader Pauline Hanson, as well as certain small “I” liberals opposed to opposition leader Tony Abbott’s proposals. Among these is former Liberal Prime Minister Malcolm Fraser, who recently resigned his membership with the Liberal Party after opposing many of the former Howard government’s policies.

For Gillard, whether or not the proposed regional processing facility is ever actually built is an entirely secondary question. She has succeeded in what she set out to do: demonstrating the political orientation of a re-elected Labor government.

An election may be called within days, with the ballot appearing likely to be held in late August or early September. The new, unelected, prime minister is rapidly moving to “clear the decks” and to telegraph her right-wing and pro-business credentials on several other issues.

She is expected to soon announce a new climate change policy, having held consultations with various corporate lobby groups over the issue. There is no doubt that whatever the detail, the government’s orientation will be entirely determined by the profit interests of the major corporate polluters, rather than the scientifically determined estimates as to what is required to seriously begin resolving the global warming crisis.

Gillard has also pledged her full support to the US-led imperialist war in Afghanistan. Writing a column published in the *Age* and *Sydney Morning Herald* yesterday, the prime minister recycled all the old “war on terror” lies, defending the occupation and pledging an ongoing Australian military contribution without any time limits or other conditions. With a large majority of the population opposed to the war, Gillard’s stance again refutes the notion that Rudd was ousted simply because of poor opinion polls.

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