

Australian foreign minister resigns in Washington

By Peter Symonds
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Australian Prime Minister Julia Gillard has called for a Labor Party ballot on the party leadership next Monday following the sudden overnight resignation of Foreign Minister Kevin Rudd in Washington yesterday. The leadership spill takes place in the wake of protracted subterranean brawling between the Gillard and Rudd factions within the party.

The Australian media has been speculating for weeks over a move by Rudd to replace Gillard, who ousted him through an inner party political coup in June 2010. The challenge erupted into the open last weekend when backbench Labor parliamentarian Darren Cheeseman publicly declared that Gillard could not take the party forward and should step aside for Rudd.

Over the weekend, a video was leaked of Rudd, as a bad-tempered prime minister, swearing as he recorded a speech. In a late night interview with Sky News reporter David Speers last night, Rudd countered by declaring that he was now a changed man who had learned to “delegate more and be sort of happy and contented about that.”

Gillard supporters responded by ramping up their attacks on Rudd for disloyalty and undermining the current government, and accused him of having led a dysfunctional administration. Cabinet minister Simon Crean had already declared on ABC radio on Monday that Rudd had “clearly been disloyal internally”, repeating similar accusations in three other interviews the same day.

Rudd left on Monday to attend the G20 foreign ministers meeting in Mexico, where he met on the sidelines with US Secretary of State Hillary Clinton. He then headed to Washington yesterday where he attended a private dinner with US Secretary of Defence Leon Panetta and Australian ambassador Kim Beazley to discuss a range of issues, including reportedly “security in the South East Asian region.” No press statements were released from either meeting.

Hours later Rudd announced his resignation in an extraordinary late night press conference at his Washington hotel, declaring he had no other option since he no longer

enjoyed the confidence of Gillard and senior ministers. Striking the pose of an affronted victim, Rudd declared: “Mr Crean and a number of other faceless men have publicly attacked my integrity... Prime Minister Gillard chose not to repudiate them.”

Rudd made no attempt to speak directly to the prime minister, who was reportedly preparing to sack him when he returned. By pre-empting Gillard, he was attempting to seize the initiative in the intense inner-party lobbying already underway in the lead-up to Monday’s ballot. In a press conference this morning, Gillard declared that she expected to win. If not, she insisted, she would retire to the backbench and never challenge for the leadership again, then demanded of Rudd that he make the same pledge.

Media coverage of the Labor leadership battle is notable only for its focus on the sordid inner-party manoeuvres, the numbers lining up on either side, and what the implications might be for the highly unstable and unpopular Labor minority government, which is dependant for its existence on continuing support from the Greens and rural independents. The contest is being portrayed as a personal tussle between Gillard and Rudd, with no fundamental political differences between them.

Nothing could be further from the truth. The leadership battle is rooted in the fundamental dilemma that has confronted the Australian ruling class for the past two decades: how to balance between its economic dependence on China, the country’s largest trading partner, and its longstanding strategic alliance with the United States, as rivalry between the two powers has intensified.

After coming to power in 2007, Rudd sought to ameliorate the growing tensions between China and the US through the promotion of a regional forum to defuse potential conflicts. This perspective came into conflict with that of the Obama administration, which, from mid-2009, launched a diplomatic and strategic offensive to undermine China’s growing regional influence. Amid deep dissatisfaction with Rudd in Washington, the White House played a key role in the coup of June 2010.

Gillard was installed by a handful of Labor and union factional bosses with close ties to the US, behind the backs of the cabinet, the party and the population as a whole. She immediately pledged her unconditional support for the US alliance and for keeping Australian troops in Afghanistan indefinitely. During Obama's trip to Australia last November, Gillard announced that up to 2,500 US Marines would be stationed in the northern city of Darwin and that access to Australian air and naval bases would be granted to the US military. This is in line with US ambitions to control key shipping routes used by China to transport energy and raw materials from Africa and the Middle East.

As foreign minister in the Gillard government, Rudd had gone out of his way to prove his usefulness to Washington in supporting the NATO military intervention against Libya and aggressive US moves against Syria and Iran. However, on the central question of China, Rudd continued to promote his scheme for a "Pax-Pacifica" aimed at moderating the escalating conflict between the US and China. Central to Rudd's perspective was that the US had to give China some leeway in the region, in opposition to Washington's agenda.

In his resignation speech yesterday, Rudd proudly declared that he had initiated "a new institution in Asia"—a reference to the East Asia Summit—that "brings the United States, China, Japan, India, Australia and all the other countries in the region around a single table to be able to discuss and negotiate a peaceful security future for Australia." In fact, Obama used the East Asia Summit in Bali last November to intensify Washington's confrontation with China by forcing a discussion, against Beijing's objections, on territorial disputes in the strategically significant South China Sea.

Rudd had been due to deliver a speech today on the theme of "Pax Pacifica" to the Carnegie Endowment for International Peace. His office said the speech would not now be made public. But his "Pax Pacifica" line has already been stated in a series of recent speeches, including at the Munich Security Conference on February 4, where he insisted that the US had to "accommodate" China's "legitimate aspirations as a country which has been through a century plus of Western humiliation represented by imperial powers, all of whom are in this room today."

The content of Rudd's recent discussions with Clinton and Panetta is unknown. What is known, however, is that the issues surrounding relations between the US and China are the source of significant divisions within the US ruling establishment as well. What can be said with certainty at this point is that the "faceless men"—the key factional powerbrokers who installed Gillard—are still backing her. Since 2010, WikiLeaks cables have identified some of these figures as US "protected sources." As the *Australian's*

contributing editor, Peter van Onselen, observed this morning: "Bill Shorten, Mark Arbib, David Feeney and Don Farrell have formed a praetorian guard around the prime minister."

In 2010, the chief public accusation of Gillard's supporters against Rudd was that he had dragged Labor down in the polls and would likely lose the election. Now, however, Rudd's standing in the polls is well ahead of Gillard's. She has never been able to shake off the stench of the coup, and the widespread view that she stabbed Rudd in the back. Millions of ordinary people rightly concluded there was something profoundly anti-democratic in the way an elected prime minister had been removed, literally overnight. Labor's electoral support has collapsed to historic lows of around 30 percent, yet this time, those who installed Gillard remain loyal, underlining the fact that far more fundamental issues were at stake in 2010 than opinion polls. That remains the case today.

As well as the US-China confrontation, domestic issues are at stake. The ousting of Rudd was also bound up with the demands of finance capital for the Labor government to intensify its program of austerity and economic restructuring to ensure the competitiveness of Australian capitalism. Both sides are seeking to demonstrate to big business that they will be the more effective in implementing this regressive agenda. Even though he is yet to announce his challenge, Rudd has identified industry assistance and education as key issues. Gillard this morning promoted herself as the person most capable of implementing pro-market "reforms" despite their unpopularity.

As in 2010, the media are seeking to keep working people in the dark over the political issues at stake. Above all, they are doing everything possible to prevent any public debate of the consequences of putting Australia on the front lines of a US-China war.

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