

Malcolm Turnbull installed as Australian prime minister in inner-party coup

By James Cogan
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A meeting of Liberal Party parliamentarians called at short notice last night voted out Tony Abbott as party leader and prime minister of Australia, just days short of the second anniversary of his election in September 2013. The challenge was mounted by longstanding leadership rival Malcolm Turnbull, with the support of deputy Liberal leader and foreign minister Julie Bishop, as well as other senior ministers in Abbott's cabinet.

Indicating the deep divisions within the Liberal Party over the coup, Turnbull received 54 votes to Abbott's 44. In a bitter public statement today, Abbott condemned Turnbull and Bishop for "treachery," and the media for "acting as the assassin's knife." He enters Australian history as the first Liberal prime minister to be removed in such fashion—and only the second prime minister to be ousted in his first term of office.

Such anti-democratic methods of conspiracy, backroom manoeuvres and inner-party coups have now become the norm in Australian politics. Labor Prime Minister Kevin Rudd was ousted in his first term in June 2010 by a small cabal of factional powerbrokers, operating in close collaboration with the US embassy. Rudd in turn moved against his rival Julia Gillard just two years later. In barely five years, Australia has had five prime ministers, three of whom were replaced, not through an election, but inner-party intrigues.

The BBC, reflecting concerns in ruling circles internationally over escalating political instability, headlined its report "Australia: Coup capital of the democratic world." While they take different forms, similar processes are under way in every country, as the ruling elites seek to offload the global economic crisis onto the backs of the working class.

Yesterday's ousting of Abbott reflects the deep

frustration within business circles over his government's failure to impose the full austerity agenda demanded by the Australian corporate and financial elite. These anxieties have been fuelled by the rapid shift in the economic fortunes of Australian capitalism, with the slowdown of the Chinese economy, falling commodity prices and the collapse of Australia's mining boom.

Abbott was placed on notice last February when he survived a back-bench revolt in what he described as "a near death experience." Three months later, his government's May budget received scathing reviews in the corporate media. As today's *Australian Financial Review* editorial declared, the budget "marked a retreat on the hard slog of fiscal repair in an economy in the rain shadow of its biggest-ever resources boom."

The media drum beat for pro-market "reform" has risen dramatically in the past two months as fears of the fallout from the current Chinese market turmoil and economic downturn have mounted. Last month, the *Australian Financial Review* came together with Murdoch's *Australian* to hold a national "reform summit" of corporate, trade union and welfare lobby leaders to lay out the pro-business agenda they insisted the government had to implement.

Turnbull pitched his leadership bid yesterday to these demands. They include deeper inroads into social welfare and public spending, cuts to wages and working conditions, higher taxes on consumption and tax cuts for corporations and the wealthy—measures from which Abbott's Liberal-National coalition government had retreated in the face of popular opposition.

Abbott, Turnbull said, had "not been capable of providing the economic leadership we need... the economic confidence that business needs." He asserted

that the Liberal Party values “of free enterprise, of individual initiative, of freedom” were necessary to be a “successful, agile economy.”

Turnbull, 60, a lawyer turned merchant banker, is the personification of the interests of finance capital and the ultra-rich. He is a multi-millionaire and the second wealthiest politician in Australia. From 1997 to 2001 he was managing director and partner of the Australian operations of US investment bank Goldman Sachs. He left business in 2004 to enter politics and was immediately touted by the media as an aspiring prime minister.

Turnbull’s victory last night over Abbott has been generally hailed by business leaders and the corporate press as breaking the logjam of “reform.” He has assiduously worked to develop a political base for his free market agenda by marrying it with so-called “progressive” social issues, such as breaking Australia from the British monarchy and establishing a republic, action on climate change, apologies to the indigenous Aboriginal population for the crimes committed against it, and, more recently, endorsement of same-sex marriage. He lost the Liberal leadership in December 2009 to Abbott, who is based on socially conservative and populist elements on the party’s right wing.

Among upper-middle class constituencies in Sydney and other major cities, Turnbull has been the preferred Liberal leader to Abbott. His victory over Abbott was welcomed by the Greens, who draw their support from the same privileged social layers. This is a signal that the Greens are preparing to collaborate with austerity against the working class in exchange for Turnbull backing their policies, such as greater subsidies for so-called “green” businesses and marriage equality.

In its editorial today, the *Sydney Morning Herald*, part of the Fairfax media that voices the interests of this social milieu, welcomed Turnbull’s installation as a “breath of fresh air.” Abbott, it stated, had “botched his first budget and has repeatedly taken politically difficult options off the table since” and “failed to find or explain a compelling economic narrative.” Australians, the *Herald* declared, “will accept pain in return for gain if it is explained clearly.”

Contrary to such delusions within the ruling elite, Turnbull will not be able to eliminate, with erudite speeches and grand “narratives,” mounting opposition in the working class to the assault on jobs, wages and

living standards. His government will face the same animosity from ordinary working people as its capitalist counterparts internationally, whether they define themselves as “right” or “left,” as they preside over widening social inequality and poverty.

As for his stand in favour of social compassion and “freedom,” Turnbull has pledged to continue his predecessors’ criminal “stop the boats” policy against refugees and the imprisonment of asylum seekers on remote Pacific islands. He helped craft recent draconian legislation to strip dual citizens of their Australian citizenship rights and will uphold all the anti-democratic measures introduced by previous Liberal and Labor governments.

As for foreign policy, Turnbull’s government will maintain Canberra’s alignment with the US military build-up in Asia against China, and its involvement in the wars in Afghanistan, Iraq and Syria. In the past, Turnbull has given expression to concerns among sections of the Australian ruling class over the reckless nature of US policy and the possibility it could trigger war. As prime minister, however, he will either adhere to Australia’s commitment to the US “pivot,” or face a destabilisation campaign by Washington and its local political allies, just like the one that removed Rudd after he had voiced similar views.

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