

Australian corporate voices call for “Milei-style” assault on working class

Mike Head

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As elsewhere around the globe, the first anniversary of the fascistic government of Argentine President Javier Milei on December 10 has seen glorification and falsification within the Australian corporate and financial elite.

Demands are emerging for an historic, all-out assault on the jobs, social services and living conditions of workers along the lines of that being mounted by Milei and planned by US President-elect Donald Trump.

“Australia needs a dose of Javier Milei’s Argentine capitalism,” was the headline of an opinion article published last week in the *Australian Financial Review*, written by its economics editor John Kehoe.

The article mirrored the widespread commentary in capitalist outlets internationally lionising Milei’s “free market” economic and social “shock therapy” and police-state repression of the mass opposition to it as a “success” to be emulated.

Since taking office, Milei has been a star guest at the main forums of the financial oligarchy and world imperialism, including the annual World Economic Forum in Davos and this year’s G7 and G20 summits.

Trump has been in the front line of the exaltation of Milei, presenting him as a model for the United States. At a gala dinner at Trump’s Mar-a-Lago resort in Florida to celebrate his presidential election victory, Trump declared to applause: “The job you’ve done is incredible. Make Argentina Great Again, you know, MAGA. He’s a MAGA person.”

Milei held up a chainsaw at his election rallies last year, promising to gut government spending. Since then, he has eliminated 13 ministries, fired over 10 percent of federal government workers, ended assistance to soup kitchens, stopped all public works and cut spending on education by 52 percent, on social development by 60 percent, on healthcare by 28 percent and on aid to the provinces by 68 percent.

In real terms, following a brutal devaluation of the peso, the minimum wage has been cut by 27.4 percent. Millions of people have fallen into outright misery, with the already shocking official poverty rate increasing from 41.7 percent to 52.9 percent.

Far from being an exception to the international shift to a frontal assault on the working class, Australian capitalism also faces an historic crisis. With Trump preparing to escalate Washington’s economic and military confrontation with China, the Australian ruling class confronts a sharp reversal of its fortunes, which have been based for decades on mining exports, first to Japan and then

China.

Kehoe declared: “Australia is sleepwalking to stagnant living standards unless we adopt an agenda that restrains government and allows the private sector to flourish.” He was ecstatic in his praise for Milei, calling for a similar “dynamic economic growth project that lifts business investment to make workers more productive.”

The economics editor hailed Milei for abolishing government departments, “restraining” public sector wages and pensions, and cutting subsidies for food, energy and public transport. He praised Milei for cutting taxes and “liberalising” rules to attract business investment, and scrapping limits on rent increases by landlords.

Significantly, Kehoe directed his remarks to the current Albanese Labor government, as well as the Liberal-National Coalition. He commended the Hawke-Keating Labor governments of 1983 to 1996, together with the Howard Liberal-National governments of 1996 to 2007—for which Hawke and Keating laid the basis—for having “embraced the market economy,” supposedly “with a social safety net to deliver long-term increases in living standards.”

In reality, despite the pretence of a “safety net,” the past four decades since the Hawke-Keating offensive have produced an historic decline in the share of income going to the working class, now intensified by five years of the biggest fall in real wages and living standards since the 1950s. That has been accompanied by the soaring wealth of Australian-based billionaires, who currently number 43 with a combined worth of \$316.8 billion, up by 16.3 percent over the past 12 months alone under the Albanese Labor government.

But that offensive against workers, whose labour power is the source of capitalist profit, pales against what is now being demanded, driven by the deepening global economic crisis and plunge into a US-instigated world war, from Ukraine and the Middle East to the Indo-Pacific for hegemony over China and all other perceived rivals.

Kehoe was clearly not writing as an isolated individual. On November 25, the same newspaper published an opinion piece headlined, “Victoria needs a Milei or Musk to clean up Labor’s economic mess.” It was penned by Morgan Begg of the Institute of Public Affairs (IPA), a far-right think tank largely financed by Australia’s richest individual, iron ore magnate Gina Rinehart.

Begg specifically targeted Victoria, Australia’s second most populous state, which accounts for almost a quarter of Australia’s economic output. But his agenda was clearly wider. “In the same

way as Argentina, the country, required Javier Milei to begin fixing its economy—Victoria, our domestic version of Argentina, needs someone like a Milei, a Donald Trump (or Elon Musk), or a Jeff Kennett to save it.”

(Kennett is a one-time Victorian state premier whose 1992–1999 Liberal government shut down 350 government schools, eliminated 7,000 teaching jobs, sacked 16,000 public transport workers and privatised state-owned services, including the electricity and gas utilities, the ambulance service and several prisons, before being thrown out of office.)

Begg ended his piece on an anxious note. “The question Victorians must face is whether they would tolerate a Milei-type solution to their state’s predicament.”

That nervousness is based on the understanding that such an onslaught will provoke mass opposition, as it has in Argentina. Milei has resorted to increasingly dictatorial and violent forms of rule to suppress continuous waves of protests by pensioners, university occupations, and strikes by teachers, healthcare workers and virtually every sector of the working class.

Begg’s only answer was to paraphrase former UK Prime Minister Margaret Thatcher. She insisted “there is no alternative” as her government mobilised thousands of police to smash the 1984–85 British miners’ strike, implemented wholesale privatisations and imposed mass unemployment.

The Milei agenda, shared by Trump and Elon Musk, the world’s richest billionaire (now worth a staggering \$US442 billion) who will head Trump’s Department of Government Efficiency (DOGE), goes far beyond that of Thatcher and Kennett. Musk has vowed to slash \$2 trillion—or about one-third—off the US government budget, primarily at the expense of social welfare, health, education and environmental programs.

Milei is openly seeking to turn back the clock to the 19th century in terms of the social position of working people. In his words, he wants to return Argentina to the “liberal model of 1860.” That means demolishing public education, healthcare, regulatory bodies, workers’ rights and public institutions. These were fought for by workers and established over more than a century as concessions by a ruling class fearful of socialist revolution, particularly after the October 1917 Revolution in Russia.

Among those leading the push in Australia for this historic reversal is Rinehart, whose personal fortune, now exceeding \$50 billion, is based on the exploitation of the vast iron ore reserves discovered in 1952 by her father Lang Hancock. She participated in Trump’s Mar-a-Lago celebrations, along with another prominent Australian billionaire heir, cardboard packaging baron Anthony Pratt (worth \$17.4 billion).

Rinehart substantially funds the IPA think tank—donating \$5.4 million over the past two years. She is personally promoting a Trump-Musk-style offensive and intervening to seek to refashion the political establishment to impose it.

“We need a USA-style DOGE that delivers action, one that helps to return dollars to our pockets and investment back to Australia,” she said at an event hosted by resources giant Santos on November 22, the *Australian Financial Review* reported.

Rinehart denounced “timid” LINO—so-called Liberals In Name Only—and declared “we need to make Australia great again.”

The Liberal-National Coalition has partly taken up that kind of offensive already, vowing to slash public service jobs should it form a government after the next federal election, which must be held before May 17.

“The first thing we’ll do is sack those 36,000 public servants in Canberra, that’s \$24 billion worth,” National Party leader David Littleproud told commercial radio station Triple M in August. Liberal leader Peter Dutton told the Minerals Council of Australia annual conference in September: “You’ve got to ask yourself: do we need 36,000 more public servants?”

That is about 20 percent of the federal public service workforce.

Rinehart, a sizeable donor to the Liberal Party for the 2022 federal election, wants to go much further. She is currently promoting former Western Australian Nationals leader Mia Davies’s bid to win a seat in the federal parliament. Rinehart is this week hosting a \$3,000-a-head fundraising dinner for Davies, who last week declared her ambition to head the Nationals federally and thus become deputy prime minister in a Liberal-National government.

The *World Socialist Web Site* has explained in its analysis of the US election result that while Trump’s victory in the US was facilitated by the anti-working class and warmongering program of the Biden-Harris Democrats, Trump’s ascension signifies a violent realignment of the political superstructure with the reality of social relations, in which a tiny financial oligarchy dominates every aspect.

That is a dramatic change in the political forms of rule by the capitalist ruling class, not just in the US but globally. The financial-corporate oligarchy is attempting to reorganise the world, including Australia, by means of social counterrevolution and political dictatorship.

That will provoke immense struggles by workers and youth on a global scale but to defeat the threat of fascism and world war there must be a corresponding shift in understanding what humanity confronts. What is required is the conscious, revolutionary intervention of the working class on the basis of a socialist and internationalist program to overturn world capitalism.



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