

# Australia: “Brian Burke affair” reveals decay of establishment parties

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13 March 2007

Over the past two weeks, Australia’s political and media establishment has been dominated by an affair that provides a window into the real character of the two major parties.

The furore concerns the lobbying activities of former Western Australian (WA) Premier Brian Burke. Once touted as a future federal Labor Party leader, he was jailed in the 1990s for abusing travel expenses. Burke, who retains top-level contacts in business and the Labor and Liberal parties, has since taken the well-trodden path of many former Labor leaders into lucrative corporate consultancies.

Despite his “disgrace”, he has been retained by a long list of major clients, including Macquarie Bank, Fortescue Metals, Australand, Urban Pacific, Pacific Hydro, Epic Energy and Griffin Energy, to grease the wheels of government decision-making.

On March 1, Prime Minister John Howard seized upon the revelation that the current federal Labor leader, Kevin Rudd, had held three meetings with Burke in August 2005. Howard demanded that Rudd “come clean” on the meetings, accusing him of courting the support of an ex-convict for his ultimately successful bid to oust Kim Beazley as party leader last December.

Howard and his government’s chief head-kickers, Treasurer Peter Costello and Health Minister Tony Abbott, declared that anyone who dealt with Burke was, in Costello’s words, “politically and morally compromised”. Abbott said Rudd had been “exposed as someone who is prepared to sup with the devil”.

Howard’s tactics were motivated by his government’s increasingly desperate position. For months, media opinion polls have recorded ever lower levels of support for the Liberal-National Coalition, with the most recent forecasting a devastating defeat at elections later this year. The main factors in Howard’s unpopularity are his participation in the US-led war in Iraq, his complicity in the five-year US detention of Australian citizen David Hicks in Guantánamo Bay, and the government’s lies about “weapons of mass destruction” and refugees “throwing children overboard”. Other key issues are the recent hikes in interest rates, the

government’s savage attacks on working conditions and the crisis in public education, health and infrastructure.

Howard was convinced his frontal assault on Rudd would effect a significant change in his government’s electoral fortunes. In the words of the *Australian’s* editor-at-large Paul Kelly, “Howard and Costello went for the jugular” because “they must shatter the Rudd mystique or lose the election”.

But the tactic backfired badly. According to the latest Fairfax media poll conducted last weekend, Labor now has a 50-35 percent lead in primary votes over the Coalition and Rudd’s rating as preferred prime minister has jumped to 53 percent, compared to Howard’s 39 percent. The 14-point gap almost tripled from the previous month and, interestingly, the poll found that 80 percent of respondents did not care about the Burke affair.

Fairfax publications such as the *Sydney Morning Herald* and the *Age* trumpeted the outcome as a “Ruddslide”, claiming it was evidence of the electorate’s “love affair” with Rudd. In reality, the new Labor leader has become the beneficiary of rapidly escalating anti-government sentiment, with the major media proprietors working overtime to keep this strictly confined within the framework of the two-party system.

Howard was so fixated with attacking Rudd that he forced the resignation of one of his own cabinet ministers—Human Services Minister Ian Campbell—who had also met with Burke in 2005.

The unfortunate Campbell became the first Howard minister in 10 years to be sacked for alleged impropriety. Since 1998, when Howard excused minerals and energy minister Warwick Parer for holding a secret \$2 million investment in the coal industry, a host of ministers and parliamentary secretaries had kept their posts despite dubious relations with lobbyists and political donors.

Moreover, Campbell was not the only Howard associate who had “supped with the devil”. Others included the prime minister’s close friend Fortescue Metals chief executive Andrew Forrest, who attended the business dinner that

Burke organised for Rudd in 2005. *Australian* columnist Matt Price observed that if Costello's dictum applied, "half the people living in Perth's wealthy western suburbs would be 'morally compromised'."

More Liberals are implicated as well. Burke paid former Liberal Party powerbroker Noel Crichton-Browne \$2,000 a month to convince state Liberal colleagues to make statements in parliament to assist his clients. Even Campbell's replacement in Howard's ministry, WA Senator David Johnston, has links to Burke and his business associate, former Labor state cabinet minister Julian Grill. Johnston is a former law partner of Grill's and owns shares in two companies that employ the pair as lobbyists.

Rudd's response to the government's assault was equally revealing. It appears that he initially panicked, virtually disappeared for two days and reportedly offered to resign as Labor leader. His reaction revealed just how conscious he has become of the fragility of his media-manufactured public persona. It also reflected concerns that the revelations about Burke's activities could expose to a wide audience the way the Labor party actually functions—as not much more than a vehicle for pressuring and lobbying on behalf of various wealthy corporate patrons.

This state of affairs is not confined to Western Australia—similar relations have emerged in corruption hearings in most Australian states—but given the dependence of WA's economy on an energy and resources export boom, mining interests feature prominently in Burke's connections.

Documents and taped conversations produced in the WA Crime and Corruption Commission over the past six weeks have shown Burke and Grill giving instructions to members of Premier Alan Carpenter's current Labor cabinet on how they should vote in their business clients' interests, receiving reports on supposedly confidential cabinet deliberations and boasting of their hold over ministers and MPs.

During one phone call, Burke told cabinet minister Norm Marlborough he could get anything he wanted off one minister, had "the pants off" another and could guarantee outcomes from five ministerial offices. Carpenter has been forced to sack three ministers—but their transgressions are only the tip of the iceberg.

The rot permeates throughout the entire labour and trade union movement. At least five unions, including the Construction Forestry Mining and Energy Union, Australian Workers Union, the Transport Workers Union and the Australian Services Union, have been among Burke's clients, each paying him handsomely—up to \$600 a week—to represent their interests. Such arrangements gave mining and construction companies another reason to hire Burke—to ensure cooperation from union heavies.

Burke's network has become a vehicle for the integration of the Labor Party and trade unions into the world of the business elite over the past two decades. These organisations, which once tried to squeeze concessions for workers from business, have been transformed into agencies whose sole purpose is to police the requirements of ultra-wealthy investors against the working class. Burke's money-making web is just one example.

It is significant that the *Australian*—Murdoch's national flagship—warned Howard not to go too far in pursuing the Burke affair. A March 5 editorial denounced as "opportunist" the cynical axing of Campbell and declared it was "ludicrous to suggest that Mr Rudd was enlisting Mr Burke's support for a leadership tilt, given that the leadership was held by Mr Burke's good friend, Kim Beazley."

The warning reflected concerns about the potentially damaging backlash for both major parties and the political establishment as a whole in a public airing of the dirty linen of their sleazy dealings.

The *Australian* editorial also expressed Murdoch's continuing frustration with the Howard government. For years, his media empire has accused Howard of moving too slowly in its implementation of economic de-regulation, massive tax cuts for the wealthy and the dismantling of welfare. The editorial insisted that the 2007 election be decided on the basis of policies such as industrial relations, national security and economic management, rather than smear campaigns. Rudd has already made clear that he is more than happy to oblige.

The Burke saga demonstrates, yet again, the need for ordinary working people to make a decisive political break from Labor and its bankrupt nationalist program and advance their own independent class interests through the building of a new political party, based on a socialist and internationalist perspective. The Socialist Equality Party is standing in the NSW state election on March 24 to provide workers and young people with this alternative political voice. We urge all those who agree with the fight against war, attacks on democratic rights and social inequality to support our campaign and give serious consideration to joining and building our party.



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