

# Rudd and Murdoch: the fashioning of a Blair-style “Labor moderniser”

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The mutual courtship of the Labor Party and big business has reached a new level as the Australian federal election campaign enters its final two weeks. Significant sections of the ruling elite have clearly concluded that Prime Minister John Howard and his government have passed their “use-by” date and are incapable of meeting the new demands of international capital. For this reason they are swinging ever more openly behind a Kevin Rudd led Labor victory.

Each day another stage in the now familiar ritual unfolds. Rudd makes some new right-wing pronouncement and the media, led by the Murdoch press, welcomes it while at the same time pressuring him to go further. The opposition leader then responds, emphasising his ambition to head a “new leadership” and embrace “change”. The next day he announces yet another pro-business “free market” initiative.

Before our very eyes, an extreme right-wing administration, of the kind backed by Murdoch in the United States and around the world, is being fashioned, which will take the Howard government’s assault on the social position of the working class to a qualitatively higher level.

The *Australian*, Rupert Murdoch’s national broadsheet, published a major editorial last Wednesday, titled “Labor must do more than coast”, which all but endorsed a Rudd victory. “The *Australian* finds it hard to conjure up a constructive policy-based reason to re-elect the government,” the editorial declared. “The best we can say is the Howard-Costello team, while lacking vision for several years, has not been a disaster by any means.”

Having damned the government with this faint praise, the editorial went on to state that “there is no doubt Mr Rudd has been a steady hand who has performed brilliantly,” but then “encouraged” him to go further: “It is not too late to commit to a Tony Blair-like reform to modernise the ALP and build a centre left party that reflects Australia’s mainstream ideals and values.”

On Thursday, the day after this editorial was published, Rudd scheduled a meeting with editors and executives of News Limited, publisher of the *Australian* and a number of frothing right-wing tabloids around the country. The Labor

leader refused to reveal what had been discussed or what kind of reception he had received. Instead, he attempted to play down the extraordinary gathering as nothing more than an effort to “get our message out”. This was clearly absurd. Rudd would not have taken time off the campaign trail, with only 16 days remaining, unless serious matters were up for discussion. The Labor leader no doubt eagerly sought feedback from the Murdoch chiefs on his performance so far, and advice as to how he could win their open endorsement as he concludes the campaign.

Later that day, Rudd was clearly “on message” when he was interviewed by the ABC’s “Lateline” television programme.

The Labor leader was asked if he would “shy away from” comparisons between him and former British prime minister Tony Blair. Rudd made clear he was perfectly happy with the association. “I’m a Labor moderniser,” he declared. “Always have been, always will be, and what that’s on about is good evidence-based policy in terms of producing the best outcomes for this nation, carving out its future in a pretty uncertain century where things fundamentally are changing.”

Rudd was then asked what Australia would be like under his leadership. “Competitive, internationally competitive, in a very different and changing world, but never, ever throwing the fair go out the back door,” he replied. “That’s the ethos of Labor. That’s what I stand for as a Labor moderniser as well.”

Rudd’s commitment to “international competitiveness” means establishing the most profitable environment possible for corporate and international investors. It entails the endless driving down of workers’ wages and conditions, the abolition of business regulation, the further lowering of taxation levels on big business and the ultra-wealthy, and the running down and privatisation of public infrastructure and social services. The Labor leader’s reference to the “fair go” is a cynical ruse; his agenda is irreconcilably opposed to any measure of social equality and fairness.

Rudd’s references to Tony Blair’s “modernising” record

are telling. Murdoch backed the former British prime minister precisely because his aim was the transformation of the Labour Party from one with a purportedly social reformist program into the preferred instrument of the London-based financial oligarchy. Britain is now one of the most socially polarised countries in the world. The country's richest 1,000 individuals more than tripled their wealth during Blair's term in office, while layers of ordinary people saw their wages stagnate and personal debt skyrocket. Blair's legacy was the extension and entrenchment of the right-wing offensive against the British working class launched by Margaret Thatcher in the 1980s. At the same time, Blair and "New Labour" became the most willing of the "coalition" partners backing the international crimes of the Bush administration.

As well as praising Blair, Rudd utilised the "Lateline" interview to openly solidarise himself with the legacy of the Hawke-Keating era—one also supported to the hilt by Murdoch.

From 1983 to 1996, the Labor Party integrated the Australian economy into the global capitalist market through the abolition of tariff barriers, the floating of the Australian dollar, the privatising of major public companies and the deregulation of the financial system. These measures were accompanied by a series of vicious attacks on the working class carried out with the decisive collaboration of the trade unions. The government-union Accords deliberately drove down average real wages while workers who resisted were witchhunted and sacked. By 1996, 300,000 manufacturing jobs had been destroyed and the gap between rich and poor doubled, creating enormous bitterness and anger—which Howard exploited to win government amid unprecedented anti-Labor swings in working class areas.

Rudd told "Lateline": "You draw inspiration from the great reforms of the Hawke and Keating government, when it came to internationalising the Australian economy and paying a political price for it. But that's reformist, modernising Labor leadership ... I see no such parallel reform effort by Mr Howard or Mr Costello who frankly on the reform agenda, micro-economic reform in particular, has gone asleep at the wheel."

In other words, Labor is a far safer bet to carry through pro-business economic "reforms" than the Coalition. This has been Rudd's most consistent message since he became Labor leader last December.

And securing Rupert Murdoch has been a key goal. In February, Rudd announced the setting up of a "Council of Business Advisors" with representation in a future Labor cabinet. The council is headed by Rod Eddington, a board member of News Corporation, reportedly close to the billionaire media magnate. In April, Rudd travelled to the

US and held a private discussion with Murdoch. Asked afterwards if the Labor leader would make a good prime minister, Murdoch replied, "Oh I'm sure."

Whether the News Corporation comes out definitively in favour of a Labor victory remains to be seen. It is highly likely, but may still depend on the extent to which Rudd continues to obey the dictates of Murdoch's editorial writers.

In any event, Rudd's election campaign underscores the historically unprecedented policy agreement between Labor and the Coalition.

Former Labor leader Mark Latham, who led Labor to defeat in 2004, yesterday wrote a column in the *Australian Financial Review*, noting that Rudd and Howard's policies were essentially identical on all the major issues, including industrial relations, the war in Iraq and the "war on terror" and the privatisation of health and education. Much of Latham's self-serving analysis sought to explain his 2004 election loss to Howard in terms of the average Australian voter's alleged greed and stupidity. When dealing with the 2007 election, however, his column struck a rare note of honesty.

"If people vote for a change in government on November 24 they will be replacing one conservative administration with another," he wrote. "Nothing of any note is going to change. We have reached the zenith of policy convergence in Australian public life. Everything else is just play-acting, a bit of media melodrama to keep the public entertained. Australia is having a *Seinfeld* election, a show about nothing."

Something, however, will change. A Rudd Labor government is shaping up to be the most right wing in post World War II history.

The working class must prepare accordingly. It must make a decisive and conscious political break with the Labor Party and turn to build its own political party—based on a socialist and internationalist program and agenda. That party is the Socialist Equality Party, and we urge every worker and youth who agrees with our perspective to support our campaign, vote for our candidates, and apply to join.

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