

## Gough Whitlam: A Moment in History by Jenny Hocking

**An exercise in myth-making**

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*This is the conclusion of a two-part review of Gough Whitlam: A Moment in History. The first part was posted on November 23.*

Following the 1974 election, which saw the return of the Labor government, the caucus attempted to revive the party's standing in the working class and give the government a "left" face. Jim Cairns, a "left", was elected as deputy leader and hence deputy prime minister. While Whitlam had sought to retain right-winger Lance Barnard in the position, he soon appointed Cairns to the position of treasurer amid a worsening economic outlook.

The growing economic instability and the rising movement of the working class saw intelligence and big business interests become increasingly active.

Hocking recounts: "Cairns' ascension drew immediate action from security services even beyond Australia. Within days an internal ASIO [Australian Security Intelligence Organisation] document compiled on the deputy prime minister was on its way to one of ASIO's favoured journalists, *The Bulletin's* Peter Samuel. *The Bulletin's* cover story of June 22, 'Cairns: ASIO's Startling Dossier,' provided a damning assessment of the new deputy prime minister based on an ASIO report that had 'fallen into its hands.' The dossier claimed that Cairns espoused 'a kind of socialism ... that bears a striking resemblance to that promoted by the Communist Party of Australia'."

The US administration also took note. Hocking recounts that a meeting of the staff of the secretary of state held on June 14 announced "we have a possible security problem with Cairns" but nobody had been able to determine whether he was a "communist".

Forces in the business world were in motion as well. The assistant general manager of the Bank of New South Wales (now Westpac) Russell Prowse called on businessmen to mobilise and fight for the cause of "free enterprise" against the government, and for the "Australian way of life."

Hocking recalls the words of Liberal Senator Peter Rae as capturing the political frenzy that had seized the Liberal Opposition at the time. "Throughout 1974 and 1975, Australians saw a threat to their way of life. They demanded strong anti-socialist leadership. From Mt Isa to Bunbury, I found small numbers of people talking about the prospect of armed rebellion. Whitlam's tax-heavy socialism was a disaster."

In fact, as Hocking points out, the government had just been re-elected. How then to explain the animosity towards it? She puts it down to the feeling in the Opposition and business circles that, after 23 years of Liberal rule, the election results of 1972 and 1974 were an aberration.

Such explanations completely ignore the impact and political implications of the changes sweeping through global capitalism after the destruction of the Bretton Woods monetary system and the end of the post-war boom. What terrified the ruling classes was not the "socialism" of the Whitlam government but that it seemed incapable of containing the turbulent movement of the working class under conditions of rapidly deepening economic crisis.

The Organisation for Economic Co-operation and Development

(OECD), in its July 1975 economic outlook assessment, noted that the recession in member countries was the most serious since World War II, with unused industrial capacity at record post-war highs, together with record unemployment. "The extent and simultaneous nature of the decline was unlike anything in the post-war period," it noted.

During 1975, the ruling class increasingly turned against the Labor government and supported its removal, by whatever means, despite the political dangers involved.

Hocking reviews the series of "scandals" surrounding the Labor government in 1975, chiefly centring on the "loans affair" in which the government sought to raise \$4 billion for infrastructure projects from sources in the Middle East that were flush with funds from increased oil revenues.

The "loans affair" had all the hallmarks of a CIA "dirty tricks" operation, with never-ending hints of financial impropriety (none of which was ever established), fake documents, and a cast of characters to match. These included the mysterious "little commodities dealer" Tirath Khemlani and George Harris, president of the Carlton Football Club and friend of former Liberal Prime Minister Sir Robert Menzies, who emerged to try to "assist" the Labor government in its attempted loan raising.

The purpose of the campaign was to create the "extraordinary events" and "reprehensible circumstances" which the newly-elected leader of the Liberal Party, Malcolm Fraser, said would justify the Opposition using the lack of a Labor majority in the Senate to block the annual Budget and thus deny the government financial Supply.

Hocking draws attention to the significance that the governor-general, Sir John Kerr, attached to the "reserve powers" he held, powers that derived in the final analysis from the British Crown. Kerr even sought advice from the Australian National University (ANU) on their use and took part in two private "tutorials" on this subject in September 1975. This was fully a month before the Liberals first blocked Supply in the Senate, creating the crisis that would enable Kerr to step in and sack the government.

One new fact that Hocking brings to light, discovered through research into Kerr's archives, is the role played by former chief justice Sir Anthony Mason in the coup. After the ANU tutorial group, of which he had been a part, had been disbanded, Mason continued to advise and hold discussions with Kerr—discussions which both parties sought to keep hidden from Whitlam. Mason functioned as the "third man" in the coup, secretly giving advice to and encouraging Kerr, together with Sir Garfield Barwick, then chief justice and former leading Liberal.

Buckingham Palace was also involved. In September 1975—once again well before the Supply crisis had erupted—Kerr had discussed with Prince Charles, during ceremonies for Papua New Guinea independence, the possibility that he might have to sack the Whitlam government. Kerr was anxious lest Whitlam get wind of such action and contact the Palace first and have Kerr's commission withdrawn.

According to Hocking: "On his return to England, Charles took up

Kerr's concern with the Queen's private secretary, Sir Martin Charteris. Unknown to Whitlam ... Charteris then wrote to the Governor-General just one week before the Supply crisis began, with quite remarkable advice. Charteris told Kerr that, should what he euphemistically termed 'the contingency to which you refer' arise, the Queen would 'try to delay things' although, Charteris acknowledged, in the end the Queen would have to take the advice of the Prime Minister. Neither Kerr nor the Palace ever revealed that, weeks before any action in the Senate had been taken, the Governor-General had already conferred with the Palace on the possibility of the future dismissal of the Prime Minister, securing in advance the response of the Palace to it."

Within a day of Supply being blocked, Robert Ellicott, the Opposition shadow attorney-general and former solicitor general, a friend of Kerr and the cousin of Chief Justice Barwick, produced a legal "opinion" that the governor-general would have to sack the government.

### Whitlam's "mistake"

Despite all the evidence to the contrary, Whitlam continued to maintain that the governor-general would not act against him. He insisted that the supposed constitutional proprieties—that the governor-general had to accept the advice of the prime minister—would be maintained.

Hocking argues this was a mistake on Whitlam's part, deriving from his belief that the public service bureaucracy, in which his father had held a leading position, would act properly toward the Labor government and that officials of the state would do likewise. No doubt, Whitlam's family background and his political outlook predisposed him to such a view. But other factors were far more significant.

When the crisis broke, Whitlam was an experienced campaigner in the cut and thrust of the Labor Party and the labour movement more broadly. He was well aware of the significance of social and class forces. Consequently, his role in the coup and in the events leading up to it cannot be put down to faith or political blindness.

Whitlam was acutely conscious of the consequences of any decision by him to move out of the framework of the parliamentary system and directly challenge the ruling elites that had conspired to overthrow his government. He acted accordingly.

In seeking to explain Whitlam's actions, Hocking quotes a passage from his 1975 John Curtin Memorial Lecture, delivered in Canberra on October 29 as the crisis over the blocking of Supply was intensifying:

"The question is not just whether this particular Government, the Whitlam Government, will be allowed to govern for the term for which it was elected. The question is whether any duly elected reformist Government will be allowed to govern in the future. What is at stake is whether the people who seek change and reform are ever again to have any confidence that it can be achieved through the normal parliamentary process."

Hocking makes no reference to the broader political context in which this speech was delivered, apart from noting that since the crisis had begun the government's opinion poll ratings had increased. A much more significant development was taking place—a growing movement in the working class for a general strike to thwart the actions of the Liberals. It was this movement that provided the context for the next two paragraphs of the speech, which Hocking does not quote:

"During my period as Leader of the Opposition I addressed myself to three principal tasks: to develop a coherent program of relevant reform; to convince the Labor movement as a whole that Parliamentary institutions were relevant in achieving worthwhile reform. The great organizational battles between 1967 and 1970, particularly in Victoria, were essentially

about that third task. It was the toughest of all.

"I would not wish on any future leader of the Australian Labor Party the task of having to harness the radical forces to the restraints and constraints of the parliamentary system if I were now to succumb in the present crisis."

Throughout the political crisis, Whitlam chose his words carefully, lest he say anything that would trigger an independent intervention by the working class in the political crisis. Even his famous "maintain your rage" call, uttered on the steps of parliament house after Kerr had sacked his government, was directed to "the campaign for the election now to be held and until polling day."

Likewise, ACTU president Bob Hawke, when asked about the possibility of industrial action in response to the coup, warned of the possibility of "the unleashing of forces the like of which we have never seen."

There is no sense of this social and political turbulence in Hocking's book. Everything seems to take place in the parliamentary arena or the upper echelons of the state. On the basis of her analysis, one could easily come to the conclusion that it was all really an unfortunate accident: that if only the previous governor-general Sir Paul Hasluck had stayed on, or if Kerr had not been so obsessed with his own role, or Whitlam more conscious of the machinations against him, then events of 1975 might not have happened.

This method serves to prevent a real understanding of these events—especially for those who have grown up in the 37 years since they took place. Above all, the coup demonstrated that for all the myths of "exceptionalism", the Australian economy and its political system are not immune to the powerful forces unleashed by changes in the global situation.

Whitlam was well aware that had he challenged the decision to sack him, he would have, to use Hawke's words, unleashed forces "the like of which we have never seen," opening the way for a struggle for political power by the working class. That the crisis was able to be contained was due not just to Whitlam but above all to the Labor and trade union leaderships, as well as the Communist Party Stalinists, who occupied key positions in the trade union apparatus and who worked to subordinate the working class to the capitalist state.

Today, in the midst of an economic crisis going far beyond that which engulfed the world in the 1970s and precipitated the Canberra coup, all the contradictions of Australian capitalism are no less explosive.

They have already had a political impact in the June 23, 2010 coup within the Labor Party, which led to the ousting of Kevin Rudd as prime minister. Rudd's removal was orchestrated by forces within the ALP, which, according to WikiLeaks cables, had the closest connections with the US embassy and were regarded by it as "protected sources". Viewed against the background of the events of 1975, to maintain that Rudd was simply ousted because of his office management style, or because of low opinion poll ratings, is ludicrous.

Since the events of the Canberra coup, almost four decades ago, the political landscape has changed. The Labor Party has been transformed into a direct corporate instrument, with subsequent Labor governments, starting with Hawke and Keating, reversing all the limited social reforms enacted under Whitlam. Indeed, the term "reform" has been drained of any progressive social content and is now used to denote pro-market measures.

Yet Hocking and others are still attempting to breathe life back into the Labor Party. So devoted is she to the Labor mythology, that, at an event to launch the second volume of the Whitlam biography in September, she even claimed that the Gillard government—the open representative of US imperialism and the corporate and financial elites—would go down in history as a government of reform.

In the new revolutionary period that is opening up, the events of

November 1975 have decisive contemporary relevance. The conscious assimilation of the lessons of this strategic experience—above all the necessity for the working class making a fundamental break with Laborism and building a revolutionary party based on socialist internationalism—will be essential for the struggles now unfolding.

*Concluded*



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