

# New facts revealed on 2010 ousting of Australian PM

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Interviews with senior Labor Party figures, both past and present, published in the new book *Triumph and Demise* by the Australian newspaper's leading political journalist Paul Kelly, cast a further revealing light on the circumstances surrounding the June 23-24, 2010 coup that ousted Labor leader Kevin Rudd as prime minister and installed Julia Gillard.

Kelly does not delve into the driving forces of the coup, in particular the role played by the United States as the Obama administration set in place the anti-China "pivot" to Asia. However, what he does present demolishes the fiction that Rudd's removal was about poor public opinion poll ratings or his dysfunctional management style.

Many of the party's senior parliamentary representatives knew nothing of the coup as it was taking place. Those who did, including supporters of Gillard, opposed Rudd's removal on the grounds that it would prove to be electorally damaging.

Former Labor government Treasurer Wayne Swan told Kelly: "I thought it was a big thing to change leaders. There had been newspaper reports that weekend [June 19-20, 2010] about a possible change. I spent some time that weekend on the phone, letting people know that in my view it was a bad idea."

Swan said he did not have an "inkling that things were that advanced. In my mind it wasn't going to happen."

Former Foreign Affairs Minister Stephen Smith confirmed Swan's account. "Wayne [Swan] and I agreed a leadership change would be a mistake," he said. "This was the view of everybody in cabinet that I spoke with."

Labor Senate leader at the time, Chris Evans, had no knowledge of the push against Rudd. He told Kelly: "I had two or three ministers walk in and ask me, 'What's going on, Chris?' I said, 'No bloody idea'."

Chris Bowen, at that time a junior minister, only knew of the challenge against Rudd when journalists rang him. Stephen Smith was alerted by text while attending a dinner at Government House. Craig Emerson, another cabinet minister, and a personal friend of Gillard, opposed any leadership change and even backed Rudd on the morning of June 24 after his fate had been sealed. Former trade union leader and cabinet minister Simon Crean, a friend of Gillard, also opposed the change and believed Rudd would win the election scheduled for later in the year.

Kelly writes: "The conclusion from this sample is irrefutable: the cabinet would not have initiated a leadership change. It is an extraordinary situation. The cabinet's preference was to stay with Rudd."

The only defenders of the leadership coup cited in Kelly's book are the leaders of the right-wing factions that orchestrated it, plus the

present Labor leader Bill Shorten, who played a key role in their operations.

Mark Arbib, the national convenor of Labor's Right faction at the time, claimed "the caucus was left with little choice." In fact, Labor's parliamentary caucus was completely by-passed. It had met two days before the coup and while there were reports of leadership tensions, no challenge was issued. Kelly's interviews with cabinet figures make clear why: it would not have won support. The coup had to be carried out behind the backs of the cabinet and Labor MPs, by presenting them with a fait accompli.

Shorten told Kelly that he still agreed with Rudd's removal, that it was "spontaneous"—Kelly's account shows it was anything but—and that he had formed the view by June 2010 that Labor was unelectable under Rudd.

According to the scenario advanced by the coup leaders, disastrous polling figures made the leadership change a necessity. This is not borne out by the actual record. A Newspoll conducted immediately before Rudd's ousting showed Labor leading the Liberal-National coalition 52 to 48 percent. The three previous Newspolls had shown a 50-50 split.

Kelly concludes: "The argument of the anti-Rudd faction chiefs that Rudd was in an irrecoverable position is unpersuasive. Former Prime Minister John Howard and his deputy, Peter Costello, said later they believed Rudd would have won any 2010 election against Tony Abbott."

Polls, however, did play an important part in creating the conditions for carrying out the coup. But they were not those conducted by established polling organisations and published in the daily newspapers. These were "internal" polls conducted by the right-wing leadership of the New South Wales branch of the Labor Party, which had a leading role in the coup. They purportedly showed a 7 percent swing against Labor in four marginal seats and that the party was heading for a major electoral defeat.

These polls were selectively used to paint a picture of impending electoral disaster which could only be averted through the leadership change. As the interviews in Kelly's book make clear, however, senior figures in the party were of the opinion that a sudden, unprepared leadership change would not enhance, but would worsen Labor's prospects. The factional bosses would have been aware of that, which means that other motivations were at work.

Kelly's account shows that while Gillard had leadership ambitions and was positioning herself as Rudd's successor, she was not working actively to replace him. The circumstances under which she told Rudd she was challenging were not created by her, but were fashioned by other forces.

Two key events on June 23 triggered the challenge. The *Sydney Morning Herald* published a front-page story which claimed that Rudd's office chief, Alastair Jordan, was sounding out members of the Labor caucus about their support for Rudd. The crucial phrase in the article was that "Rudd does not fully trust the public assurances of his deputy [Gillard]" that she was "not interested in the leadership."

According to Lachlan Harris, Rudd's chief press secretary at the time, there is no doubt the story was "planted" and was "a peg for a challenge."

The other key incident was an Australian Broadcasting Corporation report on its 7 p.m. bulletin that a leadership crisis had developed. According to Kelly, the story was based on a tip from a Gillard backer and confirmed by right-wing MP Tony Burke.

That evening, Gillard held a discussion with Rudd in which she put to him that he could not win the next election. With the election not due for another six months, they reached an agreement that if Rudd could not salvage the position of the government in that time, he would step aside. Rudd told his closest supporter, Labor frontbencher Anthony Albanese, of the agreement. Albanese then declared it was "peace in our time."

Gillard left the meeting to make some phone calls, then returned to tell Rudd that she had been advised that he no longer had the support of caucus. She requested a leadership ballot, contrary to what she had agreed only a short time before.

The claim that the prime minister had lost caucus support was clearly false. No challenge had been raised at the caucus meeting just two days before, indicating that it would not have won support. Most cabinet ministers, let alone backbench caucus members, had no idea what was going on during the evening of June 23.

Kelly does not make the point, but it is clear that Gillard was told by the coup organisers that with the leadership crisis report having been planted at the ABC, the "regime change" operation was underway and she had to go ahead. Kelly does, however, note that in the "long and frank interviews" he held with Gillard in preparing the book, the one issue she would not discuss was the conversation with Rudd.

Rudd's reaction also showed that powerful forces were at work. After appearing to indicate on the evening of June 23 that he would contest the leadership, Rudd changed his position overnight and decided not to stand.

Kelly's account demonstrates that Rudd's removal was a coup, carried out by a handful of factional operatives behind the backs of Labor MPs.

That then raises a series of questions: When was the plot hatched? Why was it not launched at the caucus meeting if there were such a groundswell of opposition to Rudd? What were the real motivations? What forces were operating behind the Labor and trade union factional bosses?

Kelly is a key figure in the media-political establishment, his book was launched on Tuesday by Prime Minister Tony Abbott. He chooses not to probe any of these questions, possibly because it might lead him in directions he does not want to travel, raising questions about the connections of the coup organisers.

In December 2010, leaked US diplomatic cables provided by WikiLeaks showed that the main plotters in the anti-Rudd coup within the Labor Party and the trade unions, including Mark Arbib, David Feeney and the then Australian Workers Union chief Paul Howes, provided the US embassy with regular updates on internal government discussions and were characterised as "protected sources."

While domestic factors such as the mining companies' heavily-

funded campaign against the proposed resource rent tax undoubtedly helped create an air of "crisis" around the government, the coup was the outcome of geo-political shifts emanating from Washington.

In 2010, the Obama administration was setting in place the foundations for its anti-China pivot to Asia. As events over the past four years have made clear, Australia and Japan are the two major anchor points for US preparations for military activities against China. However, before they could go ahead, political changes had to be carried out.

In Japan, a few weeks before the anti-Rudd coup, the US was centrally involved in the removal of Yukio Hatoyama as prime minister following a clash with the US over the future of its base at Okinawa and his orientation toward a closer relationship with China.

The differences between Washington and Rudd, while not so public, were no less significant. Rudd had advanced a perspective for an "Asia-Pacific Community" based on accommodating the interests of a rising China within the region. Rudd was never anti-American—far from it—but any conception that Washington should somehow make room for China was an anathema.

The essential significance of any crisis, sometimes obscured in the swirl of events immediately surrounding it, often emerges in its aftermath.

On the day she assumed office, Gillard pledged unswerving allegiance to the US alliance, despite the fact that Rudd had never questioned it. She held a lengthy telephone conversation with Obama and made a public appearance with the US ambassador, Jeffrey Bleich, Obama's point man in Australia for implementing the pivot.

Having twice cancelled trips to Australia during Rudd's prime ministership, Obama visited Australia in November 2011 where he officially launched the "pivot" in a clearly anti-China speech delivered from the floor of the Australian parliament. Agreement was reached on establishing a US marine base at Darwin—the first time US forces had been stationed on Australian soil since World War II.

In the three years since the pivot's launch, the entire Australian political, military and intelligence establishment has become ever more closely integrated into the US war machine.

Kelly's book goes into none of these questions. But it does effectively destroy the myths that were manufactured to try to cover over the real driving forces behind the Rudd coup.



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