Rupert Murdoch accused of insisting on Australian prime minister's removal

Mike Head 22 September 2018

Reports this week that international media magnate Rupert Murdoch demanded last month's ouster of Australian Prime Minister Malcolm Turnbull, and the vehement denials of those allegations, shed further light on Turnbull's removal and the entire character of capitalist politics.

On August 24, amid intense factional warfare wracking the ruling Liberal Party, Turnbull resigned and was replaced by Scott Morrison following a parliamentary party room ballot.

Morrison is the increasingly politically unstable country's seventh prime minister since 2007.

Citing "sources close to Turnbull," multiple media outlets, including the government-funded Australian Broadcasting Corporation (ABC), Fairfax Media's *Australian Financial Review* and the *Guardian*, reported that in the days before Turnbull's defeat, another media mogul, Seven West Media proprietor Kerry Stokes, warned the then prime minister that Murdoch and his media company News Corp were intent on removing him from power.

According to the various accounts, Turnbull was informed that Murdoch had told Stokes: "Malcolm has got to go." Stokes reportedly objected, telling Murdoch that the likely result of such a leadership switch would be to deliver government to the Labor Party under its leader Bill Shorten.

Murdoch was apparently unswayed, replying along the following lines: "They'll only be in for three years—it won't be so bad... I can make money under Shorten and the CFMEU [Construction Forestry Mining and Energy Union]."

Turnbull was said to be so concerned by Stokes's information, and the clear signs of a campaign against him, spearheaded by Murdoch's *Daily Telegraph* and other tabloids, and commentators on Murdoch's Sky News, that the prime minister contacted Murdoch to plead his case. Reportedly, Turnbull pointed out that he had abandoned the national energy policy so opposed by many Murdoch commentators and had delivered, in part, on sweeping corporate tax cuts.

This evidently did no good. Murdoch is reported to have fobbed Turnbull off, promising to speak to his son Lachlan about it.

Stokes has flatly denied the allegations. In a statement to the ABC, also provided to the *Guardian*, he said: "I have never been involved in leadership events nor autopsies of them like the one you have published."

An editorial in Murdoch's national flagship, the *Australian*, went further yesterday, accusing the ABC of pursuing an "amateur-hour media conspiracy theory." It also denied that the newspaper had campaigned for Turnbull's removal.

If the reports are indeed true, however, they are revealing. They point to the survival of prime ministers, and the fate of governments, being determined by intrigues between billionaires. Behind the façade of elections, in which the population is meant to decide who holds office, the reality is that powerful figures in the corporate ruling class make or break prime ministers.

If true, the reports are doubly significant because of the individuals involved, and the material and geo-strategic interests they represent.

US-based Murdoch, who first rose to power in Australia, is a pivotal figure in the American and global financial and political elite. He has a documented record of using his media clout to destabilise and urge the removal of governments, such as that of Gough Whitlam in 1975 and Kevin Rudd in 2010 in Australia, or vocally back governments, such as that of Tony Blair from 1997 to 2007 in Britain.

Today, Murdoch's media empire, featuring outlets such as Fox News, prominently backs President Donald Trump's "America First" drive to restore the post-World War II hegemony of US capitalism and to cultivate an extreme rightwing movement to divert the mounting discontent of the working class in nationalist and xenophobic directions.

Fox News and other Murdoch platforms have been in the forefront of asserting the interests of US imperialism against its identified enemies, particularly Russia and China. This has been accompanied by escalating pressure exerted by the US intelligence, military and political establishment on the Australian government to line up unequivocally behind Washington's intensifying trade war and wider economic and military confrontation with China.

Western Australian (WA)-based Stokes controls a corporate conglomerate that incorporates the national Seven television network, the Yahoo!7 internet portal and the *West Australian*, the state's only major daily newspaper, as well as property, mining, petroleum exploration, construction equipment and pastoral companies.

Stokes is part of a wing of the Australian ruling class that depends heavily on mining exports to China and other Asian markets linked to China, and therefore holds grave concerns about the potentially devastating consequences of Australia being on the front line of a trade and military battle against China.

During his three years in office, Turnbull bent over backwards to convince, first Barack Obama, and then Trump of his government's commitment to the US strategic alliance, on which Australian imperialism has relied for its own predatory activities across the Asia-Pacific region since World War II. However, Turnbull was regarded as unreliable in Washington because his reluctance to join provocative US military operations in the South China Sea and his attempts to protect the profit interests of those sections of Australian capitalism most reliant on China. Just two weeks before he was ousted, Turnbull gave a speech calling for a "reset" of what he described as a "very deep relationship" with China.

If the reports of the Murdoch-Stokes conversation are true, they also point to the willingness of Murdoch to support a Labor government, backed by the trade unions, even if only for three years. Labor is fully committed to the US alliance and has been brought to office in previous periods of crisis, including World Wars I and II, to impose the burden on the working class.

Regardless of the denials, there is no doubt that the media outlets controlled by Murdoch and Stokes were actively involved in Turnbull's replacement by Morrison.

Murdoch had arrived in Australia 10 days before Turnbull's ouster and News Corp platforms took an aggressive turn. The *Daily Telegraph* warned of "a toxic brawl" over energy policy, and was the first to report of a likely challenge to Turnbull's leadership by Home Affairs Minister Peter Dutton, a figurehead of the Liberal Party's most right-wing faction. On Sky News, the night-time commentators Peta Credlin and Andrew Bolt ramped up their negative assessments of Turnbull and his energy policy, which retained a pledge to cut greenhouse gas emissions.

Despite the denial in yesterday's editorial, the *Australian* also moved against Turnbull. This culminated on August 24 when its editorial described his behaviour the preceding day

in trying to stave off a leadership vote, as sinking "to a new low." The newspaper said it had "warned repeatedly about dangers" facing Turnbull but he had failed to heed the message.

Meanwhile, the previous day, Stokes's *West Australian* conducted a rear-guard operation. It appeared with a front-page banner headline insisting that the prime minister had to "stand aside" for Morrison, as a "better choice" than Dutton. The next day, as uncertainty swirled around the government, the *West Australian* made another front-page intervention, this time touting Foreign Minister Julie Bishop "for PM." The newspaper's editorial accused Murdoch's News Corp of "manipulating" the "wreckers" inside the party to move against Turnbull.

Both Bishop and Morrison, who had been the Turnbull government's treasurer, were promoted as "compromise" candidates who could hold the Liberal-National Coalition together. Bishop, also based in WA, was aligned with Turnbull's efforts to balance somewhat between Washington and Beijing. In the party room ballot on August 24, however, she received little support. A small majority of Liberal Party parliamentarians opted to install Morrison to block Dutton, while still making a sharp shift to a more rightwing and pro-US alignment.

More may yet surface about the events surrounding the latest leadership coup in Australia. But it is already clear that media magnates and other major corporate interests are engaged, behind the backs of the working class, in refashioning the official political framework to prepare for a devastating conflict between the US and China and the eruption of immense social and class tensions.



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