

# Diplomatic cables show Australian Labor leader Bob Hawke was US informant

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Bob Hawke, who later became a Labor Party prime minister, was a highly-valued “informer” to the US government while the head of the Australian trade union movement and president of the Labor Party during the 1970s, a new study of declassified US diplomatic cables has demonstrated.

The documents provide a graphic picture of the true character and role of the Labor Party and the unions, which have always fought to tie workers to the requirements of the corporate profit system and to the Australian ruling elite’s alignment with the dominant imperialist power of the time—initially Britain and then, after World War II, the United States.

Hawke was among a whole multitude of informants in the Labor and union leadership, conspiring with the US embassy and key figures in the Australian ruling elite, behind the backs of the working class, to defend the interests of US and Australian capitalism.

The cables point to how Hawke became a central figure in plans to suppress the eruption of working-class struggles in Australia, as part of a global upsurge, during the late 1960s and 1970s, via a “tripartist” partnership with big business and government. This later gave rise to the Hawke-Keating government’s corporatist Accords with the union apparatuses in the 1980s and 1990s, which transformed the unions completely into industrial police forces against workers.

Covering the period 1973 to 1979, the cables show that Hawke worked intimately with US officials, notably Ambassador Marshall Green, on every key aspect of trade union and Labor policy. Their other preoccupation was how to muzzle rising opposition to the US alliance as a result of the barbaric Vietnam War and to protect highly strategic American military-intelligence bases in Australia.

New light is also shed on Governor-General John Kerr’s anti-democratic dismissal of the Whitlam Labor government in 1975. What is partially documented is how closely Hawke worked with the US embassy in preparing for Whitlam’s removal. And the cables confirm that Washington’s ruling circles did not move against Whitlam because they doubted his own firm commitment to the US alliance, but because they became increasingly concerned that Whitlam could not control explosive working-class militancy.

Extracts from the cables, held by the US National Archives and Records Administration, have been published by Cameron Coventry, a tutor and PhD student at Federation University, in a peer-reviewed article in the *Australian Journal of Politics and History*, entitled “The ‘Eloquence’ of Robert J. Hawke: United States Informer.”

One of the earliest cables from 1973 typifies Hawke’s conduct. It records that the US Labor Attaché contacted Hawke about a possible industrial dispute at the North West Cape military base in Western Australia, a highly-classified communications station for the US nuclear submarine fleet. Hawke “volunteered to intervene informally” and expressed “concern and surprise” at the militancy of the workers.

The documents prove that Hawke was just one of many secret US confidantes throughout the Labor and union leadership, including Gough

Whitlam himself. Another prolific informer was John Ducker, the president of New South Wales (NSW) Labor and a member of the Australian Council of Trade Unions (ACTU) executive alongside Hawke.

Among the others conspiring with US officials behind the backs of the population were future Labor leader, foreign minister and governor-general Bill Hayden, future NSW premiers Barrie Unsworth and Bob Carr—later a foreign minister too—Whitlam’s foreign minister Don Willesee and South Australian Premier Don Dunstan.

These systemic relations with US representatives were clearly known, accepted and supported throughout the Labor and union machine, but kept from the view of workers and youth for fear of the hostility that would greet such revelations.

Hawke was just the most prized asset, providing constant inside information and political intelligence to US representatives, who described him as a “bulwark” against anti-US sentiment in the 1970s and an “ideal Australian Labour leader.”

## **The political context: Hawke and the working-class upsurge**

To understand the significance of what the cables show of Hawke’s role in the evolution of the Labor Party and the unions, it is necessary to review the political context of his cultivation and rise to the leadership of both.

A law graduate, Hawke had no working-class background. He came from a relatively privileged and Labor Party family upbringing, which led to him becoming a Rhodes Scholar at Oxford University in 1953. Hawke was initially recruited from doctoral studies at the Australian National University to the ACTU in 1958 as a research officer and advocate by Albert Monk, the ACTU’s longtime right-wing president.

For some years, successive US embassy labor attachés—postings occupied by CIA officers—had promoted Hawke. As early as 1966, one reported that Hawke was regarded by “some people even as a future prime minister of Australia.” The cables show admiration for Hawke’s “chameleon” persona—his capacity, despite his academic background and right-wing outlook, to project a working-class and “left” image when necessary.

Significantly, the trigger for Hawke’s elevation into the ACTU presidency came in 1969 when rising working-class hostility to two decades of rule by the Liberal-Country Party Coalition government and anti-strike “penal powers” exploded in a three-day near general strike against the jailing of Victorian tramways union official Clarrie O’Shea for the non-payment of a fine that had been imposed on the union.

Monk, who unsuccessfully opposed the strike, saw that his time was up and decided to step down. Hawke was narrowly elected, by 399 votes to 350, to replace him as ACTU president, entirely due to the backing of the “left” union bureaucrats, particularly those from the long-Stalinised Communist Party of Australia, such as metalworkers union official Laurie Carmichael.

The election of the Whitlam government in 1972, finally ending 23 years of Coalition rule, sparked a rising tide of industrial struggle.

Workers took the return of a Labor government as a signal to seek to regain lost living standards and demand better social conditions.

In 1972, 2 million working days were lost as a result of strikes; in 1973, 2.6 million and in 1974, almost 6.3 million. This was the most since the industrial and political turmoil of 1919 following the horrors of World War I and the inspiration of the 1917 Bolshevik-led revolution in Russia. Wage claims leapfrogged as workers won first \$15 per week, then \$24 and even \$40 increases.

The Whitlam government's initial program of limited social reforms, such as universal health insurance, soon gave way to efforts to stifle this movement, impose austerity measures and restructure the economy. Already, the emerging worldwide globalisation of production was shattering the previous program of Labor and the unions of seeking to extract partial concessions from the corporate elite within the framework of wage labour and an insulated national economy.

In December 1973, one year after taking office, Whitlam's government unsuccessfully tried to pass a referendum to legalise government controls over wages and prices. That referendum, which the Socialist Labour League (SLL), the forerunner of the Socialist Equality Party, strongly opposed, was roundly defeated, setting off the resumption of a wages' offensive by the working class.

This was part of an international movement by the working class, from the May–June 1968 general strike in France to the defeat of the Heath Tory government in Britain and the collapse of the Nixon administration in the United States, both in 1974, and the downfall of the dictatorships in Portugal, Greece and Spain in 1974–75. In Southeast Asia, US imperialism was being defeated in Vietnam and the dictatorships it had helped install in Indonesia and the Philippines were facing difficulties.

It was this turmoil that led to a CIA-backed campaign to destabilise and oust the Whitlam government, fearing it could not maintain control of the working-class upsurge. But Whitlam's sacking on November 11, 1975 sparked walkouts by tens of thousands of workers across Australia for days.

Together with Whitlam, Hawke played the pivotal role in shutting down the developing uprising. At a media conference, Hawke summed up the alarm of the Labor and union leaders: "What has happened today could unleash forces in this country the like of which we have never seen. We are on the edge of something quite terrible and therefore it is important that the Australian people should respond to leadership."

The suppression of that movement, with the help again of the Stalinist and other "left" union bureaucrats, paved the way for the election of the Fraser Coalition government of 1975 to 1983. During that period Hawke became known as the "industrial fireman" for hosing down and selling out industrial struggles, especially when they threatened to politically challenge the government.

Nevertheless, in the wake of the class tensions produced by the 1975 "Canberra Coup," Fraser's government was unable to contain the working class. That came to a head in October 1982, when thousands of miners and steelworkers demonstrated outside parliament house, eventually bursting through the doors, in a protest against BHP's decision to sack 384 miners and more than 3,000 steelworkers.

Under those conditions, Hawke was installed as Labor leader via a backroom parliamentary party caucus move on the eve of the 1983 federal election, with the backing of the Murdoch media. His assignment was to cement a partnership with the unions to strangle the discontent and impose the intensified pro-market restructuring requirements of the corporate elite.

Hawke's agenda was based on further "opening up" the economy to international finance capital and smothering working-class opposition to the associated destruction of jobs and working conditions. Within weeks of taking office, the Labor government floated the Australian dollar, and soon privatised key state-owned corporations, such as the airline Qantas

and the Commonwealth Bank.

### **Hawke, the US and the Accords**

One of the most telling cables points to the US State Department origins of Hawke's "tripartist" and "consensus" agenda that later underpinned the Hawke-Keating Labor government's 1983–96 Accords with the unions. These Accords provided the mechanism for shutting down strikes and using the unions to enforce the drive to make Australian capitalism "globally competitive," at the expense of their members.

Hawke's first public mention of his preference for a "consensus" approach to industrial relations and politics was made on August 21, 1974 in a speech as ACTU president to the Conference of Economists at the Australian National University. Just 19 days earlier, the US Labor Attaché in Canberra had suggested to Hawke on August 2, 1974 that he pursue a "tripartite committee of unions, employers, and government" to build consensus on industrial matters, especially on wages. The suggestion was made after "many months" of advocating inside the State Department.

These proposals were connected to parallel processes internationally, including in the American trade unions. Global industrial relations were of "vital concern" to the United States, according to the cables. Its diplomats wanted to align the ACTU with the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO).

In preparation for a 1974 trip by Hawke to the US and the UK, Ambassador Green told Washington that Hawke "has every prospect of being a major figure on political scene for next 20 years or so, and it will be worth our while to make a real effort to develop a worthwhile program for him." Green proposed meetings with Chase Manhattan, the International Chamber of Commerce and the Brookings Institution, as well as the AFL-CIO.

### **Hawke, Marshall Green and the 1975 Canberra Coup**

Hawke told US diplomats in 1974 that, contrary to his public statements as ACTU president, in which he feigned support for workers' wage demands, these were driving inflation and undermining economic growth. In another exchange with the Labor Attaché in December 1974, he predicted that the Whitlam government would fall within a year, saying the economy was "on the verge of economic collapse."

The cables confirm that Washington had mended earlier tense relations with Whitlam after he had reassured the Nixon administration of support for the US alliance and American bases in Australia, including the key Pine Gap satellite communications facility in central Australia. US officials feared that these installations were under threat from shifting Australian public opinion.

The embassy's concern, expressed in August 1974, was that "Whitlam's weakened position within ALP government has worrisome implications for US. We have relied upon his basic moderation and his support of US defence facilities and other US interests ... ALP is undergoing a crisis of leadership."

Hawke floated with US diplomats the possibility he would propose a "national unity" government to deal with the crisis. In conversation with US embassy representatives in Canberra in late 1974, he recounted receiving "several feelers about political realignment," including one from his lifelong friend, business magnate Sir Peter Abeles.

Another cable indicates the involvement of Rupert Murdoch, the then rising media tycoon, in discussions about installing Hawke. Murdoch told the US ambassador: "Hawke is now talking 'national government,' which would give him the best chance personally [at becoming prime minister]."

Hawke's crucial role in the 1975 Canberra Coup itself is not referred to in Coventry's journal article. The cables do show, however, that Hawke denounced accusations by some Labor "left" figures of US orchestration of the destabilisation of the Whitlam government. In 1974, Hawke publicly rebuked Senator Bill Brown for accusing Ambassador Green of interfering in Australian politics. Green thanked Hawke in person during a

meeting at Hawke's house.

Hawke's personal relationship with Green is particularly revealing. Before his appointment to Australia in 1974, Green had a record as a coup master. During Green's term as charge d'affaires in Seoul, General Park Chung Hee had carried out a military coup in 1961, initiating nearly three decades of US-backed military dictatorship. As US ambassador to Indonesia, Green was a key participant in the 1965–66 military coup that brought General Suharto's brutal junta to power for two decades.

After the dismissal of the Labor government in 1975, plans "intensified" to parachute Hawke into parliament and subsequently the Labor leadership. Hawke briefed US diplomats that he would "move over" from the ACTU to replace Whitlam as leader. Ducker later told them the "cabal conspiracy" to install Hawke failed because the plotters made "a bad mistake to tip their hand prematurely."

Nevertheless, US officials continued to work very closely with Hawke, regarding his "subtle dampening" of workers' wage demands as preferable to Fraser's counterproductive "union-bashing" because Australia was a "highly volatile country." Hawke understood that unions should not engage in "economy-disrupting industrial clashes."

This is extremely revealing. It underscores the overwhelming reliance by the ruling class on Labor and the unions, not Coalition governments, to stifle the working class, especially in periods of social unrest and political crisis. That dependence has only intensified ever since, even as Labor and union betrayals have caused their memberships to plummet, reducing them to bureaucratic shells.

#### **Hawke and US militarism**

Against the developing public hostility to US militarism as a result of the Vietnam War, Hawke helped cement the absolute commitment of the Labor Party and the union apparatus to the US alliance. Today, this apparatus has lined up unequivocally behind the Biden administration's intensification of US preparations for war against China to reassert the global hegemony that the American ruling elite secured through World War II.

At times, Hawke publicly expressed his desire for an "independent non-aligned Australia," thus promoting nationalism, while privately telling the US officials he wanted to expand the ANZUS military pact beyond a "purely defensive military alliance." The US embassy in Canberra saw this "duality" as a means of garnering "left-wing" support.

For several years, to try to poison public opinion in preparation for involvement in a US-led war, the corporate media and the political establishment has bombarded the population with allegations of Chinese "interference" in Australia. Yet the documents again show the real source of intervention, over many decades—that of US imperialism.

In 2010, that "interference" was again behind the ousting of Prime Minister Kevin Rudd, orchestrated by numerous US "protected sources" in the Labor Party, for suggesting that the Obama administration should make some accommodation to China's rise as an economic power. That operation was laid bare by US diplomatic cables published in 2010 by WikiLeaks, led by Julian Assange. They documented how key coup plotters in the Labor Party and unions—including senators Mark Arbib and David Feeney, and Australian Workers Union chief Paul Howes—secretly provided the US embassy with regular updates on internal government discussions and moves to install Julia Gillard to replace Rudd.

The latest revelations underscore the necessity for workers and youth to seriously examine this history and draw the necessary political conclusions. What is required is a conscious break from the entire pro-capitalist Labor and union bureaucracy, and a turn to the alternative socialist and internationalist program and leadership fought for by the Socialist Equality Party.

Future WSWs articles will examine some of the cables in greater detail and review the historic significance of what they reveal.



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