



# Rupert and the dismissal

In the light of revelations that Rupert Murdoch had intimate knowledge of the Whitlam dismissal plan, **Stephen Stockwell** takes a look at how the Murdoch press covered the events of 1975 and the emergence of Murdoch's new global state.

**T**he twentieth anniversary of the dismissal of the Whitlam Government provided yet another opportunity to rake over the coals of Australia's most divisive constitutional crisis. While the lessons from that tumultuous event remain contentious, it is significant that while the CIA's involvement in the affair now barely rates a mention, Rupert Murdoch's role has become big news.

This shift in the discourse reflects not only the declining obsession with the minutiae of geo-politics since the end of the Cold War but also an increasing awareness of the growing global power of media corporations in general and Rupert Murdoch in particular.

The fall of the Berlin Wall marked not just the liberation of Eastern Europe but also the end of the command economy of information inherent in the silent coups and counter-coups of the intelligence services during the Cold War. In its place an entrepreneurial economy of information has arisen with even more complex games between an even smaller handful of very powerful men - the media moguls.

John Menadue, who worked for Murdoch, Whitlam and his successor Malcolm Fraser, recently said of Murdoch with reference to 1975: 'He's got a lot more power now than he had then and he is dangerous for the commonweal of this country. My concern is Rupert's power. It's got to be addressed.' (Sydney Morning Herald, 4/11/95).

Rupert Murdoch is the biggest single player in this emerging information economy. He has assiduously guarded his personal control of an

empire that spans the globe, systematically dominating new media technologies and emerging markets. As nation states become little more than ceremonial formalities, Murdoch is well placed to become the most powerful citizen in the new global state.

Murdoch, like his father before him, is most at home in that zone that

byterian pastor (Zwar 1980: 2-5). At the height of his power in the 1930s and 1940s, Keith Murdoch controlled a national network of newspapers which he used to construct the conservative line, vigorously opposing the Scullin Labor Government and encouraging Joseph Lyons to break from Labor to establish the United Australia Party (Zwar 1980: 89). Even as Prime Minister, Lyons maintained a subservient role to Murdoch senior, visiting his office in Melbourne and reportedly addressing him as 'Sir' (Ward 1995: 125).

Rupert carried on his father's support for conservative politicians until he developed a dislike for William McMahon in the early 1970s and decided Australia needed a change after 23 years of Liberal rule. Murdoch met Labor leader Gough Whitlam on a Sydney Harbour cruise, and after gaining commitments from Whitlam for a cautious economic and housing policy, threw his support behind the challenger (Regan 1976: 95).

Murdoch then took a close interest in the Labor campaign. In Sydney he 'sat in as virtual editorial director of his group of papers. He coordinated policy, dictated news stories, gave advice to the Whitlam camp and generally worked a twelve-hour day making sure that advice was used to the best advantage in his own editorials.' (Regan 1976: 97). He also contributed \$75,000 worth of advertising space to Labor (Munster 1985: 100) and the relationship was so close that he met with Whitlam after his final campaign rally (Shawcross 1992: 162). After the 1972 election Murdoch was quoted as claiming that he had 'single-handedly put the present gov-

Rupert's first toy



George Munster identified as 'the undefined area between politics and commerce ... the politico-economic thickets...' (Munster 1985: 2-5). Through the subtle use of patronage and inside information, the media allow their owners great influence over not only their own economic well-being but also the fate of nations.

Rupert's father, Keith Murdoch knew the importance of patronage from the start of his career in journalism. David Syme gave him a job on *The Age* after an approach from Keith's father who was also Syme's local Pres-



ernment into office.' (Shawcross 1992: 162).

Of course Whitlam was too sure of himself and his historical role to maintain a fawning relationship with Murdoch. John Menadue has recently revealed how Whitlam dismissively rejected Murdoch's offer to put his wealth in trust in order to become Australia's High Commissioner in London (SMH, 4/11/95). In 1973 and 1974, Whitlam pursued a moderately leftist course while Murdoch, hounded by the printer's union in Britain and courted by the Republicans as he expanded in the US, veered to the right. But perhaps the Whitlam Government produced an even bigger affront to Murdoch when, in March 1974, it rejected a submission from Murdoch's mining venture Alwest to waive foreign investment rules to allow it to begin mining bauxite at Mount Saddleback in Western Australia with US partners (Munster 1985: 104).

Whether for personal, political or commercial reasons, by late 1974 Murdoch was turning against the Whitlam Government when the Governor-General, John Kerr paid him a visit and explained the problems Whitlam might have with Supply if his hold on the Senate weakened.

During the course of 1975, Whitlam's hold on the Senate did weaken as hostile State Governments appointed non-Labor replacements to Labor Senate vacancies. His Government staggered through a series of crises which saw a string of senior Ministers sacked.

Liberal leader Malcolm Fraser announced deferral of Supply on 15 October 1975 and Murdoch's media interests immediately backed his grab for power with even more vigorous support than they had given to Whitlam three years previously. Front-page articles from *The Australian* show the role it played in promoting the Liberal's strategy: 18 October - 'Governor-General will act

soon, says Fraser', 20 October - 'Fraser says Kerr must sack Whitlam', 24 October - 'Fraser accuses PM and says he must go' and 27 October - 'Whitlam acts like dictator - Fraser'.

Further, a series of editorials were designed to prompt Kerr's hand: 16 October - 'No more petty tricks - let the people decide', 22 October - 'Stalemate and Sir John', 23 October - 'The Governor-General has authority to use his own methods' and 24 October - 'Decision rests with Kerr'. Applying even more pressure to the Governor-General was a story on 18 October asserting that if Supply was blocked Kerr might have to pay his staff out of his own pocket.

What was Murdoch's personal involvement? There is no reason to think that he did not play as large a role in 1975 as he had in 1972. Menadue's recent revelations indicate that Murdoch knew the details of Fraser's plan for the dismissal down to Menadue's fate: the Permanent Secretary of the Prime Minister's Department was to become Ambassador to Japan. Murdoch claims he has no memory of these discussions with Menadue (Kelly 1995: 244).

The subsequent election campaign saw Murdoch's media at play in the politico-economic thickets in ways that have not been as readily apparent since. *The Australian's* coverage favoured the Liberals three to one, the paper published misleading unemployment figures and its headlines were toughened up between editions - most memorably from 'Gough's Promise - Cheap Rents' to 'Gough's Panic - Cheap Rents' (Shawcross 1992: 171).

Close study of Murdoch's role in the rise and fall of Whitlam indicates the breadth of his power then and now. Murdoch continues to use his media politically. A recent Oxford University study claims that it was *The Sun's* anti-Labour bias that won the last British general election for John Major (SMH, 16/11/95). Paul

Keating's soft response to Murdoch's recent criticism of the Australian economy shows that he appreciates Murdoch's power (SMH 12/10/95). Murdoch recently announced his intention to start his own international satellite news service because he saw CNN as too left-wing.

If there is a lesson from 1975 that still remains to be learnt, it is how a democracy that prizes freedom of speech and embraces free enterprise should or can deal with the power that accrues to the owners of the media. In a mass society freedom of speech is limited not by formal censorship but by access to the media.

To arbitrarily constrain the media's activities would restrict free speech so the only alternative is for the political power of media corporations to be made transparent so all citizens can clearly appreciate the limits of contemporary democracy. This transparency depends on the ability of journalists and the willingness of the media to hold a mirror up to their own work. It is a tough job when one person controls so much of the media but it is a job that must be done. □

#### References:

- Kelly, Paul (1995) *November 1975* Allen & Unwin, Sydney.
- Leapman, Michael (1983) *Barefaced Cheek - The Apotheosis of Rupert Murdoch*, Hodder & Stoughton, Sydney.
- Munster, George (1985) *Rupert Murdoch - A Paper Prince*, Viking.
- Regan, Simon (1976) *Rupert Murdoch - A Business Biography*, Angus and Robertson, London.
- Shawcross, William (1992) *Rupert Murdoch*, Chatto & Windus, London.
- Ward, Ian (1995) *Politics of the Media*, Macmillan, Melbourne.
- Zwar, Desmond (1980) *In Search of Keith Murdoch*, Macmillan, Melbourne.

*Stephen Stockwell is a lecturer in the faculty of humanities and social science at the University of Technology, Sydney.*