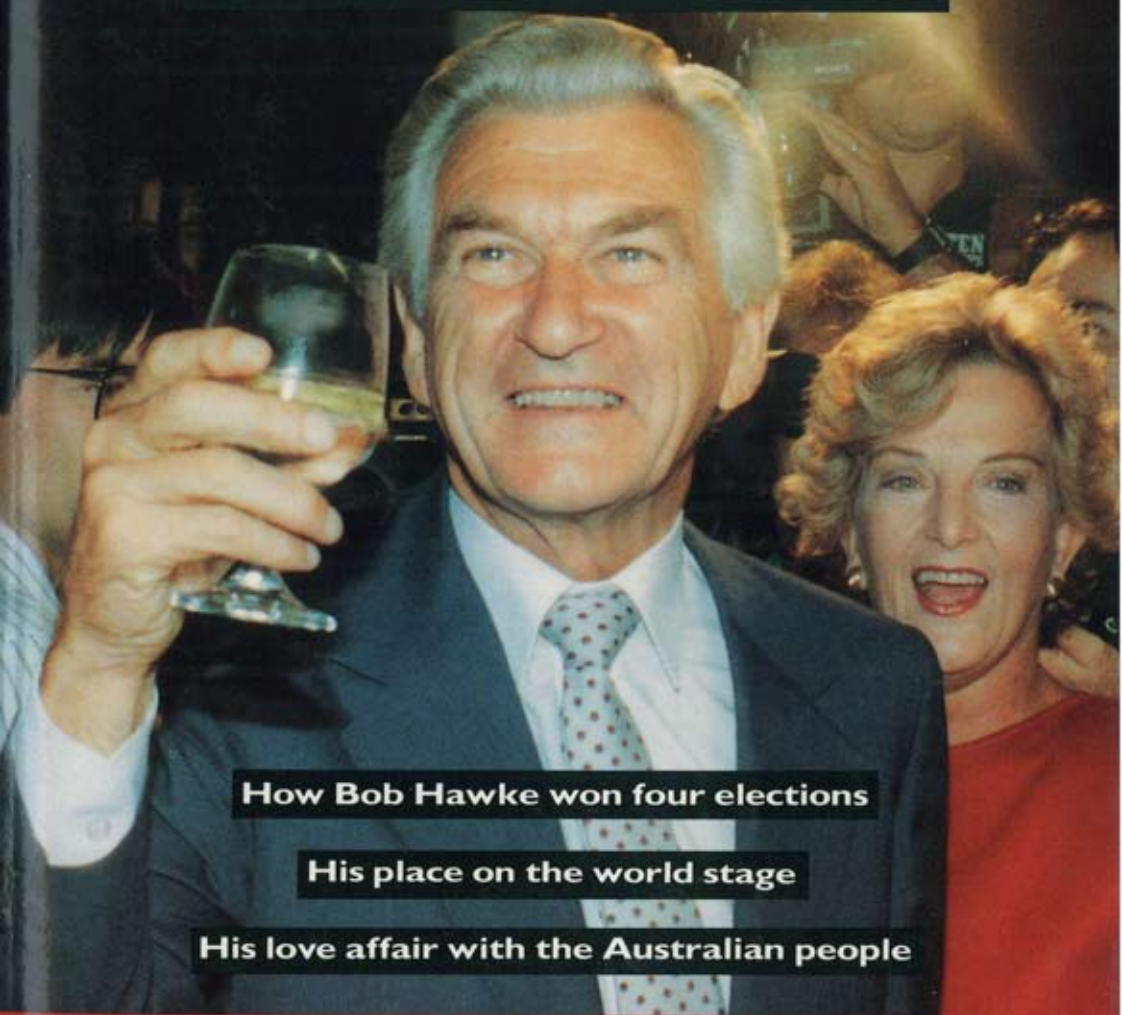


THE HAWKE YEARS

THE STORY FROM THE INSIDE



How Bob Hawke won four elections

His place on the world stage

His love affair with the Australian people

STEPHEN MILLS

INTRODUCTION

THE WINNER

In December 1991, as his Prime Ministership was collapsing around him, Bob Hawke telephoned one of his Caucus supporters to declare his determination to fight to the finish. Hawke was just eight days away from being rejected by Caucus in favour of Paul Keating; the Morgan public opinion poll that nearly eight years earlier had recorded Hawke's unprecedented zenith – an approval rating of 75 per cent – now rated his nadir of 26. But to Warren Snowdon, the Left-wing member for the Northern Territory and one of Hawke's strongest lieutenants in the leadership fight, Hawke spoke with conviction about staving off the Keating challenge and leading the Government to one more election victory. The subject of more opinion polls and market research than any other figure in Australian history, Hawke insisted he was a much better prospect than Keating for getting the Government across the line in 1993. After all, he declared to Snowdon, research had shown that in the 1990 election it was 'the Hawke factor' that delivered victory for Labor. The basic truth was, he said, that 'no politician in Australian post-war history has had such a continuing love affair with the Australian people.'

If the comment was hardly that of a detached commentator,

it was an accurate and insightful one, which could also serve as an explanation of Hawke's extraordinary political success, and a guide to what made him tick. The 'love affair' was Hawke's greatest political asset. It was the key to what made him, uniquely in Australian political history, a Presidential-style Prime Minister. It underwrote the promise of electoral success with which he secured the leadership of his Party in 1983. Tested in four Federal election campaigns, it produced an unprecedented string of four wins between 1983 and 1990. It was his principal claim to retaining the leadership in defiance of Keating's challenge.

Much of Hawke's Prime Ministership was spent demonstrating and replenishing this 'love affair', through direct encounters with the people. Travelling out of Canberra, Hawke was crushed by shoppers in suburban malls, mobbed by schoolchildren, doted on by bowls club ladies, cheered by steelworkers. He was welcomed into pubs and boardrooms, dispensing investment advice via satellite to sharetraders in Tokyo – and via talk-back radio, tips to punters heading for the race track. In an Italian club in Coburg, in a Macedonian Club in Perth, at Chinese New Year in Sydney, at a Greek street festival in Melbourne, he was at home and among friends. He never patronised anyone or seemed uncomfortable in their presence; indeed he revelled in the contact, rejoicing in his popularity and his easy familiarity with people. He was sent all sorts of tokens of love, which transformed parts of his cramped suite in the old Parliament House into a sort of Aladdin's Cave, crammed with portraits painted in oils, beaten in copper, woven into carpet, or sculptured in gilt plaster – and, sometimes, with more practical gifts, like knitted beanies and gloves to get him through the Canberra winters. He led the national cheerleading when *Australia II* won the America's Cup – and when Pat Cash won Wimbledon – and when Allan Border brought home the Ashes. And he professed an informed enthusiasm for virtually every sport played by Australians, from Australian Rules to women's netball. A news photograph of him at a race meeting in Canberra said it all. As the horses come to the finish line Hawke is half-

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standing in his seat, cheering his horse home, while seated beside him, more demure but also watching the race with an intense eye, is the Queen. That was Hawke all over: exuberant in displaying his emotions, and unfazed by the company.

People seemed to like being close to him, as he posed for innumerable snapshots with family groups and signed innumerable autographs – on scraps of paper, programmes, bottles of commemorative port and, at one barbecue in Townsville, on styrofoam stubby-holders; whatever was to hand. He was shorter than they expected – that's what they said, anyway, as they gazed in wonder as he giddayed his way through a shopping centre. He looked so *alive*: a compact immaculate silver chunk of tanned sparkling energy. From a distance of six inches, Hawke's face could radiate megawatts of blinding charm directly into the eyes of a suburban shopper. Had it been kryptonite it would have killed; mere charisma, it stunned.

And he did love the attention. Sometimes pallid when he was pinned down in Parliament or in Cabinet's Expenditure Review Committee, he was charged up by these encounters outside Canberra, returning flushed and prancing, as if he had been reminded of the purpose of his life. And that was very nearly the case. This behaviour, this love affair was, on Hawke's part at least, nothing less than the natural expression of his essential character. He loved Australia, he would say, and he loved the Australian people. He sensed that the people understood that love – in fact that many of them regarded him as an embodiment of the country and its character. And he accepted that through a long public career he had become a sort of national public property. In this sense his relationship with them was on his part visceral, innate, almost involuntary. That much over-used word, 'charisma', does not in Hawke's case refer to some flashy electioneering style. It refers to a gift with which Hawke was endowed and which, in an intangible spiritual fashion, embraced and embodied the Australian nation and people. Hawke belonged to everyone everywhere.

He of course used this to good political effect. When he visited Adelaide, he extolled the virtues of his birth state; when he

travelled to Perth he could reminisce about his childhood and youth there; he had his union base in Melbourne, and his family, and his parliamentary seat, and the ill-fated South Melbourne Football Club; then he shifted to the Lodge and to Canberra's fabulously successful Raiders rugby league team; but deep down he loved Sydney, spending as much of his time as he could at Kirribilli House and finally buying a retirement house on the North Shore – none of which prevented him from asserting, in North Queensland, that he was an 'honorary' Queenslander with a special affection for the northern part of the state. This protean quality was a handy campaign line. But it was also an essential element of his pan-Australian identity. In his low-brow, sports-mad, nationalistic, ex-boozing, track-suit-and-gold-watch way, Hawke identified totally with – and in essence, *was* – one of those 'ordinary Australians' to whom his political program was ultimately dedicated. Once having to deliver some papers to him at the Lodge on a Friday evening, I found him with Hazel and a granddaughter sitting around the TV watching a video, their dinners on their laps, spending an evening identical to that of millions of other Australians.

Like the President of a Republic, Hawke derived political legitimacy and strength from his direct relationship with the people who elected him. He was no great respecter of Parliament, not a Canberra insider; he was not a worshipper of the Australian Labor Party's sacred cows – indeed he put many of them to the sword. He 'presided' over Cabinet as he had literally presided, for a decade, over the Australian Council of Trade Unions. His own description of his national role was as 'Chairman of the Board of Australia Unlimited' – essentially, above parties, above industry, the supreme national authority.¹ None of this sat easily with Parliament's Westminster-style image of itself as the ultimate maker and breaker of leaders; nor with the ALP's traditions of Caucus and Conference supremacy. Indeed, Hawke's political demise came about when Caucus reasserted – took back from the people as it were – the right to choose who shall be leader. In choosing Keating, Caucus chose a quintessential exponent of party and parliamentary

politics. But in the meantime, Hawke had exposed Canberra's vulnerability to conquest by an outsider. Hawke had shown that political power could be attained, retained and exercised by an appeal to a broader, popular, legitimacy.

But in his relationship with the electorate Hawke was not an uncomplicated lover, and this was no uncomplicated 'love affair'. While the very phrase 'a love affair with the Australian people' sounds shallow, like something dreamed up by an ad agency, Hawke too was uncomfortable, seemingly groping for a fuller definition. His encounters with the people were intense, charged, tactile – but they were quick, and when they were over, Hawke could get back in his car and be driven away, or board his jet and fly somewhere else, for another encounter in another city. There were no strings attached – that was the beauty of the thing. Endlessly repeatable, it demanded so little – except endless repetition. The affection of the people fed his vanity and stoked his ego, but Hawke kept them at arm's length. Election campaigns, which provided the only real test of the relationship, were consequently periods of acute anxiety for him. He could play the lair, press the flesh, out-yahoo the public bar. But all this often seemed like a superbly sustained public performance. Being among the people no doubt provided emotional satisfaction. But it did not fully engage him; he was more fully occupied when he was behind his desk in Canberra negotiating some abstruse question of wages policy, or debating some development in a foreign crisis, or underlining the key phrases of a briefing note with his medium point rollerball Pentel (always the black ink variety). He spent far longer at deskwork – reading, telephoning, weighing arguments, finding forms of words, and generally applying his brain to the problems of running the Government – than he did in all the supermarkets and schools and bowls clubs put together.

And beneath his radiant public friendliness were other emotions. Hawke was fiercely competitive, pugnacious, even belligerent in his approach to politics and policies. That was apparent to anyone who saw him when he was really wound up in Parliament or on the stump. He was passionate and

intense, reluctant to suffer fools, impatient with formality and time wasting. Give him a piece of paper to read or sign and he would beckon for it impatiently, focus on it intensely and then flick it back across the polished desk, while beckoning for the next. (His desk was always clean as a result.) Even times of apparent relaxation were devoted to intense competition. Staying at Kirribilli over the Christmas break in 1990-91, he took his old Melbourne friend, Col Cunningham, to the Australian Golf Course where they played 18 holes of golf in the morning, another 18 in the afternoon and another quick nine before dusk - a total of 45 holes in one day.

During a working week, he would tee off at dawn, winter or summer, in order to play nine or 18 holes before getting to the office. Over a bowl of soup at his desk for lunch, he would attack the *Times* cryptic crossword, and usually get it out. And, gambling being the ultimate outlet for pent-up vicarious competitiveness, he would bet on anything, studying and annotating a racing form guide with the same degree of concentration that he applied to a list of Caucus members during the Keating challenge. In the office, he would try to tune in to race calls on his desk radio between meetings; when he was travelling, his favourite hotels tended to be the ones which incorporated casinos, where if he had an evening spare he could repair to one of the swish private rooms for a few hours at the tables playing blackjack. He once bet a group of senior public servants that the business investment forecasts presented by the Joint Economic Forecasting Group were wrong. (No one took him up.)

Beneath all this there sometimes seemed a solitariness, even a coldness, that also stood in sharp contrast to the easy gregariousness of the 'love affair'. He had many political acquaintances and close colleagues, but, as happens, they seemed to come and go as his career developed. For all his popularity with 'the people' collectively, he had very few lasting personal friendships with individuals. His moments of genuine relaxation were spent simply with his family - making up to the grandchildren, perhaps, for his work-enforced absences when his own children were young. In part, this loneliness was the alone-ness

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of command: the only people who walk through a Prime Minister's door are people with problems that they can't solve themselves or chores they need him to perform (or papers they need him to read when he is having a TV dinner with his family). But in part it was a self-generated refusal to communicate – a preference as a 'solo flier' for his own company and his own deliberations. He would sometimes sit alone late at night, in his office in the old Parliament House, smoking a cigar behind an empty desk, and gazing into the painting that hung on the opposite wall – a very austere Authur Boyd landscape that seemed well suited to moments of deep inner calculation.

And indeed, having started out as a spontaneous intense outpouring of mutual affection, the 'love affair' did cool somewhat; around 1986 it became, on both sides, a more mature and deliberate act of choice and calculation. The people never preferred any other leader, Labor or Liberal, to Hawke; his election victories in 1987 and 1990 proved that if he could live up to their expectations of what a Prime Minister should do and how he should act, he would remain their favourite. But they could, in the end, always get another Prime Minister; Hawke needed the people more than they needed him. So he acquired the capacity of stepping back from the relationship to observe it clinically – to take its temperature – to make sure it still served his purpose, of keeping him in office. The man who could conquer the booze and stick to a Pritikin diet and (from time to time) break the cigar habit, was of course capable of bringing the same discipline and determination to his political career as well. By December 1991, the people were growing tired of Hawke, but Hawke, as he remarked to Snowdon, had not stopped loving the people. Because he had not stopped wanting to win.

Hawke had made it clear often enough that winning was what he was about. In 1977, he and Bill Hayden co-chaired an ALP inquiry whose report had condemned the Party for having 'one of the worst electoral records of any democratic socialist party

in the western world.' What is needed, the report concluded, was 'not the habit of occasionally falling into Government, but a strategy and structure to make Federal Labor a continuously effective national entity and, hopefully, the dominant political force in this country.'² Six years later, one co-chairman had replaced the other as leader of the Labor Party; the premise and sole rationale for the change was that Hawke could deliver certain victory to Labor. He did – and as Prime Minister declared that Labor, then in power in Canberra, Sydney, Melbourne, Perth and Adelaide, had become Australia's 'natural party'. 'We are looking forward to a long period in Government to do the sorts of things that you want us to do,' he told his electors in Wills at the declaration of the polls.³

A couple of months later, Hawke returned to the winning theme. On his first visit to Washington as Prime Minister, in June 1983, Hawke was asked at the National Press Club to compare the ALP with the British Labour Party. 'There is one obvious difference between us and them,' Hawke replied. 'We win. I can assure you that what the Australian Labor Party is about is about winning.' The question touched on a fundamental issue, he said, so he went on:

I understand that when you are in politics, you're in there to win. You are not in there to win just for the purposes of personal pride or satisfaction, but you are in there because you believe that the general philosophy that you represent, if applied, is likely to improve the conditions and quality of life of the people of your country. And there is one simple fact of political life – that you cannot bring your philosophy and your practices to apply, to bring about that result, unless you sit on the right hand side of the Speaker. That means winning.

And therefore a political party, and this applies particularly I suggest to social democratic parties, there is an obligation upon these parties to *attune* themselves to what they perceive to be the aspirations of the people of their country. And I believe that is what I am about, and that is what my Government is about. I make it clear to this audience – and I know it will not go unreported in Australia; I see

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them scribbling – what we are about in Australia is to make sure that the general philosophy, the general principles of the great Australian Labor Party are attuned to what the people of Australia want . . .

I am not in the business of being able for some indefinite period to sit under the banyan tree and scratch myself and say, 'What a jolly good bloke am I' (. . . or . . .) to reside in that posture of ideological purity (and) divorce myself and my Party from the opportunity of Government . . . There is an enormous amount of things that the people of Australia want done to create a better and more equitable society, and our Government is going to move in a way that ensures that we are in Government to do those things that need to be done.

For Labor, this was like strong liquor to a teenager. First, it was to win; then it was to be 'attuned'; and then, it was to 'be in Government' – a heady and unfamiliar cocktail. When Hawke spoke those words in Washington, Labor had governed Australia for just three of the previous thirty-three years. It had become so used to losing that losing had become part of its tradition, with losers glorified for their noble losses: leaders like Jim Scullin, Ben Chifley, 'Doc' Evatt and Arthur Calwell. After his dismissal in 1975, Gough Whitlam's name joined this roll of honour. After 1980, so did Bill Hayden's. But not Hawke's. And not Hawke's hero, Labor's wartime Prime Minister John Curtin. In 1983, Hawke was determined that he would overthrow Labor's Gallipoli tradition of honouring defeat. 'Attuning' the ALP was to involve him in some of the fiercest battles of his Prime Ministership. But he would show it how to win. 'I'm not in the business of committing political suicide,' he later told journalists quizzing him about his view on a consumption tax, 'on this or any other issue'.

Hawke's relationship with the Australian electorate has tended to overshadow the other key attributes he took into the Lodge. Hawke did not aspire to attain the Lodge, or contrive to stay there as long as he did, thanks to anything as grand as a philosophy, or as rigorous as a theory, or as dogmatic as an ideology.

But he did have something that was much more practical: a program. This program had three complementary elements. First of all was Hawke's complete and unflagging belief in the power of negotiation. This was an item of faith from which he never departed; a deep-seated and recurrent principle on which much of his political career was built. He had total confidence in his own capacity to resolve conflict and to show that cooperation even by traditional rivals yields advantages for all.

He had settled strikes as a trade union leader. He had negotiated pay claims in the tripartite forums of the arbitration system. He had given his 1979 Boyer Lectures the ambitious but characteristic title, 'The Resolution of Conflict'.⁴ He went on to become Prime Minister on a promise of national consensus and national reconciliation – 'Bob Hawke. Bringing Australia Together' – and he triumphantly delivered on the promise when he presided over his National Economic Summit, the incarnation of consensus. The Summit was that rarest of things in Australian political leadership, a successful innovation. Never had the Australian community conferred on a Labor Government such a grand endorsement, such an open-ended confirmation of authority and legitimacy, as it conferred on Hawke's Government at the Summit. Then, as Prime Minister, he established the Economic Planning and Advisory Council (EPAC); he convened other summits, on taxation, and housing, and gun control; he set up the Aboriginal treaty process in 1988; he initiated a series of Special Premiers Conferences in 1990; he embraced the process of negotiating agreements on Ecologically Sustainable Development.

Hawke seemed to revel in the long hours of personally hammering out policy deals around a table – on waterfront reform or Aboriginal stock routes in the Northern Territory. Nor did he stop at the shores of Australia. In Israel in 1987, he explored a negotiated settlement to the Arab-Israeli dispute. Later in the year, he agreed to head a South Pacific Forum mission to try to negotiate a constitutional settlement in post-coup Fiji. In 1989 he launched the Asia Pacific Economic Cooperation forum (APEC) to bring together the economies of

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the region in a new forum of consultation. All these efforts, in their different ways, were devoted to bringing rivals together in a process of dialogue, cooperation and mutual gain. The political scientist Graham Little observed acutely that 'Hawke's vision or philosophy (is) virtually the same thing as his wish and capacity to persuade'.⁵ Negotiation was Hawke's passion, his skill, in many ways his reason for being.

But in Hawke's program, national consensus, the bringing together of rivals for negotiation, was not an end in itself. It was a means to a larger goal: changing the fundamentals of Australian economic management. This was the second essential element of Hawke's program. For many, wages policy was and is an arcane, peripheral science. For Hawke it was his bread and butter for two decades before he entered the Lodge. From as early as 1974 Hawke was devising a new method of wage fixing which he believed could secure sustainable growth for the Australian economy and growing employment for Australian workers. After repeated efforts to persuade others to implement this idea in 1975 and 1977, he did it himself when he convened the Summit in 1983 as Prime Minister.

The essence of the proposal was a trade-off. This trade-off involved the two halves of the labour movement – the ALP and the Australian Council of Trade Unions. If the union movement agreed to restrain wage increases, a Labor Government would compensate workers through tax relief and 'social wage' increases such as increased spending on pensions, health and education. Wage restraint would break the back of inflation and encourage job growth, while social wage increases would protect living standards. Others – Jim Cairns, Whitlam, Hayden, Ralph Willis and Bill Kelty – came to similar conclusions about the benefits of wages moderation, and made significant contributions to the emergence of the Accord between the ACTU and the ALP which in 1983 finally agreed on such a trade-off. But it was Hawke, with his commitment to consensus bargaining, who first proposed it.

Hawke's program thus equipped Labor with a social strategy of consensus and an economic strategy of restraint and growth.

He envisaged that on this basis Labor could bring to an end its long cycle of electoral defeat. This was the third element of his program. As the author and exponent of these electorally attractive packages of consensus and economic growth, Hawke saw himself as leading Labor into this period of hegemony as Prime Minister. It required, of course, the slaughter of many of Labor's sacred cows. But thanks to his brilliant campaigning skills and his 'love affair with the Australian people', Hawke became an unprecedentedly successful election winner. This gave him the opportunity to preside over the attainment of the other elements of his program.

When comparisons are made between Hawke and Keating, the then-Treasurer is often said to have provided Hawke's Government with 'the ideas and the guts', while the Prime Minister provided the 'gloss and the political nose' – or, in other words, the charisma and pragmatism.⁶ Hawke was charismatic, to be sure. But he was also *chrematistic* – that is, he was concerned with the issues of wealth creation in a national economy. And Hawke was certainly pragmatic. But he was also *programmatic* – not so much devoid of principles but capable of single-minded pursuit of the social, economic and electoral goals of his program.

Viewed from the vantage point of the early 1990s, with Hawke's Prime Ministership at last extinguished, it is perhaps difficult to recall how exceptional this three-part program really was. The once bright novelty of national consensus has faded to a cliché. The dazzling economic achievement – the fastest growth in employment of any Western nation – was replaced by the gloom of another recession. And the ardour of the love affair – the hot sun of national applause in which Hawke basked – has gone cold. But if the passage of time has stripped away the high gloss of this program, it has also exposed its underlying significance: the political and economic strategy developed by Hawke, and implemented at his National Economic Summit, laid the foundations for the longevity and resilience of Hawke's leadership.