

Mate against mate

IMRE SALUSINSZKY

Betrayal: The Underbelly of Australian Labor

By Simon Benson

Pantera Press, 304pp, \$49.99 (HB)

‘**W**HAT is character but the determination of incident?’ asked Henry James. ‘And what is incident but the illustration of character?’

James was talking about literary plots, but his point about the priority of character applies equally to the plot to overthrow former NSW premier Morris Iemma, which is the subject of Simon Benson’s *Betrayal*. From one perspective, the driving forces appear larger than individual actors: Labor’s arcane rules and processes, especially the party’s annual conference, NSW’s flagging economy and balance sheet, the machinery of government and parliament, and so on. But from another perspective, it is the extraordinary cast of characters whose quirks, ambitions and prejudices drive everything.

None more extraordinary than Iemma’s sidekick, former NSW treasurer Michael Costa. When Costa took to the podium at Labor’s annual conference at Darling Harbour in May 2008, it appeared as if his head was about to explode. To the heckling of nearly 1000 delegates, he excoriated Unions NSW boss John Robertson and state party president Bernie Riordan, arguing their opposition to a plan to privatise about \$12 billion worth of state-owned electricity assets was all about asserting their egos.

Then Costa turned on the jeering delegates. Part of the union case — more a dog whistle than a serious argument — was that Chinese commercial interests could assert control of NSW’s elec-

tricity supply and jobs could go offshore. Costa inconveniently pointed out the provenance of the protest T-shirts worn by many of the delegates.

“Half the people in this room are wearing yellow T-shirts made in China,” he ranted. “You’re a joke! You’re an absolute joke!”

Robertson, in his speech, cruelly slighted former NSW premier Barrie Unsworth, who had delivered a report to the conference in support of privatisation: “Mate, there’s nothing more ex than an ex,” one former sparkie told another.

For political theatre, this was hard to beat. The privatisation proposal was defeated by 702 votes to 107. Presiding over the vote was state party secretary Karl Bitar who, with Riordan’s and Robertson’s connivance, was already putting pressure on state Labor MPs to dump Iemma.

The following morning, those of us covering the conference saw another of Benson’s key players in action. Kevin Rudd was introduced by a more than usually buffoonish Riordan, who appeared to be channelling W. C. Fields. As Rudd finally began, we waited for him to throw Iemma a lifeline, to say something, *anything* in support of the privatisation plan. It didn’t happen. With almost unlimited reserves of political capital at his disposal, Rudd preferred to feel the love.

This is where Benson gets his title. Written unashamedly from the perspectives of Iemma and Costa, his book suggests Rudd was duty-bound to do something to save Iemma and his reform plan.

Eight months earlier, on the cusp of the 2007 federal election, Rudd had convinced Iemma to delay the privatisation announcement until after the federal poll.

“If you help me, I’ll get elected and you will prosper,” Rudd told Iemma, according to Benson’s sources.

“Work with me and, when the time comes, we can f . . . k them together.”

Benson has the quality tabloid journalist’s feel

for detail. When Iemma is expecting a breakfast visit from Rudd in February 2008, the table in the premier’s dining room is laden with “poached eggs and bacon, salmon hot cakes with a creamy cheese and pastries”. But in an ominous sign of things to come, Rudd doesn’t show.

Betrayal, however, is more than a compelling political potboiler. It should stimulate the beginnings of the conversation about what Labor government in NSW between 1995 and (if the polls are correct) 2011 has meant.

movement should be two things, rather than one.

Less than four months after the theatre of Darling Harbour, Iemma and Costa were gone. They have now been followed off stage by Rudd. To Costa, Rudd’s demise was the ultimate demonstration the prime minister had destroyed himself by abandoning Iemma and taking the road of least resistance. In the process, Rudd had assisted in the creation of a dysfunctional NSW Labor government, which came back to bite him.

There is evidence for this view in the fact that

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If the answer to that question by most media commentators and editorialists would appear to be “unalleviated disaster”, that simply reflects shortness of memory, including for many of their own previously held positions.

As Michael Egan, treasurer under Bob Carr between 1995 and 2005, delivered surplus after surplus, paying down mountains of public debt, I remember a good deal of cheering from the sidelines, but nobody saying: “Wait! You should be borrowing billions to build roads and hospitals!”

The point is that electricity reform has been a hurt locker for Labor since the day it came to office. Carr and Egan attempted full privatisation in 1997. At that stage, the windfall for taxpayers would probably have been north of \$25 billion, which is a lot of roads and hospitals. But Carr and Egan were defeated by much the same crew that confounded Iemma’s plan a decade later.

This says something about NSW as the last vestige of “industrial” Labor. It suggests, surely, that, in the 21st century, a social-democratic political party and a historic trade union

one trigger for Rudd’s downfall was a by-election in the state seat of Penrith, in which half the voters who supported Labor in 2007 decided to abandon it. Nevertheless, the plotters have been rewarded. Fresh from “doing” Iemma, Bitar hit the Federal Highway to become the party’s national boss. Robertson, in a series of piquant ironies, inherited Costa’s upper-house seat and quickly rose to become — wait for it — the state’s energy minister. From this position, he was forced to front the TV cameras and explain away massive rises in the regulated price of electricity, the very bogey he had summoned up in his scare campaign against reform.

Ambitious and intelligent, Robertson will struggle to shed his reputation gained in the heat of the electricity wars as a divisive figure and a troglodyte. Nevertheless, he will move to the lower house at the state election next March and will become a potential candidate for leadership of the opposition.

It will be the greatest irony of all if, having done so much to debilitate the Labor government, “Robbo” is handed the wreckage.*

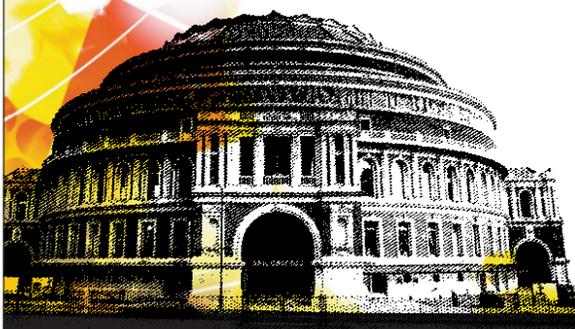
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