

**Radio Interview with Paddy Manning, Schwartz Media and broadcast on 9 November, 2023..edited transcript.**

**Rupert the last Mogul**

**Paddy Manning: Now, can I ask you then firstly, John, if you don't mind, to please introduce yourself.**

**John Menadue:** I'm John Menadue. I've had a career in the private sector and the public sector. I was Gough Whitlam's private secretary for seven years between 1960 and 1967, and later Secretary of the Department of Prime Minister and Cabinet. I was Secretary Department of Immigration, Department of Trade, Ambassador in Japan, Special Minister of State. In the commercial area, I was CEO of Qantas for about three or four years and that maybe is particularly relevant today. I was general manager of Rupert Murdoch's operation in Sydney for seven years, which included The Australian, the Daily Mirror, Sunday Mirror, Sunday Telegraph and Daily Telegraph. That's briefly my background.

For the last 12 or 13 years, excuse the commercial, I've been publishing a journal *Pearls and Irritations*, which is doing extremely well, particularly given the failure of mainstream media and the way our mainstream media has become dependent upon the propaganda out of Washington and really doesn't reflect the interests of Australian people. The issues that we project in Pearls and Irritations are on climate change and the failure of our relationship with China and our increasing dependence and forfeit of sovereignty to the United States on important defence and security matters.

**Paddy Manning: Fantastic. When did you first meet Rupert Murdoch?**

**John Menadue:** I met Rupert in the days when I was working for Gough in Canberra. I got to know the people in the Canberra press gallery well. In the old Parliament House, we were all a closely knit group and a particular friend of mine, Eric Walsh on the *Daily Mirror* introduced me to Rupert on a couple of occasions. So, I developed an occasional contact with Rupert at that stage.

**John Menadue:** Later, I decided that I'd spent seven years with Gough, and it was time for a change. Eric asked me whether I was interested in a job in newspapers, and he got in touch with Rupert.

Rupert was always interested in politics from his Oxford days. I secured a job initially as personal secretary to Rupert. It wasn't really a job of any description., Within about six or eight weeks I became General Manager of *The Australian* and my career then continued working for Rupert. It was enjoyable. My personal relationship with Rupert really ended with the dismissal. And whilst I'd had that very close relationship with Rupert for about seven years, I haven't had a relationship with Rupert for 50 years since then. The dismissal was the breaking point in that relationship because Rupert was a very clear and important player in the dismissal of the government. He was part of the inner circle with Malcolm Fraser in the dismissal and I found that unacceptable. And so, the relationship hasn't really developed since then. But Rupert, like in most situations and I suppose I'm a bit the same, when you have a break, you don't go back

over old ground. You don't hold grudges unduly about it. You move on to other things. And that's what Rupert did and that's what I did.

**Paddy Manning: What were your impressions of the young Rupert when you did first meet him? His politics, his demeanour, his business acumen.**

**John Menadue:** I was very impressed with Rupert, as many people were. It was a pleasure working for Rupert for seven years. He was open to new ideas. He moved away from the parochialism of the State broadsheets and tabloid newspapers in launching *The Australian* national newspaper. I found it quite exciting working for Rupert and of course the support he gave the Labor Party in 1972. That was the topping off point I guess for that relationship. I was very impressed.

But I think it's tragic the path that Rupert has taken in recent years, having shown so much promise as I saw back then. Rupert has become a great danger to responsible media around the world. But at the time I worked for him, I must say I found it exciting and very encouraging and rewarding.

**Paddy Manning: If you talk to people today, they sort of struggle to compute the idea of a left-wing Rupert Murdoch back in his younger years.**

**John Menadue:** The main driver early on was his dismissal by the Melbourne establishment that may explain some of his politics. I think Rupert is still a Republican, doesn't like the monarchy, but in those early days when Rupert was young, he was expecting that he would follow in the footsteps of his father, Keith Murdoch, who was a doyen of the Melbourne establishment, close to the Liberal Party and close earlier to Prime Ministers Hughes and Lyons. Rupert felt that the Melbourne establishment should have given him the acceptance that his father had. They never gave it to him. Menzies dismissed him as a boy publisher. Later on, he was somewhat regarded as left wing and a bit unpredictable. One of the keys to Rupert's early life was that he felt the establishment had rejected him. It did not help that some of his newspapers were shoddy, like the Melbourne *Truth*, for example. Rupert felt that he had to re-establish himself. He never forgot that that the establishment rejected him. So much of his public life has been trying to establish himself as acceptable in senior business and political circles. That is a feature of Rupert's life that no one else really has focussed on. But I believe that was a key factor in Rupert's early determination to be accepted.

The first politician that accepted him as a serious player was Jack McEwen, the leader of the National Party or Country Party at the time? Then it was Arthur Calwell and then Gough Whitlam briefly, because Gough always had reservations about Rupert. The Melbourne establishment and Menzies wouldn't have a bar of Rupert and that was I think a large part of the way that Rupert responded and wanted to ingratiate himself with people in power.

**Paddy Manning: Can you please explain... It was 1967 was it that you jumped from Whitlam's office to News Limited?**

**John Menadue:** 1967? Yeah.

**Paddy Manning:** Yeah.

**John Menadue:** A long time ago.

**Paddy Manning: Yes. At that time, can you describe the Australian political scene and who was Gough Whitlam?**

**John Menadue:** Gough was then Deputy Leader of the Opposition. He became Deputy Leader in 1960 to Arthur Calwell. Gough Whitlam was then regarded as a very promising young member of Parliament. Many people saw his period as deputy leader as the training ground, the preparation for becoming leader. Gough went through some very difficult periods in his relationship with the organisation - the left wing, the faceless men in the Labor Party. But he finally became leader after the 1966 election, which Labor lost. Vietnam was the major issue in the election, and Arthur Calwell and the Labor Party opposed the involvement of Australia in that war. In opposing the war, the Labor Party paid a very considerable political price in losing seats. But after 1966, Arthur resigned and Gough was elected, beating Eddie Ward for the position of leader of the Parliamentary Labor Party.

**Paddy Manning: But the Labor Party has been in opposition now for 17 years. You've had a Conservative government under the recently retired Menzies. So, you decided you'd had enough of opposition. Is that a fair way to put it?**

**John Menadue:** That's right. Yes. That's after seven years with Gough. I'd run as a Labor candidate in Hume across the border from the A.C.T., and I felt it was time to do other things. It was a wonderful learning experience working for Gough. It was like being chained to a powerhouse. But it was hard going. Very demanding with a very small staff. I thought it was time for change. But I had developed an interest in newspapers. I was a private secretary, press secretary, doing everything. So, the newspapers interested me as a continuation of my interest in public issues.

**Paddy Manning: Yes. Okay. And Australia, is the Conservative government travelling well? I mean, what I'm trying to get to is we know that Rupert ends up supporting Whitlam in 1972. Why would Rupert as a businessman support a Labor government at the end of the sixties?**

**John Menadue:** He was open minded. That stems from his early days when he was a member of the Labour Club at Oxford. Running the Adelaide News with Ron Rivett as the editor, he was showing a much more moderate anti-establishment view on many issues. There was an element of openness to a Labor government and clearly as things developed with Gough and the battles he had with the executive of the Labor Party and his improved public standing, Rupert came to the view that Gough was a prospect, a good prospect of winning. Rupert always liked to be on the winning side, and he saw that coming in the 1972 election with Billy McMahon as the leader of the Liberal Party in serious difficulty. McMahon was an embarrassment to the Liberal Party. Gough was in good standing and for the two reasons that I mentioned Rupert decided that he'd get behind Gough.

**John Menadue:** The other factor is that Rupert is in many ways a frustrated politician. He just loves politics and he'll always talk politics to almost anyone on any occasion. He told me that he was interested in joining the National Party or Country Party then and becoming a candidate for them in Australia, which of course he never did. I didn't really think that he was serious about it.

But he liked talking about those sorts of ideas and those possibilities. He was very close to Jack McEwen in that period, who was a quite outstanding Trade Minister and Leader of the Country Party. Rupert was impressed by McEwen.

Rupert was very interested in politics. Gough was a good prospect. Rupert was open minded. He saw an opportunity and a national interest in backing Labor, in backing a winner.

**Paddy Manning: That's very interesting that Rupert considered going into politics. I haven't read that before.**

**John Menadue:** I don't think he took it very far, but he certainly raised it with me. I knew Rupert very well and he discussed a lot of personal things with me, which I wouldn't talk about here. There was no doubt he showed to me his great interest in politics. He was interested in me because of my political background.

**Paddy Manning: So, Rupert sees Whitlam as a chance in the 1972 election. You organise, as I understand, a dinner between the two.**

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**John Menadue:** I organised several dinners and meetings between Gough and Rupert. The first one was in the middle of 1971 when Rupert was back in Australia on one of his regular visits to make sure the colony newspapers were playing the right game. He'd sack an editor or two if he thought that necessary. I arranged a dinner. It was at the Hungry Horse, in Paddington. I don't know whether the restaurant is still there. Rupert was there, Anna his wife, Gough, and Margaret. Also, Ken May, who was chairman of the Australian operations. And I was there. I was the contact between Rupert and Gough. I asked Gough how the dinner went, and he said, frankly, it didn't go very well. He said, I find Rupert boring. Rupert was not interested in ideas and Gough's not very good at small talk ever and he found it a frustrating dinner.

Later that year in October or November, a year before the election, Rupert, on one of his trips back to Australia, invited Gough and Margaret to Cavan, his country residence outside Yass. And they stayed overnight and had a dinner. I'm not sure who else was present but maybe it was only the four of them with Rupert and Anna, Gough and Margaret. I subsequently asked Gough how the meeting, how the dinner and the visit to Cavan went and typical of Gough, he said, Comrade, it was the most boring time of my life with Rupert once again.

The chemistry just wasn't there. Another important factor with Gough was that he didn't want to be beholden to anyone in the Labor Party or business or media. He was very independent, determined on his own course of action which politically may have had a downside. But in terms of people like Rupert, he didn't want to be beholden to Rupert in any shape or form. Then came the 1972 election.

**Paddy Manning: The 'It's time' election.**

**John Menadue:** Yes, the '72 federal election. Mick Young, Eric Walsh and I were quite close friends. Mick Young was a very good secretary of the ALP at the time and had the strengths which Gough didn't have politically. Mick was very valuable. The three of us decided that we really needed to try and make sure that Rupert and Gough were on good terms. Mick Young and I arranged to hire a boat for a cruise on Sydney Harbour. We got it all set up and I then had

the job of persuading Gough. It was a problem. He kept telling me, I'm too effing busy to go on a cruise with Rupert. I won't do it. And then as a throwaway line he said, 'will Margaret do?'. I don't think Margaret Whitlam ever knew that Gough put her up for the job. But to cut a long story short, in the end Gough agreed to the harbour cruise. It went reasonably well. Rupert paid for the boat. Gough can be gracious at times, but he was very hard to persuade. But the chemistry was never there between Gough and Rupert.

**Paddy Manning: Nonetheless, Rupert did support Gough Whitlam in the 1972 election quite wholeheartedly, as I understand. Can you explain what sort of support he did give?**

**John Menadue:** It was certainly wholehearted. Nothing was held back. Rupert wrote editorials supporting Labor. He'd take them down onto the letter press 'stone', check the page proofs and out they'd go. He'd announce policies particularly or write media releases for Gough for example on our withdrawal from Vietnam, which he supported.

**Paddy Manning: He supported it.**

**John Menadue:** Oh yes, he opposed our commitment to Vietnam. I remember once when I was with Eric Walsh and Mark Day, who was then on *The Mirror* and Mark said, Oh, this is a new statement but there's nothing new about that, is there, about Vietnam? And Eric said, there is something new, Mark. Rupert wrote it. In the policy areas, Rupert recommended to Gough that Nugget Coombs be appointed as a special economic adviser because he didn't think that Gough and the Labor Party were particularly strong on economic issues. On that I think Rupert was right. Rupert proposed a referendum on a national anthem and Gough accepted that. Rupert also proposed deductions of interest on housing and Rupert and Gough accepted that also.

**Paddy Manning: Negative gearing.**

**John Menadue:** Rupert had Evan Williams write a final wrap up speech for Gough in the St Kilda Town Hall. But Gough refused when he knew that it had come from Rupert. After the election, Rupert said to me several times, how many seats do you think we won for Labor?

Oh, it was boots and all. There was no doubt whatsoever. Rupert was determined on a Labor victory, and he was quite excited about it.

**Paddy Manning: Was it all the newspapers or was it simply the Australian that was Rupert's mouthpiece or did involve the tabloids as well?**

**John Menadue:** It was all of them. That's the way it works. *The Australian* is regarded as the flagship and Rupert doesn't have to tell other newspapers what to do. They look at what *The Australian* is saying and follow suit. And of course a whole string of editors across the country knew what Rupert wanted. They didn't have to be instructed. And that's the sense of degradation which News Limited has come to across the whole world.

**Paddy Manning: Did Rupert, to your knowledge, financially donate to the Labor campaign in 72?**

**John Menadue:** Not that I know of. I didn't hear that. He may have personally. But some pro Labor newspaper advertisements were run at no charge. Some of the editorial staff led by Bob Duffield, who was the foreign editor of *The Australian*, went on strike later in 1975 over the line, which Rupert was taking on the dismissal. But in the 72 elections, I think they were happy with what Rupert was doing and his support for Labor.

**Paddy Manning:** I've read one interview with Rupert where he thought he worried that perhaps he'd gone too far straight into advocacy for Labor in the 1972 election. Was that that blatant?

**John Menadue:** I don't think it was blatant. I was an insider. Perhaps I'm not a good judge on that, but I don't think it was blatant. The mood for change was there. Gough didn't get a big majority. But Rupert's support gave the Labor Party confidence. I don't think Rupert's support was decisive. I think Rupert's influence has always been greatly exaggerated. But almost all the politicians believe that he has power and they become beholden to him, almost all of them across three continents.

I should mention after the election things didn't go well. That personal relationship I mentioned between the two never really gelled. After the election, Eric Walsh had arranged a dinner between Gough and Rupert in New York, but Gough met David Frost in the foyer of his hotel and decided that he'd have dinner instead with David Frost. That wasn't a great compliment to Rupert. But a breakfast was arranged at Rupert's apartment later that visit.

**John Menadue:** So, the relationship was patched up to a degree. But to be fair to Rupert, he would not take those setbacks personally. He wouldn't hold a grudge or a grievance. He might have had some personal annoyance. But my experience with Rupert was that he took those setbacks in his stride. If a newspaper didn't work, he'd close it and get on with something new or something different. That was one of Rupert's strengths, that he didn't hold grudges or grievances for very long.

**Paddy Manning:** Why did Rupert Murdoch turn against the Whitlam government? And when.

**John Menadue:** Gough won the 1974 election which led to the joint sitting of the Parliament and the launching of Medicare and Medibank. After the 1974 election, Rupert was getting doubts about Labor, particularly its economic management. The business acquaintances that Rupert had, the advertisers, were all bad-mouthing Gough. Rupert picked that flavour up and became sceptical of Labor in the 74 election. He didn't take sides. He had one editorial writer writing a case for Labor and another one writing the case for the Liberal Party led by Bill Sneddon at the time. Rupert was in the middle at the 74 election but by 1975 he was clearly determined that the Labor Government should go. And he pulled out all the stops again to achieve a political result that he desired, including collaboration in the dismissal.

**Paddy Manning:** Rupert by now has moved firstly to London where he takes Anna and his young family. Then in 1969 when he buys the News of the World. And then fairly quickly, only four or five years later, he's moved to New York, as you mentioned. Had Rupert changed in those years?

**John Menadue:** I don't think there was an immediate change, but it was progressive change.

**Paddy Manning: Was he becoming more conservative overseas?**

**John Menadue:** Oh, yes, that's right. And he's now way out on the extreme right wing with Trump, which is a tragic result. It was a long way from the promise that Rupert showed early on when I worked with him. I think there were several factors in the decision to move from London to New York. Rupert had always often said to me that to be successful as a publisher in the English-speaking world, you had to be in Australia, the United States and England. And he had a nostalgic interest in the UK. He'd studied there at Oxford, not very successfully, but he studied. He got a job with Beaverbrook that his father had arranged for him after Oxford. So, he had that interest. And of course, Fleet Street was then an outstanding example of the English-speaking newspaper world. So, Rupert was attracted to London.

After the 72 election, Rupert asked me whether I'd be prepared to speak to Gough about him being the High Commissioner for Australia in London.

**Paddy Manning: Really?**

**John Menadue:** I was the intermediary again. One reason for his interest in London was that Rupert felt he was regarded as an outsider in London as well as in Australia. And if you could be Australian High Commissioner in London, the establishment would recognise him much more.

**Paddy Manning: How would that work, John? Would he keep his media interest but also have this official capacity representing Australia in England?**

**John Menadue:** As he explained to me, and then I conveyed to Gough that he promised two things. The first was that he could have a word to the Sydney Morning Herald and the Telegraph, the Packers and Rupert Henderson that they wouldn't drop a bucket on the Labor Party and Rupert for doing such a thing. He thought he could play the friendly game with other newspapers not to make a big issue of it. And the second was that he would put his newspapers into a Trust of some sort. He would not run his media enterprises. There wouldn't be a conflict of interest. They were the promises that Rupert made. I conveyed those undertakings to Gough. But he said no. I won't go into the expletives about it but Gough had made a promise to Senator Armstrong, John Armstrong, that he'd be the High Commissioner in London. So, I tolled Rupert that Gough had promised it to John Armstrong and that he wouldn't get the job in London. And once again, Rupert didn't hold a grudge. The London job didn't work out so onto the next problem.

**Paddy Manning: Did Rupert see that as a quid pro quo for the support he'd given Gough in the 1972 election?**

**John Menadue:** He wouldn't have asked otherwise. I think he wanted to shed the anti-establishment tag. And London would be a very good place to do it.

At that time Rupert was also thinking of a move from London to the United States first in Texas with a small newspaper there.

**Paddy Manning: San Antonio.**

**John Menadue:** San Antonio, yes. Rupert and Anna were also particularly concerned by the tragic hostage taking of Muriel McKay. Her husband Alex McKay was Rupert's 2-IC in London and had been with the Argus in Melbourne. Muriel was kidnapped and murdered. The kidnapers thought they were kidnapping Anna because McKay was driving Rupert's car while Rupert was overseas. That shook Rupert and Anna.

**Paddy Manning: Terrifying.**

**John Menadue:** That was a factor, a personal factor in getting out of London. The other was that Rupert was sick and tired of the printing unions in the United Kingdom. The union chapels were extremely obstructive. Rupert was concerned about their opposition to workforce change. He had a major dispute at Wapping, where he had the assistance of Peter Abeles in breaking the printer's strike. That industrial concern as well as those other personal reasons that I mentioned explain why Rupert found the United States attractive. It was also a big market.

**Paddy Manning: Okay. There's a WikiLeaks cable, a US diplomatic cable that's published by WikiLeaks only in 2014, as I understand, but it was written in early 1975. And in that cable it talks about an edict, a confidential instruction from Rupert Murdoch to his editors to, quote, kill Whitlam. Are you aware of cable?**

**John Menadue:** I'm aware of a paper that WikiLeaks produced much later of a discussion that Rupert had with the American ambassador in December 1974. The reason why WikiLeaks hadn't picked it up until much later was that Murdoch was spelt with a K rather than an H. Small literal mistake can have serious problems or repercussions. But in that cable from the American Ambassador in Canberra, it was spelled out by Rupert that he had decided that the government had to go. I'm not sure the word 'killed' was used but certainly the Whitlam Government had to be dismissed and that he was confident that that would happen. And that was 12 months before the dismissal. I also know that 12 months before the dismissal John Kerr turned up at one of Rupert's soirees that Rupert used to hold for his editors at Cavan. This was after the 1974 election, which Gough had won. But the issue of a possible double dissolution had been in play then and Gough took the course of a double dissolution himself rather than face possible dismissal by Kerr, which is probably what Bill Sneddon and others were wanting. Gough decided on a double dissolution and won the election. But at that meeting 12 months before at Cavan at that soiree, John Kerr, probably well into his cups late in the day, was encouraged by Rupert to speculate about what might have happened if Gough had not called a double dissolution. And Kerr spelt out to Rupert the options that he saw he might consider if in future there was a refusal also refuse supply in the Parliament. I subsequently confirmed this account with Ian Fitchett who was there.

**Paddy Manning: Press gallery journalist.**

**John Menadue:** Also George Munster at Nation wrote about the briefing that Kerr gave to Murdoch at Cavan. Munster may have got his story second-hand. It may have been from Fitchett. I'm not sure. Munster was not there at that soiree. Fitchett was. But 12 months before the dismissal, Rupert had clearly been told that the Governor-General, John Kerr, might consider a double dissolution if supply was refused.



A few days before the dismissal I had a luncheon with Rupert. I was still on good terms with him at that stage. The lunch was in November 1975, before the dismissal. Ken Cowley was there. He was then the Chairman of Rupert's Australian operations. The three of us were at lunch at a restaurant in Manuka in Canberra. The name has changed these days. It was a pleasant lunch, but Rupert naturally wanted to talk politics and the prospect of refusal of supply. Dismissal was very much in the newspapers and Rupert was pushing it as hard as he could. Rupert was anxious to know my view and I told him that there would not be a double dissolution but that it was likely there'd be a half-Senate election which Gough was entitled to call. But Rupert was adamant that there would be a double dissolution and the government would be dismissed. And I rejected that as hearsay. But what clearly gave Rupert away was finally he said to me, and I had good relations with Rupert still at that point he said, John, don't worry, you'll be appointed ambassador to Tokyo. That was 12 months before it happened.

**Paddy Manning: How could he know that?**

**John Menadue:** He would have only known that from Malcolm.

**Paddy Manning: Malcolm Fraser.**

**John Menadue:** With the dismissal imminent, Rupert probably said to Malcolm about John Menadue, he's probably a good bloke or something like that. And he's got a young family. Da da da da da. Please make sure you look after him. And Malcolm, I think, said yes.

Twelve months later, when Malcolm decided that it was time for me to go, he offered me Tokyo. I found Malcolm quite pleasant, a surprisingly good person to work for on so many issues, which to me was unexpected. Anyhow, 12 months down the track, I was offered Tokyo. What Rupert told me 12 months before came true.

**Paddy Manning: And what does that mean, looking back about Rupert's knowledge of the dismissal?**

**John Menadue:** There was absolutely no doubt he knew a dismissal was on. He knew that John Kerr was a weak, vain man. John Kerr had given Rupert, his innermost thoughts on possible dismissals to him 12 months before at Cavan. Rupert knew the weakness of Kerr. He put the heat on Kerr through his newspapers---the Governor-General must decide--- Rupert knew what John Kerr had in mind. I don't think Rupert would have been involved in the connivance of the Palace in all this, but he knew what Malcolm Fraser was about and he knew what John Kerr was about and he was determined that the Whitlam government should be dismissed. I have no doubt whatsoever and I'll maintain my view until the grave.

**Paddy Manning: Rupert had a connection to Malcolm Fraser.**

**John Menadue:** Eric Walsh and others have said that they shared a nanny down in the western districts of Victoria. I cannot confirm that. I don't know that story.

**Paddy Manning: Why did you leave News Limited and Rupert to work again for Gough?**

**John Menadue:** I think Gough was increasingly disappointed, disillusioned with the public service mandarins, if I can call them that. The heads of the Public Service Board, Treasury and PM and C, regularly dined together for lunch at the Canberra Club. They were regarded as the inner core, the mandarins of the public service who had worked for Liberal governments for over 20 years. Gough felt that they were not particularly receptive to the changes that Labor wanted. I can understand that. And Gough was looking around for a replacement, someone who could help him as Prime Minister. Eric Walsh who was on Gough's staff at the time, suggested that Gough consider me. I was approached after the 1974 election to become the Secretary of Prime Minister and Cabinet. I was one of the 'jobs for the boys', and I paid something of a price for it. Although 'jobs for the boys' become commonplace these days across all parties. But it was a stigma at the time. That was the background to how I was appointed. I think Gough trusted me.

**Paddy Manning:** And there was no falling out between you and Rupert Murdoch when you decided to go back and work for the Prime Minister.

**John Menadue:** There wasn't a personal disagreement. We just drifted apart. After the Dismissal and Rupert's very active role in it I had no interest in contacting Rupert. He had no interest in contacting me. So that's the way it was.

**Paddy Manning:** What was the editorial line of the Murdoch papers in the lead up to the dismissal during the supply crisis and then in the lead up to the 75 election after the dismissal, what was the editorial line that they took?

**John Menadue:** In the lead up to the 1975 election?

**Paddy Manning:** Yeah. Lead up to the dismissal and then the 1975 election.

**John Menadue:** The major issue was economic management That was the line being run. But in addition to that, there were the political factors, the general instability of the government. Gough had decided that Jim Cairns as Treasurer needed to go and subsequently Rex Connor. The Minister for Minerals and Energy had been responsible for what was called the loans affair. Rex Connor had attempted to raise \$4 billion in unorthodox ways, which upset the Treasury enormously. There was some merit in their concerns, but it was the issue which produced, I'm sure, an avalanche of leaks out of the Treasury hostile to Whitlam.

**John Menadue:** When Bill Gunn, who was chairman of the Wheat Board, attempted a similar loan raising, Treasury had no interest in leaking about that. But with Rex Connor, Treasury pulled out all the stops and leaked incessantly to News Limited in particular, but also to the Melbourne Herald Group. Rupert had decided that Gough was going to lose anyhow. He didn't want to be on the side of a loser. People were concerned about the avalanche of bad news about Labor and Gough.

**Paddy Manning:** Well, the editorial line against Gough was so strident that the newsroom of The Australian went on strike.

**John Menadue:** That's right, they did. That was just before the 1975 election. It was the foreign affairs people and particularly Bob Duffield the Foreign Affairs Editor who were concerned together with others. I'm not sure how many. I wasn't around or very close to it at the time. But they went on a short strike in protest about the editorial policies, the strident anti-Labor policies of the Murdoch Media.

**Paddy Manning: Do you think the Murdoch media, or do you think Rupert Murdoch was an outlier or was the whole press campaigning against the Whitlam government by the end of 1975?**

**John Menadue:** I think it was almost everyone. They didn't follow the virulent style of News Limited, but overwhelmingly they decided that Gough had to go. And it's the same story Labor governments invariably face. Albanese's getting a good run now, but that will change.

**Paddy Manning: Can I ask, fast forward after the dismissal, you are a senior bureaucrat in the Hawke Government and a Special Minister of State, and then, as I understand, as Secretary of the Department of Trade. And I just wonder what was the relationship like between the Murdoch media and the Hawke-Keating Labor government in the eighties?**

**John Menadue:** It was very good. At least at the early stages. There were difficulties and risks for Neville Wran in New South Wales of not antagonising Rupert. He was much more cautious and diplomatic in handling Rupert. The major factor at that time in addition to News Corp was the ownership of the Herald and Weekly Times Group. To appease Murdoch, the Hawke Government paved the way for Rupert to acquire the Herald Group. Rupert felt that the Herald Group had been denied to him. His father controlled the Herald Group and all that Rupert got out of his father's inheritance was the Adelaide News, a small SA state newspaper. Rupert always had his heart set in getting back ownership of the Herald Group with its papers in Adelaide and Brisbane and the Sunday paper in Perth. Not in Sydney, but in Brisbane as well.

**Paddy Manning: Did you play any role in that as a conduit or an intermediary again between the Hawke government and Murdoch?**

**John Menadue:** No. I was on the outer and content to stay that way. I don't think Rupert would have asked me anyhow. I remember there was an earlier issue of Alwest in the early days of the Whitlam government. It was a bauxite mine in Western Australia. Rupert had an interest in that and there was Cabinet consideration of it. Rupert never asked me if I would use my good offices on that one. I think he knew it was too close to the bone. But in my experience with those sorts of things, Rupert was quite moral and careful. Prudent. Later his behaviour changed if he wanted a government favour. He would do it himself.

**Paddy Manning: It would have been improper to use.**

**John Menadue:** Yes, that's right. But coming back to the Melbourne *Herald*. I spoke to Mick Young, who was an old friend who was in the Hawke cabinet. I said, Why the hell did you give the Melbourne Herald to Rupert. And he said to me, Jack. The Melbourne Herald is always against us. Rupert is sometimes with us. And that was the justification that Mick had. And I think that others around the cabinet table in the Hawke government would have agreed with Mick Young. Rupert regarded The Melbourne *Herald* as his rightful inheritance.

**Paddy Manning: It was a long held ambition on Rupert's part, wasn't it? He had already tried once that to buy back the Herald and Weekly Times in 1979, but failed.**

**John Menadue:** That's right. He felt he'd been duded by the Melbourne establishment. He felt he should have inherited the whole lot that his father had developed.

**Paddy Manning: In acquiring the Herald and Weekly Times Rupert Murdoch effectively gets almost a monopoly over newspaper circulation in Australia, something like two thirds market share, making it the most concentrated media market in the world. Do you think it was a mistake by the Hawke government and in particular by Treasurer Paul Keating to approve that acquisition?**

**John Menadue:** There's no doubt in my view, without being partisan, that this has been a great disservice to Australia. Almost every newspaper that Rupert touches has become a disgrace. And it's true of The Australian. I don't know why so many people, professional editors and journalists continue to work for Rupert Murdoch anywhere around the world. Adding the Herald and Weekly Times just added to the problems. Democracy has been debauched in every country where Rupert operates. And it's getting worse and worse and worse. Rupert has played a major part in that. There is little diversity at all. And even the ABC, now takes its agenda from the Murdoch newspapers.

**Paddy Manning: You see former prime ministers Kevin Rudd and Malcolm Turnbull both launching a petition, signing a petition calling for a royal commission into the Murdoch media and into media diversity in Australia. What do you make of that?**

**John Menadue:** I would support it. We've seen with the Robodebt Royal Commission that a royal commission by a competent commissioner or commissioners would reveal far more of discredit and damage to Australia that Rupert Murdoch has done than the Robodebt has ever done to the Morrison Government. It is a burning issue for Australia. I would hope that a royal commission like that might lead to some improvement in the courage of the ABC and the funding of the ABC because it is the only significant alternative to Murdoch at present. There are small operators like Schwartz and I guess I could put Pearls and Irritations in that category and some others. But we have a major problem with the damage that Rupert Murdoch has done to newspapers in Australia, and any self-respecting government should take steps to correct that as soon as possible. The important thing is to get the issues out on the table and then hope governments would have the courage, which they haven't got now, to take on Rupert Murdoch. Unfortunately, the Murdoch organisation has very considerable sway on the Albanese government, particularly in foreign policy. It does great damage in relations with our region. Australia has become a proxy for the United States in our region and is leading us to war with China. It's a very dangerous game which our media, which is subservient to American propaganda, is playing and Rupert is a big player in that.

**Paddy Manning: It's funny to think that our media diversity problem dates back to 1987.**

**John Menadue:** I don't know that I can add much to what I have said. It's a major issue we face as a country, but we lack the courage of politicians to face up to it.

**Paddy Manning: Do you think that Paul Keating and Rupert Murdoch had a special relationship? Was there any reason why Paul Keating did make that decision as Treasurer?**

**John Menadue:** I'm not sure, but all I can judge on is the Cabinet, of which of course Paul was a member. Bob Hawke was a great conciliator with everyone and like Neville Wran, he saw the damage which Rupert could do and was determined that would not happen to his government.

**Paddy Manning: Can I just ask two final quick questions, John, if I can. One is the theory that Rupert Murdoch's interests in fossil fuels over the decades, whether it's oil and gas exploration here or in America, have contributed to his thinking and his politics. And I wonder if you have a view on that.**

**John Menadue:** I have no knowledge on that issue. When I left Rupert, the issue of climate change just wasn't on the agenda. It wasn't discussed. I don't know why Rupert has decided that he's going to be a climate sceptic, which he clearly still is. Rupert is close to the big players in the gas and oil industry. He's close to all the big players. But that's only a public reading of mine. I've got no particular inside knowledge on that.

**Paddy Manning: And your view of the theory that the CIA was implicated in the dismissal of the Whitlam government?**

**John Menadue:** Yes, But not directly. There is no doubt that the intelligence agencies were unhappy about the Whitlam government on many things. So were the Americans They were particularly upset about what Gough had to say about the bombing of Hanoi and Haiphong after the 1972 election. Nixon and Secretary of State Kissinger were apoplectic about Gough. Gough was deceived by the intelligence agencies who think they are more patriotic than elected Prime Ministers. He had his reservations about Pine Gap, but to my knowledge, had never decided that it should be closed. But he believed that Australian sovereignty should be protected. He believed that foreign troops should never be on Australian soil except in an emergency. He would have strongly opposed American nuclear armed bombers operating out of Tindal, American Marines in Darwin, the Force Posture Agreement and AUKUS. The Americans would know that they would be wasting their time if they tried to put something like AUKUS to the Whitlam Government They would not even try. But they now feel that Albanese is a soft touch.

**John Menadue:** John Kerr was very susceptible to the security, to the spooks. He'd been very close to them. I know they were briefing him on many occasions. He would have been very familiar with their concerns about the Whitlam government and what they might or not do on security matters. But I never saw any evidence of specific instructions or advice from the US intelligence agencies that they had to get rid of Whitlam. It was all indirect background pressure but never direction that I saw. But John Kerr was weak and vain. He was very interested in security matters. He raised them many times with me. He would have been very susceptible to the blandishments and concerns of the spooks.

**Paddy Manning: John, thank you so much for your time today. Actually, I meant to ask because you're out of Adelaide yourself.**

**John Menadue:** Yes.

**Paddy Manning: So you would have had an awareness of Rupert Murdoch in Adelaide? Did you meet him there in Adelaide at any point?**

**John Menadue:** Very peripheral. I got some contact indirectly. I was Secretary of the Fabian Society in Adelaide and Rupert had been an occasional member or visitor at the biology block at Adelaide University. Clyde Cameron was also a member. I was also at that time at the University, Chairman of the ALP club. We admired Rupert and his support through Rohan Rivett, the editor, of the campaign he ran on the Stuart case. In that case Rupert got up the nose of the Adelaide establishment, the Adelaide Advertiser, and the Adelaide Club. We thought Rupert and Rohan Rivett were doing great things. So, I was very favourably disposed in those early days. Rupert showed a great deal of promise. But in the later years it became tragic what he has done to the media in three continents. Rupert could've done great things, but he didn't.

**Paddy Manning: I'm thinking that there is a sharp pivot in Rupert's career politically. Somewhere in the seventies, there's a hard turn to the right and which ended up by the end of that decade in support for Thatcher and Reagan and a much more conservative agenda.**

**John Menadue:** They were certainly factors, but he was moving slowly that way anyhow. I think there was another factor, a personal one. Anna Torv, his second wife, the mother of James, Lachlan and Elizabeth was a very moderating influence on Rupert. Their marriage broke up when Rupert was in New York, I don't know the circumstances of it, but I always felt that Anna was a very considerable influence with Rupert, and she was a big loss in moderating Rupert. There were of course those other factors that you mentioned. Women and wives can be very influential.

**Paddy Manning: John, thanks so much for your time today.**