CHAPTER 1

THE DESTRUCTION OF A GOVERNMENT

Julia Gillard's request was lethal—that Kevin Rudd surrender as prime minister, in her favour. 'I have been talking to my colleagues,' she told him. Gillard now knew Rudd had lost the confidence of the Australian Labor Party. She wanted Rudd to resign but if he refused she would seek a leadership ballot. Gillard delivered the final blow only after being assured she had the numbers. Labor was ready to execute Kevin Rudd, hero of its 2007 election victory.

This was the final stage of the Rudd–Gillard meeting on the evening of 23 June 2010 in the prime minister's office. 'In her view,' Rudd later said, 'I could not win the election.'[1] He was angry and shocked. Resentment against Rudd had a long fuse but the detonation came with a brutality and speed unmatched in Labor history. The Rudd–Gillard partnership died that evening.

Gillard, in effect, had signed the death warrant of the Labor Government. It is a contested judgement but the evidence is persuasive. The destruction of Rudd triggered a series of falling political dominoes that would reduce Labor to a minority government within months and would see its convincing defeat three years later. By her action Gillard assumed political responsibility for the consequences.

This became the pivotal moment in the six-year Rudd–Gillard–Rudd Government. Labor would never recover; the destructive forces unleashed assumed a life of their own. There were many dismal consequences: the destruction of Rudd as prime minister; the crippling of Gillard as the new prime minister; the conversion of Rudd into a compulsive insurgent; and a bitter Rudd–Gillard rivalry that would endure unabated until they both left politics. Despite Labor's achievements in office, the public's perpetual image became that of a government consumed by the Rudd–Gillard war.

Gillard's tragedy is that Rudd's flaws provoked her strike. She had an excuse and a rationale. Her justification lay in party sentiment. Gillard acted as agent of a Labor Party that was weak, panicked and faithless. It

wanted an end to Rudd. Labor, as a political party, had failed at the task of governing and had misunderstood its responsibility to the nation.

In just a couple of hours Rudd had seen his ambitions and dreams reduced to dust. It was a time of tears, rage and incomprehension. Rudd has given his own account of that night, saying the Rudd–Gillard conversation rambled over a range of Gillard's concerns and for Rudd its essence was the argument that he could not win the election. 'That's the proposition that was put,' he said. 'There was nothing else.'[2]

Towards the end, with Labor veteran John Faulkner in the meeting as an honest witness, Rudd thought he had bargained his way to survival. Interviewed for this book, Rudd said he offered Gillard a compromise and that they reached an arrangement.

He said: 'It was a proposition from me … he [Faulkner] can be the arbiter of this. I am clearly relaxed about that. I said if he is of the view that I am an impediment to the government winning the election come when the election was due, which is still frankly six months hence, and six months is quite a long time in politics, then of course I would vacate the position.'[3] Rudd proposed to put his leadership into Faulkner's hands on behalf of the party's interest.

It was a bizarre notion. But Rudd was desperate. He was fighting to survive, with the caucus going into meltdown around the building. Rudd wanted a time of grace to re-establish his government's momentum. If that failed, he would surrender to Gillard.

Continuing his account, Rudd said: 'The words I actually used about it were: "So we are agreed upon that?" And she said "Yes".' Rudd said they did the deal.[4] Faulkner was witness to her consent. Gillard left the room.

Rudd felt he had secured his survival. He immediately told his closest caucus supporter, Anthony Albanese, 'It's peace in our time.' Albanese confirms these words. Albanese said: 'Kevin said, it is resolved, yeah, no challenge.' Albanese started to spread the message that all was 'okay'.[5] Rudd felt sure he could recover support among the people of Australia. The threat to Rudd came from the Labor Party, not the populace.

In the preceding months Rudd had governed badly. This flaw, combined with his dismissive treatment of too many caucus colleagues, had produced a unique event: a first-term, election-winning Labor prime minister had lost the confidence of his caucus. This was Rudd's own work, the result of his political incompetence and character defects.

But Rudd was fooling himself. The proposal he put to Gillard was unworkable. The leadership crisis story was in the media, broken on the ABC's 7 p.m. television news bulletin on a tip from one Gillard backer and

confirmed by another Gillard backer, cabinet minister Tony Burke.[6] The genie was out of the bottle and the publicity put Rudd under intolerable pressure. Gillard had crossed the threshold to a leadership crisis. After the meeting broke, she went to another room in the prime minister's suite and made some phone calls. The message Gillard received was: things have gone too far, the caucus wants a leadership change, individuals are making commitments. The public façade of Rudd–Gillard unity had been fatally breached.

Gillard then returned to Rudd's office. According to Rudd,

> She came back and said, 'I am now advised that you no longer have the confidence of the caucus and I am therefore requesting a leadership ballot.' To which I just said, 'You are what? We just had an agreement ten minutes ago that we shook on in the presence of Faulkner that these matters would not be dealt with till the end of the year and that Faulkner was to be the arbiter of it.' Then she comes back and reneges on the deal. There's not a word of exaggeration, it's exactly as it transpired.[7]

The history of leadership contests—witness Hawke–Keating—is that the participants have varying accounts of such critical exchanges. In long and frank interviews for this book there was one issue Gillard declined to discuss: this conversation. No doubt she will offer her own version in due course. It is vital, however, not to miss the wood for the trees. Gillard had moved relentlessly throughout the day of Wednesday 23 June towards this decision while keeping her options open. Her supporters confirm this. As a professional she delayed the final blow till assured she had the numbers.

For Rudd, the idea that only Gillard could save Labor was a fantastic concoction. He failed to grasp what had happened: his flawed leadership and contemptuous treatment of some colleagues had turned the once-proud Labor Party into an irrational tribal rampage. The crisis would testify to Labor's collapsing internal culture.

When Gillard eventually returned to her office it was flooded with caucus members. It had become a spontaneous uprising. People were feral to remove Rudd. The treason against him was open and rampant.

One of the right-wing faction leaders involved in his removal, David Feeney (later a frontbencher), gave the author the best summary of the originating impulse:

> The events of June 2010 can only be understood with an appreciation of the insufferable atmosphere of fear and intimidation that prevailed amongst MPs and senators. A supine cabinet and a caucus routinely subject to punitive abuse meant only a spontaneous uprising could overthrow the tyrant. Incremental reform and heartfelt advice would only be greeted by a purge.[8]

So comprehensive was Rudd's humiliation that he did not contest the leadership against Gillard the following morning in the party room. It was the steepest descent from power of any prime minister in Australian history.

The deal Rudd put to Gillard had assumed, implicitly, caucus tolerance of Rudd's period of grace. But such tolerance was gone. In just two and half years Rudd had expended the loyalty of the caucus majority. This invites two insights: Rudd was defective as a leader of people; and Labor as a party had shrunk to one core purpose—it existed only to govern and would execute any leader or idea to stay in power.

Gillard is sure the party made the correct decision. Asked why, she said:

> In my assessment Kevin was not going to be able to come out of the spiral that he was in. It was leading to more and more chaos. He was miserable. His demeanour in those last few weeks was that everything about the job annoyed him, from the woman who put a cup of tea in front of him. He was depressed. The show wasn't functional. If he had been capable of pulling out of that spiral he would have by then. This issue was about more than winning an election. The government just wasn't functioning.[9]

Influential right-wing leaders had decided Rudd could not win the election. Research done in New South Wales in four marginal seats pointed to defeat: it showed a 7 per cent swing against Labor and a 55–45 Coalition lead on the two-party-preferred vote.[10] But the published polls were not nearly so bad. The Newspoll conducted before Rudd's execution showed a 52–48 per cent Labor-winning lead. The three Newspolls before that averaged at a 50–50 split. The argument of the anti-Rudd faction chiefs that Rudd was in an irrecoverable position is unpersuasive. Former prime minister John Howard and his deputy, Peter Costello, said later they believed Rudd would have won any 2010 election against Tony Abbott. This was the view of many Labor ministers, including Faulkner. History is on Rudd's side: the notion that the Australian public would

dump Rudd at his first re-election for an untested Abbott who had been Opposition leader for a mere few months is unconvincing.

The Rudd–Gillard generation went off the rails at this point. The execution of Rudd and elevation of Gillard were premature. Caucus assumed the public had decided against Rudd, yet subsequent events suggest this was dubious. The public was unprepared for the Labor leadership change and reacted with hostility. Rudd was soon the most popular politician in the country—again. The best that Gillard could summon was minority government in 2010 and a landslide polling debacle in 2013 that saw her replaced by Rudd. It is, surely, the most powerful evidence that the June 2010 execution was wrong.

Gillard, far from being Labor's saviour, had a short honeymoon. This leads to the final extraordinary feature of the events of 23 June.

Gillard had no strategic game plan for office. She had no blueprint to revive Labor. Given that she seized the leadership from Rudd close to an election, the expectation is that she was ready with coherent plans. Yet this was not the case. 'I didn't have a plan,' says Gillard, attributing this omission to her innocence of any long-run plot.[11] The Labor Party had failed to conduct its due diligence on Gillard. While an impressive deputy, she assumed the office of prime minister too early and in the wrong way. She was not well known to the Australian public, nor had her credentials for the leadership of the nation been widely or deeply canvassed in public debate. Gillard's ruthless overnight elevation into the job—often called a 'coup'—came as a total surprise to most Australians.

The transition was brainless in its absence of virtually every requirement needed to make Gillard's elevation into a sustained success. Its brilliance was tactical: the swiftness of Rudd's despatch. Yet it was a strategic catastrophe and Gillard was unable to establish herself convincingly in office. There was a recklessness to the act. It was as though the removal of a first-term Labor prime minister after a few months of disappointing polls was a routine move after which Labor's standing was certain to rise again. If only it were so easy! In reality, there were no adults left to manage the party and Labor was consumed by a fatal trifecta: hubris, panic and incompetence.

Many of Labor's experienced warriors were dismayed and when asked for their opinions some years on are still adamant.

Rudd backer and future deputy Anthony Albanese said: 'I told a gathering that evening if you do this you will destroy two Labor prime ministers.' His prediction was fulfilled. Albanese said Rudd's destruction meant Labor could not campaign on his achievements, while Gillard's

elevation meant she was permanently tarnished by these events.[12] He was proven correct on both counts.

Finance Minister Lindsay Tanner, one of the 'gang of four', said: 'Panic was a significant factor in the removal of Kevin Rudd.' He believed Rudd would have won the 2010 election. Beyond that, Tanner said, Labor had done long-run damage to itself as a party.

> Removing a first-term elected Labor prime minister by a caucus vote, ostensibly because of his management style, is such an extreme thing to do that those involved have found it necessary to enormously exaggerate the deficiencies in Rudd's leadership. It was impossible to attack the Rudd Government without undermining the Gillard Government.[13]

Former Labor leader and former ACTU president Simon Crean said: 'I said at the time I did not support a challenge. My view is that Kevin would have won the 2010 election.'[14] The Minister for Resources and another former ACTU president, Martin Ferguson, was incredulous and outraged on the night and told Faulkner: 'We've just killed our government.'[15] Faulkner did not dissent; he was appalled at Gillard's actions, the mindlessness of the caucus and saw Rudd's removal as a disaster.[16] Faulkner had previously warned Gillard: 'You cannot assume responsibility for moving against a first-term Labor prime minister just because there is a polling problem.'

Yet it never occurred to the conspirators that they were destroying not only Rudd but Gillard. They were blind to the real meaning of their actions.

Labor's Senate leader at the time, Chris Evans, said:

> I was deeply, deeply worried—I was not in the know—that we could suddenly overturn a prime minister in this way. I think I was the last cabinet minister to go and see Julia the following morning. I told her I was very uneasy about it. I liked her a lot, rated her highly but I didn't think this was a good idea.
>
> There is no doubt as far as I'm concerned these events destroyed both Kevin and Julia. Our inability to recover meant the government was doomed. I am deeply saddened about what happened to what I think could have been a very successful government. I think Julia had the capability to be a good prime minister. The problem was the circumstances of her coming to the job.[17]

Chris Bowen, who was shadow treasurer after the 2013 loss, said:

> The big problem with June 2010 is that it was a surprise for the Australian people. People went to the bed with one prime minister [in the job] and woke up with another. I believe this fatally undermined Julia's legitimacy from the beginning. I understand the rationale of those who did it that way. But I believe, in hindsight, it was a fundamental error. The case was not made to the people for a change. I think it was difficult for the legitimacy issue to ever be overcome, the minority parliament and the carbon issue all rolled into the legitimacy question.[18]

Passionate Gillard backer and former Australian Workers' Union boss Paul Howes, who publicly called for the leadership change that night on television, later recanted and recognised the scale of the folly, unique in Labor history. Interviewed in mid-2013 Howes said:

> The tragedy is that we have destroyed someone who could have been the greatest leader we have ever had. I think this woman has an amazing ability to be a great leader but she is consistently hamstrung by the way she became leader. Of course, it was a stupid way to do it.[19]

Greg Combet, once seen as a future leader, called the event a 'tragedy' for the Labor Party. He said:

> I think the leadership change defined us in government over six years. That's how people saw us. What they knew about the government was Rudd's replacement by Gillard and the divisions and destabilisation that came with it. If you ask most people, that's what they remember about Labor in government, despite all the good things we did. Julia was massively handicapped by it. The way you become leader in any institution defines you. Coming to leadership in a way that spoke of secrecy, midnight manoeuvres, factions, union leaders speaking out, it crystallised a lot about the way the Labor Party had come to operate. I don't think she ever really recovered.[20]

One of Gillard's strongest backers as prime minister, Craig Emerson, said: 'In my view there should not have been a leadership change.' Kevin

was performing poorly and there were huge issues not being addressed. But the change of prime ministers came as a shock and it put Julia on the back foot, particularly in Queensland where we had won many seats in 2007.'[21] Another supporter of Gillard when she was prime minister, Stephen Smith, said: 'I felt that in an election campaign despite all the problems that Kevin would have been able to win. Having been re-elected we could have addressed an orderly transition to Julia.'[22]

Significantly, this was also Treasurer Wayne Swan's preferred position. Swan did not want a leadership change. He felt it would be a mistake and he mobilised against it. The weekend before the change, Swan lobbied senior caucus figures (including Smith) and argued that it was too close to an election to switch leaders. Swan says he spent some time 'letting people know that in my view it was a bad idea'. Swan told the author: 'I felt it would be potentially too disruptive. I conveyed this position to the New South Wales Right. Kevin knew my position.'[23] Swan became Gillard's great supporter as prime minister but he had played no role in instigating the change and joined the push against Rudd only when its momentum was irresistible.

Foreign Minister under Gillard, Bob Carr said:

> It was a crucial error and abnormal behaviour for the caucus to bring down a first-term Labor prime minister. The decision was made by factional bosses. There was no justification for it. The polling showed the normal retrievable position. I believe Rudd's continuing grievance about it was justified and from that time on the government became a Shakespearean tragedy laden with paradox and vengeance.[24]

Interviewed for this book, John Faulkner said: 'It is the seminal moment of the six years in government. My view was that neither of them would survive it—and neither of them did survive it.'[25] ALP National Secretary for the 2013 election George Wright said: 'Without passing judgement on the people, there is no doubt in my mind this is the original sin from which everything else flows for the next three years. What happened in 2010 was an awful mistake for the party and government.'[26]

The Labor leader after the 2013 election, Bill Shorten, a supporter of change at the time, stands by the decision to dump Rudd. Asked in 2014 if he still agreed with Rudd's removal, Shorten said: 'Yes. But it was spontaneous. I certainly formed the view by June 2010 that we were in electoral trouble of a very serious nature.'[27]

Labor's veteran adviser Bruce Hawker, temporarily working in Rudd's office at the time and closely tied to the right-wing faction, was dismayed. His immediate reaction was: 'This would end in tears—and not just Kevin's. Had they thought this through? There will be a massive public backlash and they will blame Julia—one of our best assets. We will be burning two leaders.' For Hawker, the party was ruining the present and the future.[28]

Former New South Wales Party Secretary Senator Sam Dastyari said:

> It was a mistake. In one night Julia Gillard went from being lady-in-waiting to Lady Macbeth. She was never able to get rid of that image. Julia had a legitimacy problem and it sprang from that night. At the time I thought the leadership change would be good for the election and bad for the party. In hindsight, it was bad for both. The damage we did, not just to Kevin but to the legacy of Julia, haunts us to this day.[29]

Albanese described how Labor, at one stroke, had ruined its past and its future:

> It meant Labor couldn't sell what we had done in government. We had protected jobs in the GFC, we had a great story to tell. But the obvious response from voters was: 'Well, if you're so good why did you depose your prime minister?' Looking forward, it meant everything we did from that point was tarnished. Julia Gillard was weighted down by the way she got the job.[30]

For this book the four key factional figures most associated with Rudd's removal—Mark Arbib, Feeney, Kim Carr and Don Farrell—were tested on their retrospective views.

Arbib, national Right factional convenor at the time, was unrepentant: 'The caucus was left with little choice. Unfortunately Kevin's position had become untenable.'[31] South Australian Right leader Farrell says he had always been consistent on Rudd: he opposed Rudd for the leadership in 2006, voted for Rudd's removal in 2010 and voted against his return in 2013. He had no reason to revise any of these decisions.[32] Left-wing faction leader and cabinet minister Kim Carr, who backed the change, conceded his blunder: 'This event was the key in the destruction of the Labor Government,' he says. Carr later re-joined the Rudd camp and became a fierce Gillard opponent. He lamented his role, saying he wished he had gone to see Rudd on the day.[33]

The most nuanced response comes from Feeney:

> The decision to switch from Kevin Rudd to Julia Gillard saved the Labor Government from impending political defeat. It was the right decision. The execution of the leadership change, however, was flawed in that we had learnt the wrong lessons from the Hawke–Keating transition. The swiftness of the decision and broad base of caucus that supported it was no compensation for the fact that the wider community and even the political elite were left bewildered and even shocked.[34]

The ALP National Secretary at the time, Karl Bitar, argued that his research pointed to Labor's defeat under Rudd. This remains his view: 'While I was convinced we would lose the election under Rudd, I was not convinced that if Gillard was leader it would enable us to win. We would need to demonstrate a clear change in direction through our policies and action.'[35]

How should blame be allocated? It should be shared. Rudd is culpable because he lost the confidence of the caucus and Gillard is culpable because she decided, ultimately, to step into the breach and overthrow Rudd.

Evans insisted on a wider responsibility: 'I take the blame, my fair share of the blame, for what happened in the Rudd Government. In the final analysis cabinet should have been braver, we should have used the cabinet to pull Rudd into line. And we didn't.'[36] As an agitator for change, Howes insisted on collective blame on the part of the conspirators: 'We are all in on it. You can't just blame Julia Gillard. It is our naivety. The naivety of the party to think we could execute a leader in such a way that there wouldn't be credibility problems for her. That is the tragedy of Julia Gillard.'[37]

The sheer extent to which ALP figures see the event as terminating Rudd but dooming Gillard justifies the death warrant description. The Labor Government would linger for another three years but Labor did not recover from this night. It is rare in history that the timing of a government's death warrant can be so exactly identified, but that is the meaning of 23 June 2010.

Throughout his leadership, Kevin Rudd had assumed that Gillard would succeed him; this was also the universal view in the Labor Party. The transition should have been managed in Rudd's second term. Labor was blind to the lessons of history: Bob Hawke had won three elections

before Paul Keating confronted him on the leadership and had four election victories under his belt before Keating deposed him. By contrast the caucus of 2010 was consumed by haste and was devoid of judgement.

There was no compulsion in Gillard's move. It was a voluntary act. Her supporters applauded her courage in stepping forward to 'save' the government. Yet she created a new and deeper series of problems. The truth is, Rudd and Gillard needed each other. They had succeeded as a partnership. They could not succeed when that partnership was ruined. This was not Rudd's era; it was not Gillard's era. It was the Rudd–Gillard era. They came to the Labor leadership in a joint enterprise. They would succeed or fall as a joint enterprise. When their enterprise was detonated in 2010 it was the end of their alliance and their government.

To this day Faulkner is one of the few prepared to confront the truth: 'They were both at their best and the Labor Government was at its best when they worked as a team. Kevin was a better PM when Julia was with him. Julia would have been a better PM with Kevin's support.'[38] Together they succeeded; separated they were diminished.

Labor had never executed a prime minister in the first term. The issue will remain in dispute but the evidence is that the leadership change would not have happened in a properly functioning political institution. It testifies to deep flaws in the culture, values and power structures of Labor in government. If the mistaken execution of a Labor prime minister does not prove this point to the party then it is hard to imagine what else would do the job. Some corrective measures have since been taken but they are not enough.

Rudd and Gillard were the brightest stars of their generation. Yet the true nature of this Labor generation was deceptive. It was unusual because it was a shared leadership. It was different from the recent ALP norm, which was one of a dominant leader with authority in his own right (witness Gough Whitlam, Hawke and Keating). In December 2006, Kevin Rudd had become ALP leader in a 49 to 39 defeat of Kim Beazley. But he won only because of Gillard's numerical support as his deputy; neither Rudd nor Gillard could have defeated Beazley in their own right, yet they prevailed as a team. 'The point is that we needed Julia Gillard,' said the pivotal New South Wales Right organiser and Rudd champion Mark Arbib. 'We couldn't win without her.'[39] Beazley said his survival depended upon Rudd and Gillard remaining rivals: 'Once they united, then I was finished.'[40]

As leader, Rudd lacked the internal authority of Whitlam, Hawke or Keating. As prime minister he had the opportunity to establish such

a power base in his own right but failed to do so. The source of Rudd's power lay outside the party—it was with the Australian people. In 2007 Rudd became the third Labor leader since the Great Depression to bring the party into office at a general election. But Kevin's internal position was vulnerable: it still rested on his unity ticket with Julia.

The same limitation applied to Gillard. At the November 2007 election victory Gillard began her dramatic rise to high office when she became Australia's first female deputy prime minister. Around the nation women applauded. Yet Gillard won this honour only because of her deal with Rudd. Most of her enthusiastic backers denied reality: Julia's success depended upon her unity ticket with Kevin. As a realist Gillard had known this. In 2006 she put the party's interests first and deferred to Rudd. 'I made a clear decision,' Gillard said. 'I put it to Kevin, and I believed it, that he was ready to go, that he was the right person to lead us into the contest against Howard.'[41]

It was a far-sighted decision by Gillard. It created the Rudd–Gillard team, the essential step in Howard's defeat. The power reality that was obscured at the time was that Gillard was the key actor. 'I was the change piece for Rudd in running against Beazley,' she said. 'Without my support, which was probably greater numerically than his at that time, he couldn't have become prime minister.'[42]

Rudd proved a more successful campaigner than his backers had dared to hope. Howard was convinced that Rudd made the difference, saying Labor 'would not have won the election' under Beazley.[43] Faulkner says: 'I would rate as Opposition leaders Whitlam as number one pre-1972 and then little to pick between Rudd and Abbott.'[44] Gillard, as his female deputy, played a complementary role in Rudd's victory but he did not need Gillard to win the election. Rudd needed her in order to become ALP leader, and he needed her in order to stay ALP leader; it was their compact.

Interviewed towards the end of his first year as prime minister, Rudd told the author he talked with Gillard 'all the time' and that 'it is a very good relationship'. He said: 'There is complete transparency, trust, common analysis of politics. I think that's based on a high degree of mutual respect.' Asked what quality he most admired in Gillard, Rudd nominated her loyalty. This was 'her most remarkable quality'. 'I have taken that as a given because I have seen it so often,' Kevin said of Julia's loyalty.[45] For Rudd in late 2008, the idea of betrayal by Gillard was inconceivable.

Interviewed six months before she removed Rudd and having no premonition of such an event, Gillard praised their partnership. Her description of its significance is remarkable. 'This has been a stable

government and that stability will be there for the long term,' Gillard said. 'I think there is a natural equilibrium within the government.' Julia, in effect, was saying that she and Kevin had created the right internal balance for long-run success. She said she trusted and respected Rudd.

Gillard was explicit: when their agreement was sealed in 2006 she brokered no deal with Rudd on her own leadership succession. As a realist, she knew it was likely. But Gillard was content to remain deputy while Rudd remained a successful leader. 'If I do this current job [deputy prime minister] for the long term, that will be enough for me,' she said.[46] People will scoff but it is true: Gillard could have lived happily without being prime minister. This is not to deny her ambition. The truth is that in early 2010 Gillard was not plotting to roll Rudd.

There is indeed a Shakespearean quality to this story: Rudd and Gillard were a brilliant team before their destruction born of human frailty. From the start they seemed possessed of a maturity. Labor's two stars had united in mutual interest; yet Howard and Costello were locked in unresolved rivalry. Labor had moved to the next generation; the Coalition was trapped with Howard and unable to secure generational change to Costello. Many argued the Rudd–Gillard team was doomed from its inception but such claims are nonsense. It was a real partnership and, for three years, it was highly successful. In this period it was the most successful Labor team since the early days of Hawke and Keating.

However, in politics the lure of power can blur the reality. It became too easy to forget the foundational axiom: if the Rudd–Gillard partnership fell apart the Labor generation and its government was in jeopardy. A brainless caucus did not grasp the first rule about its government: as long as Kevin and Julia worked together, Labor faced a potential golden age. Gillard was positioned to ascend at the desired time.

Rudd and Gillard needed each other not just because of caucus numbers; they needed each other because of their complementary strengths and characters. Each substituted for the other's weakness. It was a strange but profound truth.

Kevin and Julia were polar opposites. For many caucus members their partnership had been improbable. Beazley said Gillard had 'no particular regard' for Rudd.[47] The main facilitator of their compact was Victorian Socialist Left powerbroker Kim Carr, who spent months during 2006 working on them both. 'Kevin and Julia were very different people who distrusted each other,' Carr said, looking back. 'Bringing them together on a joint ticket was not easy to achieve.'[48] The extent of their contrasting lives and outlook was remarkable.

Kevin came from outside the Labor Party while Gillard was born into a Labor family. Kevin hailed from a southeast Queensland farm and was raised in a conservative family, his father, Bert, being a Country Party supporter and his mother, Margaret, being DLP. There was no Labor birthright, no trade union ties, no class consciousness.[49] Kevin came from one of the nation's deepest conservative heartlands with a long National Party suit. He was born into an understanding of conservative Australia.

Julia, by contrast, came from a working-class family steeped in Labor faiths located initially at Barry, a coal-exporting and industrial port for the Welsh mines. Her father, John, admired the Welsh political hero Aneurin Bevan and, after migrating to Australia in 1966 and doing it tough in Adelaide, he became a hospital nurse and active trade unionist. The family thrived on the glory days of Whitlam in Canberra and Don Dunstan in Adelaide. 'Dad was pro-Labor, Mum was pro-Labor, that's just who we were,' Julia said. Labor politics were in her blood and in her home.[50]

Kevin was a Christian while Julia embraced atheism. At university Kevin's membership of the Christian evangelical group was as conspicuous as Julia's plunge into student politics, the Labor Club and a campus job with the Australian Union of Students. Kevin met his future wife, Therese, in his first week of university, aged eighteen. 'I think you're the first Kevin I've ever met,' she told him. Meanwhile Julia at sixteen told her mother she had no wish to have children; she didn't see herself as a wife and mother.[51]

Julia thrived in Melbourne working at the AUS office on the corner of Grattan and Lygon streets, the social and intellectual heart of the inner city, a focus of progressive and left-wing politics. She absorbed its values and had a relationship with another AUS organiser, Michael O'Connor, later National Secretary of the Construction, Forestry, Mining and Energy Union (CFMEU), to whom she paid tribute in her maiden speech. Julia learnt the factional and networking skills for Labor politics in her early twenties. She was a radical activist, whereas Kevin was conventional and traditionalist, a natural right-winger.

Kevin and Therese married at beautiful St John's Anglican Church at Reid, just off Anzac Parade, in 1981 and had three children. At the Australian National University, Kevin had lived at Burgmann College among future politicians and public servants. He shunned the fun-loving bar crowd and had no interest in student politics. The scholar Pierre Ryckmans, who supervised the Asian Studies student's thesis, said Kevin was 'neat, courteous, sound, reliable and articulate'.[52] He was too perfect to be true. Kevin studied Mandarin, lived in Taiwan

for a year and then became a diplomat with postings in Stockholm and Beijing. Former DFAT chief Dick Woolcott said he was a future secretary. From university their divergent paths were set—Julia was being socialised into Labor politics while Kevin headed towards a lofty career in public policy.

Julia chose law, kept her focus narrow and joined Slater & Gordon, a firm specialising in trade union briefs where, after only three years, she became a salaried partner at age twenty-nine. The firm was a Labor stronghold, wired into the party's factional and union players and represented, among other unions, the powerful right-wing Australian Workers' Union. Julia's professional and social life became intertwined. Acting for an AWU Victorian official, Bruce Wilson, with whom she had a relationship, Gillard gave advice leading to the establishment of a legal entity on Wilson's behalf that, unknown either to her or the AWU national leaders, was used by Wilson to defraud companies. The upshot was Gillard's resignation; it would be the only shadow on her relentless path to the Lodge.

In personal terms, Julia was unpretentious, smart, devoid of vanity, a tough woman succeeding in a man's world. She would not be intimidated but knew when to defer to power. In the office she dressed conservatively, embraced a punishing work schedule and was known for calmness under pressure. She was a feminist but never ran on feminist issues. She had charm and an appealing frankness. Her style was captured when, handing out political material in Melbourne, an older bloke looked at her photo, looked at Gillard and said, 'Taken on a good day, wasn't it, love?' She shot back: 'And you'd be bloody Robert Redford, would you, mate?'[53] This was pure Julia; what you saw is what you got.

Rudd came at Labor from the outside. At each step he was an irresistible force: a smooth-talking atom of intelligence and ambition. As a fifteen year old he wrote to Gough Whitlam saying he wanted to become a diplomat. He joined the Labor Party not by virtue of tribalism but because of intellectual commitment to Whitlam's China policy. He landed the top position with a surprised Queensland Premier Wayne Goss by answering a newspaper advertisement. When he decided to enter politics everybody was shocked except Therese.

Gillard's progress, by contrast, came from within the ALP beast, the legacy of years wrestling with factional and union powers. At university she worked part-time with the Socialist Forum, a rallying point for left-wing ideas. Yet Julia was more pragmatist than ideologue. She had a tense time with Victoria's Socialist Left faction, headed by Kim Carr, who

was hostile to the Socialist Forum and suspicious of her. Her ascension to Parliament was highlighted by bitter factional feuds, her relentless determination and a pre-selection where she was opposed by Tanner and Carr but put together a coalition of both Left and Right support. The O'Connor brothers, Michael and Brendan, were important, along with the Right powerbrokers.[54] Julia had proved her stamina, pragmatism and intra-party skills.

Kevin was an outsider and Julia an insider. As politicians, Rudd's success was his appeal to the public while Gillard's strength lay within the party. Their complementary qualities made them a powerful team but, if left alone as individuals, exposed their deficiencies. In the end they tortured each other as enemies because their rivalry defied resolution.

Rudd was grounded in the Australian community and Gillard was grounded in the culture of the Victorian Labor Party. Rudd was a conservative God-fearing family man, though a modernist with the ability to appeal to both conservative and progressive voters. Gillard was an unmarried Leftist with a radical past, possessed of emotional fortitude, superior at party management, a heroine for some party loyalists but viewed with suspicion by many from the Labor Right and Left. Gillard was hardly representative of wider Australian society.

Once they were united, they were formidable. Rudd and Gillard took control of the Labor Party, steamrolled Howard and, in office, looked set to ignite a brilliant chapter in Labor's saga. Their tragedy lay in the wilful, unnecessary and premature destruction of their partnership. This event doomed the Rudd–Gillard generation. It would destroy the Labor Government they had won and provoke recognition that the party faced a deeper crisis.