



## BOB HAWKE, PHILO-SEMITE

*My first visit to Israel transformed my interest in that country into fascination. The dry, dusty landscape dotted with ancient olive trees evoked all the memories of those biblical stories which had enthralled me as a child.*

Isi first came across Bob Hawke, leader of the Australian Trade Union Council, during the lead-up to the 1974 countrywide elections. The relationship, nurtured by both men, proved precious to the Jewish community when Hawke first became president of the Australian Labor Party (1973–1991), then opposition leader (February 1983–March 1983), and finally during Hawke’s long tenure as prime minister (1983 until 1991).<sup>1</sup>

The truth is that Robert (Bob) J. Hawke had bonded with Jewish Australians and the State of Israel even before he and Isi became close. As a labor leader, he collaborated with Jewish business leaders in search of revenues that would allow his council to expand and improve the consumer power of union members. The relationship with Isi strengthened and deepened these ties.

Hawke’s openhanded support for the Jewish community, Israel, and Soviet Jewry, beginning in the 1970s, invites the question: Why, when so much of Labor abandoned Israel, did Hawke remain steadfast – even when it did him no good politically? It is likely that part of the answer relates to his character.

### **Sympathetic Listening**

Few know Hawke as well as Blanche d’Alpuget, who not only wrote his biography but became his lover and, in 1995, his wife. As she tells it, the charismatic Hawke was brought up to believe that it was his destiny to lead. He was born in 1929 to evangelical Christians;

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<sup>1</sup> Starting in 1969, Hawke led the Australian Trade Union Council. From 1973 to 1979, he headed both the council and the Labor Party. In January 1987, he became the first Australian prime minister to visit Israel and met with Prime Minister Yitzhak Shamir before heading to Cairo to meet Egypt’s Hosni Mubarak.

his father Clem was a congregational minister, and his mother Ellie was a homemaker who had trained as a schoolteacher.<sup>2</sup>

Growing up, Hawke tagged along with his father on visits to parishioners. “He was learning to dream of a future career in which he would be able to benefit humanity directly and practically. He was also acquiring his father’s habits – sympathetic listening, one of the most useful skills for a politician and negotiator,” wrote d’Alpuget.<sup>3</sup> He knew his Scripture, and while he did not remain a practicing Christian into adulthood – at a young Christians conference in India during his university days, he witnessed such profound suffering that he abandoned Christianity for agnosticism – Bible stories about the Land of Israel stayed with him.

Hawke completed a bachelor of arts and bachelor of laws at the University of Western Australia in 1952. Talented and bright, he won a Rhodes scholarship to Oxford for 1953–1956. He also got to travel to Austria, where he attended lectures at the Institute of American Studies in Salzburg. The focus was on American industrial relations, and the lecturers included Ben B. Seligman, an expert on the US Jewish labor movement, a statistician and, more to the point, a Jewish community professional. Hawke came under Seligman’s intellectual influence while forging a Jewish connection.

After his return to Australia in 1956 and marriage to Hazel Masterson, Hawke received a scholarship to pursue a doctorate at the Australian National University, Canberra. However, he had had enough of academic life and, in 1958, went to work at the Australian Council of Trade Unions as a researcher.<sup>4</sup> In those days the council had only two full-time officials and was run on a shoestring budget.

During the 1960s, with a system of wage and price controls in place, Hawke exploited his role at the Australian Council of Trade Unions to push for a better deal for workers and soon became a union celebrity.<sup>5</sup> Further labor successes positioned him to win the council’s presidency in 1969; and during his next decade at the council he became a larger-than-life figure on the Australian political scene, with a reputation as a skillful labor negotiator.

Hawke expanded the council’s scope of operations to include hot political controversies, becoming a leader in the protests against apartheid in South Africa. His union supported protests against the 1971 Australia tour by the Springboks, the South African national rugby team. These demonstrations turned violent, and afterwards there were no more visits from South African sporting teams to Australia for the remainder of the apartheid era. Hawke garnered broader experience when he joined the board of the International

2 Hawke died on May 16, 2019, at the age of eighty-nine. He was still married to d’Alpuget.

3 Blanche d’Alpuget, *Robert J. Hawke* (East Melbourne: Schwartz Publishing Co., 1982).

4 The council was established in 1927 as a coordinating body to negotiate on behalf of unions during major strikes and as the national representative of trade unions to government, overseas union groups, and the International Labor Organization. See d’Alpuget, *Robert J. Hawke*, 91.

5 D’Alpuget, *Robert J. Hawke*, 85.

Labor Organization, a UN agency based in Geneva, which took him to Switzerland at least three times a year.<sup>6</sup>

Even as his career soared, Hawke struggled mightily with alcoholism. Ironically, his mother Ellie had been active in the Women's Christian Temperance Union. The family were teetotalers. Rejecting his abstemious upbringing, Hawke began drinking and over time fell into alcoholism.

Alcohol was integral to the social life of unions, which only exacerbated Hawke's dependency. In July 1953, following the death of his son, who was born prematurely, Hawke was admitted to hospital suffering from alcohol poisoning. He would be on and off the wagon. When he needed to be alert to handle complex union legal affairs, he stayed sober.

However, once he became council president and could delegate such matters, he had a tough time controlling his drinking. His alcoholism, combined with his sexual affairs and herculean working hours, wreaked havoc on his marriage and family relationships.

### **Hawke and the Jewish Community**

Hawke was ideological, but he had friends across the political spectrum. He could relate to blue-collar workers as well as to their bosses.<sup>7</sup> He could be friends with anyone he sensed shared his social concerns. His friendships sprang up without the need for lots of words.<sup>8</sup>

In a mid-1970s television interview with Michael Schildberger, who himself was Jewish, Hawke recounted telling Jewish friends that he wished he had been born a Jew.<sup>9</sup> His networking with wealthy Jewish business leaders like Isi generated sporadic criticism from unionists and far-left campaigners; however, Hawke was not beholden to convention. As he rebelled against his conservative upbringing, so also he opposed being straightjacketed by the left.<sup>10</sup>

Hawke's commitment to Jewish people was, in part, a reaction to his own behavior as a youngster. Antisemitism was commonplace when he attended Perth Modern School, and he had bullied a Jewish student named Jack Elsner. As an adult, he not only broke with antisemitism but became positively philo-Semitic and pro-Israel:

As he grew in understanding he developed a contempt for all forms of insidious anti-Semitism. It seemed to him that the anti-Israel position was an expression of a deep-rooted prejudice. He argued that since his traumatic realisation of the wrong he had

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6 He engendered staff loyalty. In 1972, he appointed Jean Sinclair as his private assistant. She had an economics degree from the University of Melbourne, was highly intelligent, organized, and continued to work for him when he moved to parliament and became prime minister in 1983.

7 D'Alpuget, *Robert J. Hawke*, 118.

8 *Ibid.*, 52.

9 *Ibid.*, 285.

10 *Ibid.*, 119.

done as a boyish Jew-baiter, he had taken pains to rid himself of any prejudice based on colour or creed and that his pro-Israeli stance that was in part an atonement for his guilt did not mean that he was either anti-Arab or anti-Palestinian.<sup>11</sup>

### Israel Visit

In 1971, Hawke visited Israel for the first time with his fourteen-year-old daughter Susan. She stayed on Kibbutz Kfar Blum in the north while Hawke met members of the Histadrut trade union in Tel Aviv. Hawke would recall: “On the day I set out to fly to Tel Aviv I had no idea I was beginning an aspect of my career that more than any other was to stretch my emotions to their limits.”<sup>12</sup>

Hawke was in Israel as the first Sam Cohen Fellow. Cohen, the left-wing senator and Jewish leader with whom Isi had clashed in the early 1960s over Soviet Jewry, passed away while campaigning in Brighton City Hall in South Australia for the 1969 election. He had been standing before an audience of four hundred Australian Labor Party supporters when he suddenly clutched his chest, slumped to the floor, and died.<sup>13</sup> Cohen’s widow Judith (later Justice Judith Cohen) and Clyde Holding, Labor parliamentarian for the Division of Isaacs in Melbourne, a predominantly Jewish constituency, wanted to commemorate his memory and decided on the idea of sending a trade union official to Israel. The awardee would return to deliver the Sam Cohen Memorial Lecture. Holding was conscious of the growing sympathy on the left for the Palestinians since the 1967 Six-Day War and saw the fellowship as a way of countering this leaning.

Bob Hawke’s selection for this honor was life-changing for him and immensely beneficial to the Jewish community. Israel made a deep impression on him. “My first visit to Israel transformed my interest in that country into fascination. The dry, dusty landscape dotted with ancient olive trees evoked all the memories of those biblical stories which had enthralled me as a child,” he recalled.<sup>14</sup> Hawke admired Israel for overcoming great odds during both war and peace to create a thriving society. He described this formative Israel visit at the Sydney Trades Hall:

I went there sympathetic and on [Israel’s] side but prepared to be critical in some ways. I found there three million people still in a potential Holocaust situation. They were living in the reality that tomorrow, the next day or the next month, it could be their destruction day again. If the assembled forces decided to do so, they could be driven into the Mediterranean. But I saw also a people who had, in terms of the Book, brought honey

11 John Hurst, *Hawke: The Definitive Biography* (Sydney: Angus and Robertson, 1979), 102–3. See also Hawke, *The Hawke Memoirs*, 74.

12 R. J. Hawke, *The Hawke Memoirs* (Port Melbourne: William Heinemann Australia, 1994), 72.

13 Robert Pullan, *Bob Hawke: A Portrait* (Sydney: Methuen of Australia, 1980), 141.

14 Hawke, *The Hawke Memoirs*, 73.

and milk out of sand and nothingness and had done that under the worst possible conditions.... They made democracy work in the Middle East. The only place. It's not just words. It's not just slogans. It's social democracy in action. And they did make it work. They made it work in my presence in 1971.<sup>15</sup>

The Sam Cohen Memorial Lecture that Hawke delivered was entitled "Masada, Moscow, and Melbourne." He argued for Australia to take inspiration from Israel. He spoke of the challenges facing a small country surrounded by enemies bent on its destruction. Support for Israel became his moral compass. "There is a powder keg there in the Middle East. Every decent human being must be committed to the viability of Israel. If the bell tolls for Israel, it won't just toll for Israel; it will toll for all mankind."<sup>16</sup>

While in Israel, he had been escorted by former BBC journalist Michael Siew, who was his Histadrut trade union guide together with taxi driver Avi Tel-Shahar. The three found it easy to form a bond. Hawke found Israel's informality, individualism, humor, and cacophony of opinions alluring. He was so moved by his visit to Yad Vashem, the World Holocaust Remembrance Center in Jerusalem, that afterwards he slumped tearfully in Tel-Shahar's taxi, unable to say anything. "The whole of Christendom bears the guilt" for the destruction of European Jewry, he would later say. He understood the November 1947 UN General Assembly vote to establish two states – one Arab and one Jewish in Palestine – as a redemptive act for the crimes that had been committed against the Jewish people.<sup>17</sup>

Hawke was not unaware that Jews in the Soviet Union faced myriad forms of discrimination and could not emigrate. In 1970, he had been signatory to a letter sent to the Soviet embassy in Canberra protesting the harsh sentences handed down in the Leningrad hijacking affair.<sup>18</sup> In May 1971, during the campaign against South Africa's Springboks team, he declared that the Australian Trade Union Council would bar Soviet teams coming to Australia if they excluded Jews.<sup>19</sup>

On that first trip, during a stopover in the desert town of Beersheba, Hawke told Siew that he wanted to do more for Soviet Jewry. He suggested utilizing a combination of reward and punishment to influence Soviet behavior. The Soviets needed to hear the advantages of freeing the Jews and the disadvantages of not doing so. Siew and the Histadrut were able to arrange a meeting for Hawke with Prime Minister Golda Meir; he also had a meeting with

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15 Pullan, *Bob Hawke*, 142–43.

16 *Ibid.*, 146.

17 Hawke, *The Hawke Memoirs*, 73–74. The Arab world rejected the idea of a national home for the Jewish people anywhere in Palestine.

18 This was a June 1970 plan (never implemented) by a group of sixteen Soviet refuseniks to buy all the seats on a small civilian aircraft and commandeer it to Sweden.

19 Melbourne *Herald*, May 14, 1971.

Foreign Minister Abba Eban (1966–1974).<sup>20</sup> Officials at the Liaison Bureau/Nativ provided him with confidential background material.

With his daughter still in Israel, Hawke traveled to Rome and telephoned Aleksandr N. Shelepin, with whom he had established a relationship during a 1970 Moscow visit. Shelepin was exceptionally well connected: nominally he was president of the Soviet trade union movement; more profitably as regards Soviet Jewry, he was a member of the ruling Communist Party Politburo and had the additional cachet of being a former head of the KGB secret police.

Hawke said he wanted to meet Shelepin and learned that he was vacationing at a Baltic seaside location but would be happy to see him. So Hawke returned to Israel, collected his daughter, and the pair traveled first to Moscow and from there to the then Soviet Socialist Republic of Lithuania and the resort town of Palanga to rendezvous with Shelepin.

The two men talked practically without a break for sixteen hours, “through morning, lunch and dinner and well into the night, while the vodka flowed.”<sup>21</sup> They spoke, through translators, about everything from trade union affairs and the Middle East generally to the Arab-Israeli conflict and Soviet Jewry. Shelepin noted pointedly that while Jews were only 2 percent of the population, they constituted 15 percent of the USSR’s scientific cadre. They knew state secrets; how could Soviet officials let them leave? Moreover, the Soviets had to consider the effect of an open emigration policy on other national and minority groups.

Hawke made the case that most of those applying were not privy to sensitive information and surmised that those who did work in the security sphere might be inclined to be even more loyal to the Soviet Union if their fellow Jews who wished to leave were permitted to do so.

The two men agreed to stay in touch, and there is every reason to assume that Hawke’s urgings were transmitted up the Soviet leadership ladder. Hawke briefed the Australian embassy in Moscow, pronouncing the meeting fruitful.<sup>22</sup> He also updated Abba Eban. To the Australian media he said nothing. The meeting remained secret; even daughter Susan Hawke kept mum.<sup>23</sup>

In the wake of the Palanga discussions – and it is not unreasonable to see a correlation – the number of Soviet Jewish émigrés increased. Indeed, Israeli officials believed that Hawke’s intervention with Shelepin contributed to this upsurge from thirteen thousand in 1971 to thirty-two thousand in 1972 and thirty-five thousand in 1973. One Australian

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20 “Abba Eban (1915–2002),” Israel Ministry of Foreign Affairs, <https://mfa.gov.il/MFA/MFA-Archive/2002/Pages/Abba%20Eban.aspx>.

21 Hurst, *Hawke*, 105.

22 NAA: A1838, item 69/2/5/7, Department of Foreign Affairs, Johnson, inward cable re Hawke’s Mission to Moscow to Canberra, July 27, 1971, part 9.

23 Hurst, *Hawke*, 106.

diplomat surmised that the Soviets were so deluded by their own propaganda about Jewish global influence that they took Hawke to be a representative of a “mighty and devious foe.”<sup>24</sup>

In September 1972, Hawke’s role as a go-between for Israel and the Soviet Union was leaked to the press.<sup>25</sup> Also around this time the Soviets declared a “head tax” – a demand that those who applied to leave had to repay the money the country had ostensibly invested in their education. Hawke urged the Soviets to reconsider: “It does not generate goodwill in Australia towards the USSR and is not regarded as justified either in principle or as a practical need of a great power.”<sup>26</sup>

Isi was tracking all these developments with a keen eye. Back in 1971, he had reestablished contact with Communist Party of Australia national secretary Bernie Taft, and the two ideological adversaries spent a sociable evening dining and imbibing large amounts of alcohol until well past midnight. Taft bragged of his influence on Hawke, saying that the labor leader relied on his communists to expand the membership roll of the Australian Trade Union Council. “He even jokingly said that if I ever wanted anything from Hawke, I should get in touch with him and he would assist,” Isi recorded in his summary notes.<sup>27</sup> However, Isi did not need an intermediary.

### **The Yom Kippur War**

On Yom Kippur afternoon, October 6, 1973, the Egyptian and Syrian armies attacked Israel. The fighting lasted until October 22. When it was over, some 2,688 Israeli soldiers had been killed and 7,250 wounded. Egyptian and Syrian efforts to overrun Israel had been foiled, but at great human and psychological cost. The enemy held sixty-five Israeli POWs.

Hawke rushed to Israel immediately after the war and was among the first outsiders permitted to visit the battlefield. He saw the carnage firsthand, and the images imprinted themselves on his consciousness. He met with Prime Minister Meir, who showed him pictures of Israeli POWs executed with their hands tied behind their backs. The two wept together. The meeting with Golda was one of the most emotional in Hawke’s career.<sup>28</sup> “She said she felt guilty about it because if she had taken a preemptive strike, those kids would not have been dead,” he later recalled.<sup>29</sup>

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24 D’Alpuget, *Robert J. Hawke*, 257.

25 See, for example, the *National Times*, September 11, 1972, which noted that “While Labor leader Gough Whitlam was undertaking some private diplomatic initiatives in China, his colleague – some would say rival – Bob Hawke was taking in some diplomatic experience of his own.”

26 As reported in the *Courier Mail*, Brisbane, September 16, 1972. See also the *West Australian, Advertiser*, Adelaide, *Examiner*, Launceston, *Sydney Morning Herald*, *Sun*, Melbourne, and *Mercury*, Hobart, with headlines such as “Hawke Pleads with Kremlin to Drop Tax on Jews.”

27 “Meeting with Taft,” April 21, 1971, “Soviet Jewry,” IJLA-Jer.

28 Hawke, *The Hawke Memoirs*, 76.

29 Pullan, *Bob Hawke*, 149.

The Israelis took Hawke up on his offer to reach out to Moscow, and he flew to the Soviet capital on November 22, 1973, for fresh talks with Shelepin. He conveyed Jerusalem's determination to defend its interests by any means necessary against all aggression, whether from the Soviet-supplied Arab armies or any implicit threat of Soviet intervention. He also reiterated Israel's unbending demand that Soviet Jewry be set free. Hawke recounted:

I had the sense that this was one of the biggest moments of my life, that I was uniquely placed in terms of knowledge and understanding of Israel to try to get this very powerful man, whose country's equipment I had seen smashed to pieces, to understand the enormity of the situation that had loomed and could return.<sup>30</sup>

Hawke had again given of himself to make Israel's case to the Soviet leadership; this time, however, there were no discernible results.<sup>31</sup>

### Hawke and Whitlam

Hawke and fellow Laborite Gough Whitlam enjoyed a good relationship through the 1960s. However, while Whitlam was prime minister (1972–1975), the two men grated on each other. The puritanical Whitlam found Hawke's drinking and adultery distasteful; Hawke felt "Whitlam lacked emotional depth and that his compassion was merely intellectual, and ultimately, jejune."<sup>32</sup> Each saw the other as egotistical. "Each assumed himself the star around which dimmer constellations moved," wrote Blanche d'Alpuget.<sup>33</sup> So they found pretexts to clash over economic policies – taxation and tariffs. Prime Minister Whitlam told the National Press Club in November 1973 that "Mr. Hawke's advice was not sought. It will not be sought.... The President of the federal executive of the Labor Party does not determine such matters." In a stage whisper intended for the benefit of journalists as he sat down, he said, "That will show the little runt."<sup>34</sup>

Not surprisingly, the two men also clashed over Israel. Whitlam declared Australia neutral during the Yom Kippur War. Hawke was scathing in his criticism of Whitlam's approach, which he put down to concerns over Arab oil. Hawke declared: "Oil is a murky substance, and it has, I believe, blurred the vision of men of goodwill."<sup>35</sup> Hawke recounted

30 D'Alpuget, *Robert J. Hawke*, 261. Shelepin also wanted to talk about the rapprochement between China and the United States under Richard Nixon.

31 Shelepin remained in charge of the Soviet Trade Unions until 1975, when he headed a Soviet delegation to London and was confronted by large anti-Soviet protests carried out by Ukrainian expatriates and British Jews. He had become a public relations liability (partly, perhaps, because of his Hawke ties) and was compelled to step down when he got back home. He retired from government entirely in 1984.

32 D'Alpuget, *Robert J. Hawke*, 150–51.

33 *Ibid.*, 151.

34 *Ibid.*, 244.

35 *Ibid.*, 267.

what he had told the Biennial Conference of the Zionist Federation of Australia and New Zealand in January 1974:

When I rose to speak a cord seemed to form between me and the audience, charging the atmosphere with emotion. I repudiated the policy of "even-handedness" as morally repugnant and inconsistent with ALP policy, which required the Arab states to recognise Israel's sovereignty and right to exist.<sup>36</sup>

Hawke's conflict with Whitlam led party members to suggest that he stand down as Labor Party president. Hawke refused, and almost everyone recognized that the party would be hobbled if it went into the 1974 electoral campaign without his electoral appeal and fund-raising abilities.

Hawke also tackled Bill Hartley, on Labor's extreme left. Hartley had written that "Every Arab, and every Arab leader, sees Israel not only as a bridgehead, an obsolete symbol of an exploitative relationship imposed by the West but also as a calculated insult to the whole Arab nation. Israel is a huge ghetto founded on a monstrous injustice."<sup>37</sup> Among Hartley's odious claims was that the Zionists had collaborated with the Nazis during World War II. The Zionists, he charged, were to blame for the Palestinian Arab refugees of 1948. Hawke did his best to set the record straight. Policy-wise, he pointed out that a Labor Party conference had endorsed UN Resolution 242 of 1967, which called for Arab recognition of Israel in exchange for an Israeli withdrawal from territories captured during the Six-Day War. Hawke argued that he represented Labor's stance; Hartley was the one breaking away from party policy.

Hawke's vocal support for Israel led to a death threat from someone claiming to be a member of Black September. The threat was made not only against Hawke – something he was not unaccustomed to – but also, terrifyingly, against Hazel and their three children (Susan, 16; Stephen, 14; and Roslyn, 13). In December 1973, the family was given round-the-clock police protection. "Must I give away my principles to save my children?" Hawke cried to union vice president Cliff Dolan during a meeting of the executive.<sup>38</sup> He stayed home for two weeks recuperating from the stress. The Jewish community rallied around Hawke, with Melbourne Jewish leader Saul Same saying there were those who would "give their lives for Bob Hawke."<sup>39</sup>

There were other threats. The Security Intelligence Organization infiltrated a pro-PLO group and thwarted a plot to attack Hawke, Isi, and Sam Lipski, according to reporting

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36 Hawke, *The Hawke Memoirs*, 78. The conference was held amid unusually tight security after Whitlam told a prelection breakfast meeting with Jewish leaders: "You people have to realize there's also a big Arab Christian community here too." It was then Isi began to pursue a relationship with Hawke.

37 Melbourne *Herald*, November 11, 1974, as quoted in Pullan, *Bob Hawke*, 154.

38 Pullan, *Bob Hawke*, 150.

39 D'Alpuget, *Robert J. Hawke*, 265. Black September, a front for Yasser Arafat's Fatah, was disbanded in 1974.

by journalist Laurie Oakes in mid-1984. Oakes stated that the plot was made public only because of an internecine ASIO struggle.<sup>40</sup> Whatever the reason, the revelations were shocking.

Lipski said he knew nothing about the conspiracy. “ASIO is not only efficient but also a true silent service,” Lipski jested.<sup>41</sup> But he did send cables to Ari Rath, editor of the *Jerusalem Post*, and also to the *Jewish Telegraphic Agency* conveying the story. Isi was in Hong Kong at the time and so was not available for comment,<sup>42</sup> but his family remembered that at the time of the Yom Kippur War, they were advised not to open the mail for fear of letter bombs.<sup>43</sup> Tony Shaer of the General Union of Palestinian Workers, a well-established Palestinian organization in Australia with a pro-PLO orientation, denied that there had ever been any assassination plot.<sup>44</sup>

### Business Ventures and ACTU-Jetset

As president of the Australian Trade Union Council (ACTU) from 1969 to 1979, Hawke sought to expand services for members in areas such as consumer credit, insurance, home mortgages, and travel. To achieve these and other goals, he needed money, but requests to raise the dues of constituent unions in the council were either rejected or fell short of the necessary funds.<sup>45</sup> Requiring an alternative way of funding the services he wanted to offer, he resolved to form partnerships with the business sector and in most cases found Jewish friends who shared his passion for social justice willing to collaborate, with Isi emerging as a key partner through the ACTU-Jetset deal.<sup>46</sup>

The first of Hawke’s human rights-oriented alliances was with Lionel Revelman, who co-owned the electronics store Bourkes.<sup>47</sup> By November 1970, Hawke and Revelman had

40 See *Courier Mail*, Brisbane, July 17, 1984. The story was picked up by the press across Australia.

41 *Sydney Bulletin*, July 18, 1984.

42 Lipski to Ari Rath, telex message, July 23, 1984, “IJL Personal,” May 1984–June 1985, IJLA. The information was published by the *Post* on July 24, 1984. In his cable, Lipski commented that “Oakes has a reputation for disclosures of classified and sensitive information and a track record of accuracy often embarrassing the government.”

43 Email comment from Gary Leibler, January 1, 2020.

44 *Sun*, Melbourne, 18 July 1984.

45 He also needed to expand the ACTU’s infrastructure and find larger accommodation for any broader operation. The biennial Trade Union Congresses generally said no to an increase in union affiliation fees, or agreed to increases below what was needed.

46 Not everyone was happy with the Jewish role. One union official later complained: “Why were we always asked by Bob to deal with Jews?” A side benefit from the Jewish perspective: the partnerships strengthened Hawke’s commitment to the struggle for Soviet Jewry.

47 D’Alpuget, *Robert J. Hawke*, 179. Revelman was of Jewish Lithuanian background, the youngest of ten children of a widowed mother. He was a battler who won scholarships and drove a taxi in order to put himself through law school. He became a barrister and took silk (was appointed Queen’s Counsel) at the comparatively young age of thirty-three. Originally a Liberal supporter, he switched to the Labor Party in the late 1960s. He retired from the law early and became a director, with his brother George, of the cut-price electrical store, Bourkes, in Melbourne’s city center.

developed a partnership whereby workers would purchase their electronic goods from Bourkes, and some of the profits would go into Australian Trade Union Council coffers to fund future programs and services. This deal was not successful in the end, but it did set a pattern for subsequent strategic relationships.

For instance, there was the enterprise the Australian Trade Union Council entered into with Thomas Nationwide Transport, whose managing director was Sir Peter Abeles, a Hungarian Holocaust survivor.<sup>48</sup> Abeles met with Hawke soon after he became president of the council. Here was yet another illustration of immediate rapport: the idea of a joint venture between the council and Nationwide developed from their first meeting. With capital from Abeles, a joint venture was planned to provide cheap travel and holiday packages to union members. The same bond that had existed between Revelman and Hawke now epitomized Hawke's relationship with Abeles. "There was so much emotion; Bob and I dreamed dreams together," Abeles recollected.<sup>49</sup>

The new venture offered a "fly now, pay later" scheme whereby unionists could repay holiday loans at low interest rates.<sup>50</sup> In 1974, Hawke and Abeles created another entity, ACTU-Leisure Club, to partially reimburse members for airline tickets purchased during peak periods. In this way, the ACTU-Leisure Club legally circumvented International Air Transport Association regulations, which blocked price discounting. In the end, though, this scheme also failed – in no small measure because unions (from both left and right) undermined it. The fact that Abeles's expertise was in trucking rather than travel also played a part.

By 1978, when it had become clear that the Hawke-Abeles arrangements were not working, Isi approached Hawke to ask whether the Australian Trade Union Council might want to work with Jetset.<sup>51</sup> Hawke agreed, and a relationship was born. D'Alpuget described their friendship as follows:

Leibler's social manner is mild and charming but manifestly determined. On first meeting he could be mistaken for an ordinary, agreeable, successful businessman, who had

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48 Abeles survived in a Hungarian Jewish forced labor battalion, where his youth and skills worked to his advantage. In 1944, he managed to escape and returned to Budapest, taking on a non-Jewish identity. His parents also survived and, in 1945, his father recovered his steel business. When the Communist takeover became clear, Abeles decided to leave for Australia, where he had some relatives. He arrived in Sydney with funds from his father, but lost most of them in his first business endeavors. In 1950, George Rockey, an older family friend who had suffered during the war because of his Jewish ethnicity, arrived in Sydney. The two men decided to go into the trucking industry together and founded Alltrans with two trucks. In 1967, together with Rupert Murdoch, Abeles took over Thomas Nationwide Transport as joint managing director of TNT. With the love of music he grew up with in Vienna and Budapest, he later became chairman of the Australian Opera Foundation.

49 D'Alpuget, *Robert J. Hawke*, 183.

50 Hurst, *Hawke*, 114.

51 Abeles agreed to bow out and parted from Hawke on cordial terms. Interview with Isi Leibler, January 1978, and Vincent Basile, "ACTU in Major Tour Link," *The Age*, Melbourne, July 4, 1978.

carried over into middle-age an interest from his youth. In fact he is a man of extravagant feelings. Of all Hawke's friends, Leibler is the one who most resembles him in passionate commitment.<sup>52</sup>

The council's distribution network and the industry's largest travel outlet joined forces.<sup>53</sup> There were, of course, council leaders who were unhappy with the partnership, or felt they should have had a bigger voice in the decision. Those with pro-Arab sympathies wanted to wreck the arrangement because of Isi's links with Israel.<sup>54</sup>

There was also opposition from the Federation of Travel Agents, which had objected to the ACTU-Leisure Club reimbursement arrangement. Federation president John Webb lobbied the government to block the operation.<sup>55</sup> The government pressed Isi to prove he was not violating regulations.<sup>56</sup> In a controversial move, police officers searched Jetset's offices looking for incriminating documents.<sup>57</sup> One newspaper headlined the incident "Police Raid Astounds Isi." Isi made it clear that there had been no need for a raid, especially not on

52 D'Alpuget, *Robert J. Hawke*, 362.

53 Kim Lockwood, "ACTU Joins Jetset," July 7, 1978, newspaper clipping, "IJL Personal," IJLA-Jer. The press reported: "The ACTU represents the biggest distribution network of any sector of the community,' Mr Leibler said. 'We have the largest retail and wholesale distribution outlet. Marry the two together when consumerism is rampant and it is a superb marriage for two very powerful bodies.'"

54 Tom Ryan of the Food Preservers Union wrote to the ACTU: "Was the officer or officers of the A.C.T.U. who first entered into an agreement with Jetset Tours aware of the anti-Labor background of Mr Leibler? If so why did that person or persons choose to associate the A.C.T.U. with a person who had publicly called for an anti-Labor vote at the 1974 federal election?" Neither Hawke nor any other executive members bothered to reply to this letter – Ryan's extreme left-wing views were well known, and there was sufficient confidence in Jetset. This confidence was to prove justified. Hurst, *Hawke*, 230.

55 Opposition also came from the Federation of Travel Agents, which objected to the Jetset-ACTU agreement, which included a "Leisure Club Subsidy." As soon as the agreement was announced, Webb cabled Peter Nixon, Liberal minister for transportation, stating: "We are, of course, aware of your views as expressed in your telex of 8th September, however it now becomes imperative that the industry is advised one way or another as to the legality of subsidy operations. Already the effect of today's announcement is being felt by travel agents who have been besieged with enquiries from the public and who have at the moment, no chance of matching these offers. To enable AFTA to inform members of the position we would appreciate your urgent advice as to when the Attorney General will hand down a decision." NAA: A10756, item LC 2275 (barcode 9037965), Prime Minister and Cabinet, "Inquiry into Operations ACTU Jetset," cable from John Webb, AFT president, September 23, 1978.

56 The department sought legal advice on this issue, and the solicitor general stated that he believed a breach of the regulations could be shown, but some of the facts were a matter of inference, which would require proof. However, the legislation could be amended to prevent the practices that had led to the complaint. Nixon ordered Jetset to provide all its books and information so the legality of the agreement could be verified. Hawke initially objected strongly to this request, describing the serving of papers on ACTU Jetset Travel Service Pty Limited as a "raid." NAA: A10756, item LC 2275, Prime Minister and Cabinet, H. H. Byers, Solicitor General, "Air Navigation Regulations: Regulation 106A: Letter to the Attorney-General from the Minister for Transport," September 28, 1978.

57 A departmental memo rejected this accusation. It stressed that a member of the department and a Commonwealth policeman visited the Melbourne Jetset offices on October 14 and requested to see the company's documents. These were to be inspected on site and not taken away, and the visit was just to serve notice as required by Air Navigation Regulations, NAA: A10756, item LC 2275, Prime Minister and Cabinet, "Brief for Prime Minister, ACTU/Jetset Travel Club Subsidies."



Isi and Bob Hawke making a toast to the new ACTU Jetset partnership

a Saturday, when a skeleton staff was in the office.<sup>58</sup> He had nothing to hide and would have willingly provided authorities with any information upon request, he added.<sup>59</sup> Cabinet minutes confirm that Isi had indeed offered to deliver all required evidence.<sup>60</sup> Peter Nixon, Liberal minister for transportation, countered that Isi and Hawke were being melodramatic, and that the government had every right to gather pertinent material in investigating whether the deal between Jetset and the ACTU discriminated against other travel agents or was detrimental to other consumers.<sup>61</sup> Hawke argued all along that the government was being hypocritical, given the preferential treatment Qantas was receiving.<sup>62</sup> Qantas was not the only company to benefit from favored handling by the government.<sup>63</sup>

When all was said and done, Australian authorities could find no way to block the arrangements Isi and Hawke had devised. With the government out of the way, the collaboration became a financial success. In 1979, Jetset doubled the volume of its business to \$8

58 *Sunday Observer*, October 15, 1978.

59 Stephen Mills, "Hawke Hits Probe into Jetset," *The Age*, Melbourne, October 16, 1978.

60 NAA: A12933, item A13075, Prime Minister and Cabinet, Third Fraser Ministry, "Without Submission – ACTU Jetset," Cabinet Minute Canberra, October 17, 1978, decision no. 6905.

61 "Mr Hawke had to learn to appreciate the difference between his two positions of President of the ACTU and Chairman of Directors of ACTU-Jetset Travel Service Pty Ltd. In his second position he is operating in the normal market place along with hundreds of other travel agents, and because he occupies the first position he should not expect his private company to receive special kid-glove treatment," NAA: A12933, item 743, Third Fraser Ministry Papers 743 to 773, Statement by the Minister for Transportation, the Hon P. J. Nixon, Cabinet, 1978. The editor of *The Age*, Melbourne, also highlighted the problem of Hawke's dual roles as "the nation's union head and a company director." See, too, "Knocks at the ACTU Door," October 19, 1978. The newspapers had a field day criticizing the government, pointing out that discounting schemes were hardly unknown in the travel industry, and so Isi's arrangement with Hawke was not extraordinary. See, for example, editorial, *The Australian Financial Review*, October 16, 1978. Hawke demonstrably stormed out of a meeting with the government's Labour Consultative Council. See Jim Foley, "Hawke Walks out over 'Raid,'" *Melbourne Herald*, October 16, 1978.

62 "Discount Probe of Qantas," *The Age*, October 23, 1978.

63 "No Moves to Stop ACTU Departures," *Travel Trade*, November 6, 1978.

million; Leisure Club membership rose from two thousand to fourteen thousand, and by the end of 1980 it had increased to twenty thousand.<sup>64</sup>

The Leibler-Hawke relationship grew stronger, and Isi remained awestruck by Hawke's passion for Israel. After all, he wasn't Jewish, had little to gain politically and, indeed, much to lose given the Left's antagonism toward Israel. This was not a man operating purely in the pragmatic political sphere of self-interest. There was something more profound going on, Isi was sure.<sup>65</sup> In Hawke, Isi saw someone who, like himself, was attempting to balance a moral vision with a passion for coming out ahead. Isi had to maintain the facade of implacable businessman, Hawke of ruthless politician.

If anything, Isi's predicament was even more complicated since he was also a principled champion of Australian Jews.<sup>66</sup> Hawke had his foibles; Isi had his. But whatever their ideological differences, they were kindred spirits in that they were both passionate about justice, human rights (especially in relation to Soviet Jewry), and Israel. Isi, capable of straddling both the political and business worlds, doubted Hawke's personality would serve him well in business. "I think he'd go mad."<sup>67</sup> Certainly, until Isi came along, the business enterprises Hawke entered into mostly ended in failure.

As Hawke prepared to shift his energies from the Australian Trade Union Council to party politics exclusively, he could take comfort in the knowledge that he was leaving the council in good financial shape – thanks mainly to his arrangements with Jewish partners, foremost among them Jetset.<sup>68</sup>

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64 Members received discounts of around 3.5 percent. Pullan, *Bob Hawke*, 103.

65 Pullan, *Bob Hawke*, 144.

66 Given the pressures he was under, Isi was often restless and probably smoked too much. Pullan, *Bob Hawke*, 105.

67 Ibid.

68 D'Alpuget, *Robert J. Hawke*, 240.