

THE POWER INDEX

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**SECRETS
OF THE
POWERFUL**

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Your guide to rising up The Power Index

How do people get power and how do they keep it? Is it position or personality, or a combination of the two?

The Power Index will answer these questions as it rolls out lists and profiles of the Top 200 people who *really* run Australia.

But just for starters, we're bringing you a light-hearted look at the **25 Secrets of the Powerful**, or the modern Machiavellian guide to getting ahead.

That's 25 tips and tricks for you to climb the ladder of influence.

So get to it.

Paul Barry and *The Power Index* team

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You have to really want it.

If it is power you want, then it's power you must pursue. Don't get caught up in notions of public service, social change or leaving a better world for your grandchildren. Those who win power work hard for it, especially in politics. And they play the game for years. "Power brokers today seem mainly interested in their own power, not the power of building policy and the nation," Victoria's first female premier, Joan Kirner, told *The Power Index*. But was it ever any different?

All the way with LBJ.

Well, maybe. American President Lyndon Johnson wanted power so he could build his Great Society, in which poverty and racial injustice would be wiped out. But few have been so ruthless and manipulative in their rise to the top. As LBJ's biographer Robert Caro records in his famous book, *The Path to Power*, Johnson clawed his way up the greasy pole by using methods of flattery, deceit, bullying, lies and shameless brown-nosing. His favourite trick was to identify the most powerful person in his chosen field—like House Majority Leader Sam Rayburn—and make himself indispensable. Rayburn became LBJ's mentor in national politics and treated him like his son. Johnson used him to become the Democrats' leader in the Senate and then betrayed him.

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Reinvent yourself.

If you don't like your past, reshape it. Another of Johnson's favourite tricks was to search old yearbooks for unflattering photos of himself ... and cut them out. Aussie entrepreneur Alan Bond took an even more radical approach: he just made things up. The official Bond story, as told to journalists, was that Alan was "a scholarship winner who excelled at Mathematics, French, Latin and German". In truth, he was a dull student, near the bottom of the class, who, according to his first employer, Fred Parnell, "could hardly speak English". His spelling was shocking, and he had a criminal record as a youngster. Naturally, he preferred to keep those bits covered up.

Better get a lawyer.

Powerful people make enemies. They also cut corners to get what they want. They may even break the law. Alan Bond was a master of the Russian legal retreat in the face of superior enemy forces. When the Australian Federal Police went looking for his money in Switzerland in the 1990s, Bond fought 13 legal actions to keep them at bay. He lost all those battles but still won the war because his pursuers finally gave up and went home. Former detective Michael Kennedy saw many criminals use this strategy during his career. As he told *The Power Index*, "Stretch things out forever, grease palms, get all sorts of things done and wear everyone out." It works.

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Sue the bastards.

Reputations matter and should always be defended. So hire a second team of lawyers to sue your critics. Malcolm Turnbull, Eddie Obeid, Steve Price, John Della Bosca, Pauline Hanson, Derryn Hinch, Bob Hawke, Renee Rivkin, Alan Bond, Kerry Packer and Jason Donovan have all sued for defamation at one time or another – or indeed many times – experiencing differing levels of success but always fighting to keep their good names.

Money is power.

You'll need money for all those lawyers. But money also buys access or a seat at the table. The Millennium Forum in NSW has raised tens of millions of dollars from businesses, lawyers and accounting firms by selling access to senior Liberal politicians. The ALP has run a similar racket for years with expensive fundraising dinners in NSW, Victoria and Queensland. But political parties everywhere take money from people who want policies to be shaped in their favour. Whether they get value for money is another matter, but British American Tobacco got Tony Abbott to attack plain packaging – for a time – and Clubs NSW has plenty of polities backing its pokies.

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Perception is everything ... well, almost.

If you appear to be powerful then you will be. Or so some believe. As former Liberal powerbroker Petro Georgiou told *The Power Index*, “A lot of power is about perception. Get that right and the rest will follow”. But John Howard’s former chief of staff, Arthur Sinodinos, isn’t quite so sure. “It can’t be all perception,” he says. “In the end, you’ve got to have the power to influence people or to marshal the numbers. Ultimately, it is a numbers game.” He’s talking politics of course, but power is always about bringing people along with you, unless you’re Genghis Khan.

Play the numbers game.

So how do you play that numbers game? In the ALP they call it “branch stacking”. You bring in busloads of your mates (often of ‘ethnic’ origin) and sign them up to the register. Then you lose the ledgers so your rivals can’t do the same. Bingo! You now win all the votes and get yourself elected. The Liberals call this “branch development” but it’s the same game by another name. The latest ALP trick is “branch stripping”, where you stop people joining your branch so you don’t have to swing so many votes.

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Spin like you'll never stop.

The public is there to be manipulated. Fools are waiting to be fleeced. Everyone needs guiding, and you can be their leader. Edward Louis Bernays, the father of public relations, certainly knew how it worked. "Those who manipulate the unseen mechanism of society constitute an invisible government, which is the true ruling power," he said in 1928. "We are governed, our minds are moulded, our tastes formed, our ideas suggested, largely by men we have never heard of ... It is they who pull the wires which control the public mind." So get yourself a good spin doctor and a top marketing team.

Social media is your friend – but watch your Weiner.

Corporations and politicians worldwide have latched onto social media to advertise their brand and get the message out. And it has paid off in spectacular fashion. Barack Obama's 2008 presidential election was supercharged by Facebook and social networking, which became the ultimate tool for gauging public opinion and speaking to the masses. But working with social media can fast go horribly wrong. US Congressman Anthony Weiner's recent fall from grace after posting *those* images on Twitter was brutal and should be a lesson to all who merge online networking with real-time power chasing. Social media holds power potential for those who play the game correctly. But if you don't know what you're doing, hire someone else to do it right. And always keep your pants on.

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Network, network, network.

For corporate high-flyers, every board is a network that can lead to more-powerful networks and even more influential friends. So join as many as possible. Look to ASX chairman David Gonski as an example. He knows everyone who's anyone. So how does he do it? By holding positions on up to 40 boards at any given time and working each and every board's network accordingly. Now that may sound tiring and limiting to one's personal life, but if it's power you're chasing you can forget that weekend away with the kids.

Act as if it's yours, even when it's not.

It's not just position that gives people power – although it sure can help – so don't let the fact that you haven't yet got the desired job hold you back. Brisbane's former lord mayor Campbell Newman provides a shining example of how to mortgage your future. He has gambled his career on becoming Queensland's next Premier and quit the mayor's job in order to get there, despite not being elected to Parliament. Newman has gained pre-selection in the Brisbane seat of Ashgrove and has been endorsed as leader of the state's Liberal-National Party. Already, he's reshuffling his frontbench and grabbing considerable media attention. There's just one pesky problem: he's not an MP and needs current Premier Anna Bligh to call an election. Until then, he's demonstrating how to wield the axe without actually holding it.

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Be realistic, demand the impossible.

Audacity can get you places, so it pays to stand up and get your voice heard. Never fear making demands for jobs for which you have no experience. Ultimately, you may find you can offer such positions much more than the incumbents. Sam Dastyari, general secretary of the NSW Australian Labor Party, was still at school when he turned up at the ALP branch in Hornsby with his classmates and demanded the positions of secretary and president for himself and his friend. Summoned to headquarters for a dressing down, he told them to 'bugger off', or so he claims. Mark Arbib, then ALP boss in NSW, was so impressed he offered him a job, and has backed him ever since.

Cuddle up to the unions.

Whether you're running Multiplex or the Labor Party, it helps to have the unions on your side. And it's even better if they give you money. Take NSW Labor, for example: since Morris Iemma banned developers from funding the party, the trade unions have become the ALP's biggest cash cow, even though fewer than one in 10 Australian workers now belongs to a union. The big unions also helped put Kevin Rudd in power in 2007 by spending millions of dollars on the campaign to defeat Howard's Work Choices. Just remember, wherever it comes from, money talks.

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Become a trade union official.

Being a trade union official is the pathway to a job in politics, at least in the Labor Party. Seats in the Upper House in NSW and Canberra are often used to reward union bosses who want to retire or are chasing a change of scene. Doug Cameron, for example, made his way into the Senate through his leadership of the Australian Manufacturing Workers Union. But it helps in the Lower House too. In 1969, there were 17 different occupations in the federal Labor caucus. Today, there are just six: lawyers, teachers, public servants, party hacks, political advisers and, of course, trade union officials. Senator David Feeney was with the Transport Workers Union, Bill Shorten ran the Australian Workers Union. Many more owe their position of power to union backing.

Argue unpopular decisions with grace and intellect.

Former newspaper editor Bruce Guthrie has seen the rise and fall of many top commentators, and he tells *The Power Index* that they rose to the top through their grace, intellect and ability to argue unpopular ideas in a way that encouraged a public response. Take the lesson on board. But if power is what you want, all you really need is a platform.

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Be a media tart.

Some people are everywhere. In the papers, on TV, always making a noise. Take Paul Howes, for example, who went on Lateline *that night* in June last year to tell the world that Kevin Rudd was finished and the Australian Workers Union was backing Julia Gillard to replace him. Howes also has a column in the *Sunday Telegraph* and can generally be relied on for a running commentary on the state of the world. But just a word of warning: this may not actually make you powerful; it just makes the media think you are. Remember that earlier point about perception *not* being everything.

Toe the line.

Being brave and independent can pay dividends, but it may bring trouble if you're running for pre-selection in a major political party. As one former Prime Minister remarked to *The Power Index*, too much independence has left some excellent candidates out in the cold. "They don't want people like that in the party, people with an open mind," he said, referring to one pre-eminent individual, a QC and human rights lawyer. So if in doubt, get the grovel going and toe the line.

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Strike a power pose.

Here's a secret, although we haven't tried it yet. Last year, a study by a Harvard Business School social psychologist, Amy J.C. Cuddy, found that power can be driven by body language. All you need to do, says Cuddy, is to hold yourself in particular 'high-power poses' for up to two minutes during a meeting to stimulate hormones that will lower your stress and stop you worrying. These poses will also power up your inner dominator. We haven't got the diagrams but these are the body movements to try: feet on desk, hands behind head, standing up with elbows on the table. Just try that with the boss.

Be fun, be merry and always "on".

That's it. Being dull and boring worked for Stalin but it's far better to dazzle others and make them sit up. Get some enthusiasm. Let your personality fill the room. Big ideas and great ideas take you places, especially if they can be delegated. And sharing ideas is a key to creating charisma. Importantly, it's also the way to a journalist's heart. So you can become famous too.

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Write a book.

Write a book, make it your mantra and talk about it endlessly. Get yourself in the press and generate invitations to various writing festivals across the country. Tony Abbott has *Battlelines*, Kevin Rudd has his *The Monthly* essay *Faith in Politics*. Tim Flannery has *The Weather Makers*. But we're talking much bigger fish: books like *The Secret* or *The Celestine Prophecy*, which are full of mystical nonsense that people just love. And if you're not ready to put your life into words, then at least start *launching* books – as do Malcolm Turnbull and former High Court judge Michael Kirby.

Be the son or daughter of a powerful person.

So you're not already? Well, there are other options. Marry the son or daughter of a powerful person, milk the connection and trade up when you can. Or, make them your best friend—like LBJ did—and ride on their coattails. Power spawns power, so it's important to get those intimate connections right.

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Be seen with the powerful.

If you're desperate and really can't firm up intimate connections with the powerful, just visit their favourite restaurants, bars, clubs and associations and make yourself known. It has worked for others and it'll work for you, too. Melbourne's Australia Club used to be the place, especially for Libs: but you'll need to put on a tie, turn off your mobile and check your notepad at the door. If Sydney's your home, you can lunch at The Establishment or Machiavelli's and check out the pictures of those with more power than you. Each city has its own power venues and it's important to be seen in them, no matter how bad the service.

Philanthropy gets you high.

It may seem odd, but it's important to "give back". Throw around some big numbers, set up a charity/foundation or two and not only give, but *talk* about giving. That will make it much harder for critics to score points if you forget to pay the taxes or happen to cut a few corners. Make sure that some of your board jobs are with not-for-profit organisations. It's called "noblesse oblige". You have to do this stuff if you want people to think you're noble.

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And never, ever give up.

Power comes and goes. You're a rooster one day, feather duster the next. But if you really want to be powerful, you must never admit to being beaten. Many billionaires were bankrupt once. And Australia's second longest-serving prime minister, John Howard, earned his nickname, "Lazarus with a triple bypass", by picking himself up after many a crushing defeat. Losing power need not be permanent. You'll just have to start again and, as one former powerbroker told *The Power Index*, "Bang heads together, be nice, be mean, do whatever it takes to make an impact".