War and affluence

c. 1939-66

When war began on 3 September 1939 the national mood was strikingly different from that of August 1914. There was no wild enthusiasm or false optimism – nor, for that matter, much sign of panic or profound fear. People knew now what war was like. They knew too that, since Japan was a member of the tripartite Axis bloc, this war might well be fought in part on Australian soil. At best a long and bitter trial lay ahead. On the evening of that day the new prime minister, R. G. Menzies, who had succeeded to the leadership of the UAP on Lyons' death only five months earlier, spoke to the nation on the radio. He said that, since the Nazi invasion of Poland had forced Great Britain to declare war on Germany, Australia was also at war. He spoke calmly and sadly but resolutely, thereby matching exactly the feeling of most citizens – though he was not fated to lead them through most of the conflict.

Born in a small country town in the Victorian wheat belt, Menzies was educated at Wesley College in Melbourne and later at the university there. He studied law and practised it very successfully for ten years before being elected to the Victorian parliament in 1928. He rapidly became deputy premier of the state, but in 1934 decided to transfer his ambitions to the larger sphere of federal politics. As the U AP candidate he was elected by the voters of Kooyong, a rather fashionable Melbourne suburban area, and they returned him continuously to the House of Representatives for thirty years. Menzies was endowed with a brilliant mind and a dominating personality, and his career makes an almost unbroken success story from his first days at school until he became prime minister at the age of only 45. His fall from power during the war years was so humiliating that few then imagined a recovery was possible. Yet such was his stamina that he brought his party, under yet another name, back to power in 1949 and ruled continuously as prime minister until 1966. He was superb orator and parliamentary debater, and a platform speaker who thrived on interjections. His colleagues were forced to realise that his leadership was indispensable to the success of the party, yet few of them felt for him much personal warmth. His deputy prime minister for many years, Arthur Fadden, leader of the Country Party, privately called him "the Big Bastard" - with the accent on Big. For conservative voters he came in the end to possess almost the mana of a tribal god: he was powerful, wise, well bred, witty and above all, sound. Few Labor supporters denied his tremendous ability, but to them he appeared also as unscrupulous, opportunistic, condescending and insufferably arrogant.1

The government at once set about enrolling volunteers for the Second AIF. As Japan remained at peace, the decision was made, though with some misgivings, to send the soldiers first to the Middle East where their fathers had fought. In January 1940 the first contingent sailed from Sydney Harbour, some of the men travelling in giant liners from the North Atlantic run such as the *Queen Mary*, the like of which had never been seen previously in Australian waters. With the fall of France in June 1940 and Italy's entry into the war, the decision seemed to have been the right one. Australia's airmen shared in the epic defence of Britain while her soldiers and sailors fought in the Mediterranean and in North Africa, Syria, Greece and Crete. The AIF shared the task of driving Mussolini's legions out of Egypt and well back into the Italian colony of Libya, but when the Germans entered the Mediterranean war the diggers were in turn driven back to Egypt, leaving the heroic garrison of "desert rats" as a strong point behind the enemy lines at Tobruk. Australians formed the rear guard in Greece and Crete where many men were killed, wounded or taken prisoner. Syria, however, was cleared of Hider's Vichy-French allies. Australian naval ships took part in the decisive Battle of Cape Matapan,

which gave Britain precarious control of the Mediterranean Sea. Nearer home, ominously, Japan began to move south, first into French Indo-China, and other Australian forces were sent to Malaya, to points in the Dutch East Indies, and to Darwin and Rabaul.

Meanwhile, the UAP Country Party government seemed to be losing internal cohesion and popular support. The general election of September 1940 returned thirty-six government candidates and the same number of Labor members, so that the Menzies ministry depended entirely on the support of two Independents – one, A. W. Coles, a chain-store magnate, and the other, Alex Wilson, the representative of a small farming area in Victoria. Like the British Conservative prime minister, Neville Chamberlain, Menzies was distrusted and despised because of his outspoken support for the policy of appeasing the Axis powers right up to the outbreak of war, but Chamberlain had been forced out of public life when France fell while "Pig-Iron Bob" had not. As the war situation grew worse, his leadership was questioned more and more sharply, not only by the country at large, but also by his own colleagues. At the end of August 1941, Arthur Fadden replaced him as prime minister, but otherwise the cabinet remained unchanged. In later life Fadden loved to compare his prime ministership with the same period of "forty days and forty nights" which Noah had spent battling with a sea of troubles. One of his worst hours was passed in the Sydney journalists' Club on the occasion of the annual "ladies' night" party, the one night of the year when female journalists or guests were allowed into this then-exclusively male citadel. Fadden's secretary rang asking if the prime minister might join the party at about eleven o' clock. The club president was Syd Nicholls, the artist whose cartoon for *Direct Action* had earned Tom Barker a gaol sentence twenty-four years earlier. Nichols politely escorted Fadden into the room, assisted him to climb up and stand on a centrally placed table and then raised both arms in a vain attempt to obtain silence. Fadden was personally very popular with most journalists, but such was the unpopularity of his government that on this occasion the prime minister of Australia was booed to the echo and forced to abandon any hope of addressing the crowd.²

The government's position in Canberra was hardly much stronger. On 3 October John Curtin, the leader of the Labor opposition, moved a vote of no confidence. Coles and Wilson were disgusted by the personal jealousies in the government's ranks as well as by its apparent fumbling. They undoubtedly reflected faithfully the feeling of the majority of the people outside parliament when they crossed the floor to vote with Labor. The Curtin ministry was confirmed in office with a huge majority in both houses at the next general election in September 1943.

Ever since federation, Labor had claimed to be the party of national Australian patriotism, just as the anti-Labor parties had always laid more stress on the importance of generalised imperial, or British patriotism. It seems that the electorate recognised some validity in these two party images, for as the Japanese moved south it became painfully clear that the time-honoured concept of complete reliance on Britain might no longer serve. If the dreadful choice between defending Britain *or* Australia first had to be made, naturally there could be no doubt about the majority decision.

The new prime minister combined in his own person much that was characteristic of the Australian Labor movement. Born in Victoria in 1885, Curtin made his home in Western Australia from 1917 onward. Brought up in an Irish-Catholic family, he lost his religious faith as a young man when he embraced socialist ideals. Through the long workaday years of battling as a trade-union organiser and Labor journalist, through all the compromises and disillusionment which form such a large part of politics and of growing up, he never quite lost the vision he had seen in his youth. Quiet-spoken, thoughtful and unquestionably sincere, he was not, as Menzies was, an obviously impressive personality. Some thought him weak and vacillating. Yet he did more than perhaps any other single person to reunite his party and movement after the splits and catastrophes of the depression years, and as prime minister during

the darkest days Australia had ever known he gave firm and inspiring leadership. His political opponents sometimes derided him for having been a strong anti-conscriptionist with pacifist leanings during World War I, but more often they were inhibited by the fact that their own leader, R.G. Menzies, had resigned his commission in the Melbourne University Regiment on the outbreak of that conflict.³

The new government had hardly been sworn into office when the nation's fortitude was taxed to the utmost. The cruiser Sydney was lost with all hands in the Indian Ocean only a few hundred kilometres from Fremantle, Curtin's home town. On 7 December the Japanese made their sudden attack on Pearl Harbour. Thereby American might was enlisted on the side of the Allies, but at the time it seemed that, with much of the United States' Navy sunk in the sneak attack, Australia was more open than ever to an enemy invasion. Hong Kong, Borneo, the Philippines and Rabaul in New Britain - just to the north-east of New Guinea - fell to the Japanese. The Australian Eighth Division took part in the stubborn fighting retreat in Malaya, but it seemed that nothing could stop the enemy. Two months before the surrender of Singapore on 15 February 1942, the only major gesture that beleaguered Britain was then able to make in the Indian Ocean-Pacific area ended in disaster. Two of the most formidable ships in the Royal Navy, the Prince of Wales and the Repulse, were ignominiously sunk by vastly superior Japanese air power off the Malayan coast. The 15 000 Australians on Singapore Island were driven, with their British and Indian comrades, into prisoner-of-war cages. The day so often prophesied by romantic Australian writers, when the country would stand alone to face an Asian invasion, seemed to have arrived.4

The effect of these events on long-standing Australian assumptions cannot be overestimated. Ever since the first landing at Sydney Cove, most white people had taken it for granted in their hearts that Australian security was an indivisible part of British security and that Britain, particularly the British Navy, was naturally unconquerable. For a generation, Australians had been brought up to believe that the Singapore Naval Base was the impregnable pivot of Australian security vis-à-vis Japan. All this was swept away in a few terrible weeks. It has often been said that the Australian nation was born at Gallipoli. It is perhaps no less true to say that Australia came of age at Singapore. Whether she would have to face the Japanese alone during the next few critical months only time could ten, but it was certain that thenceforward she must be responsible for her own destiny in a way that had hardly occurred to most citizens in the past. Yet old habits die hard. During the Japanese advance in Malaya, two of the three Australian divisions fighting in the Middle East were hastily withdrawn to reinforce the Singapore garrison: but most of these diggers were still on the high seas when the fortress fell. Churchill demanded that they be diverted to bolster the defence of Burma and India – and his view of priorities was shared by most leading Opposition members in Canberra. Churchill seems to have been both surprised and angry at Curtin's inflexible insistence that these seasoned troops were needed to kill Japanese nearer their own homes.

It was against this background that the prime minister made his historical appeal for American help. In some ways the words seemed shocking at the time, even to dyed-in-the-wool Labor people, but they were less shocking than the position Australia was in. The speech was overwhelmingly endorsed by public opinion:

Without any inhibitions of any kind, I make it quite clear that Australia looks to America, free of any pangs as to our traditional links or kinship with the United Kingdom...We know... that Australia can go and Britain can still hold on. We are, therefore, determined that Australia shall not go, and we shall exert all our energies towards the shaping of a plan with the United States... which will give our country some confidence of being able to hold out until the tide of battle swings against the enemy.⁵

Naturally America was glad to have Australia as a base from which to mount and launch a counterattack on the Japanese. Soon General Douglas MacArthur, escaped hero of American

resistance in the Philippines, was established in Melbourne in supreme command of Allied forces in the whole Southwest Pacific area. His imperious style was not such as to appeal to most Australians, but none questioned his dedicated ability and his fitness for the post. That two men so different in nature and background as he and Curtin became friends was some measure of the stature of each. In spite of some friction, springing largely from the much higher rates of American military pay, US servicemen were naturally welcomed with open arms in Australia and the alliance worked uncommonly well.

Nevertheless, after the Pearl Harbour disaster, American strength could not be brought to bear overnight. For some months it seemed touch-and-go whether there would be a Japanese landing in force. The enemy took northern New Guinea and many of the Solomon Islands. Darwin, Broome, Wyndham and other Australian mainland ports were bombed. Ships were sunk within sight of the New South Wales coast by the Japanese Navy, and one night ferry passengers watched a lively exchange of gunfire in the middle of Sydney Harbour which had been penetrated by enemy midget submarines. At this period one keyed-up citizen, wakened and brought to the front door of his flat by an air-raid warden, was reported to have knocked out the latter with a right to the jaw before realising that he was not a member of a Japanese landing party.

The first sign of a turn in the tide came in May 1942, when a combined American-Australian fleet checked and drove back a Japanese naval force in an action that came to be known as the Battle of the Coral Sea. In June the American fleet won control of the Pacific by its decisive defeat of the Japanese at the Battle of Midway. Meanwhile enemy troops had crossed the precipitous Owen Stanley Range, mountainous backbone of New Guinea, and were approaching the main Australian base on the island's southern coast at Port Moresby, only a few hours' sailing time from the mainland. In August, at Milne Bay, near the eastern tip of New Guinea, a scratch force of Australians won the distinction of inflicting on Japanese land forces their first real defeat of the war. In a week of savage, hand-to-hand jungle fighting, the invaders were met, stopped and smashed. In the following month other diggers halted the enemy advance on Port Moresby and then, step by step, drove the Japanese back again over the Owen Stanleys. The war in the Pacific was far from won, but from this time onward an invasion of Australia seemed increasingly unlikely. By the end of the year the tide had turned on the other side of the world also. The Australian Ninth Division helped to smash German and Italian power in North Africa at the decisive Battle of El Alamein, while at the same time the Russian armies at bay routed the Germans at Stalingrad. From November 1942 onward, the Axis powers were on the defensive, and total Allied victory, however long and hard the road, was in sight.

At home in Australia, political and other events furnished in many ways a striking contrast with those of World War I. In politics the anti-Labor parties were weakened and discredited while Labor grew in unity and stature – just the opposite of what had happened twenty-five years earlier. Then the question of conscription for overseas military service had been the wedge which split the Labor Party and the nation, whereas during World War II the Curtin government imposed conscription with hardly a ripple of protest. True, Opposition members denounced the amendment to the Defence Act by which conscripts were required to serve overseas only as far away from Australian shores as the equator on the north and a roughly equivalent distance to east and west of the continent; but these boundaries covered the area where in fact most of the fighting in defence of Australia was taking place. On the left and within the government's own ranks, hardly a voice dissented strongly. Of course this wider measure of agreement was to a great extent imposed by the imminent peril of invasion. It would have been difficult even for doctrinaires to maintain that home defence ought to mean waiting until the enemy had actually landed on Australian soil. Minor reasons were the facts that those sections of the community traditionally opposed to conscription were also traditionally pro-Labor and so more willing to trust "their government" with sweeping powers, and that the Australian Communist Party's influence – by no means negligible in the trade unions during the war years when Russia was doing so much to bleed the common enemy – was of course solidly behind the war effort.⁶

Australians also accepted, with possibly less grumbling than such measures would have evoked in most free countries, a high measure of government direction in civil life. Essington Lewis, the extremely able manager of the country's greatest metal corporation, the Broken Hill Proprietary Company, was appointed director-general of munitions. Machine tools, precision optical goods, machine guns and even aeroplanes – all previously regarded as beyond the technological capacity of Australian industry – were soon being produced in large quantities. A Department of War Organisation of Industry diverted the use of all possible plants to war purposes, while such organisations as the Allied Works Council and the Civil Construction Corps conscripted labour for the building of airports, port facilities and other urgent tasks. Clothing and basic foods were rationed. Tobacco and liquor grew so scarce as to be almost unobtainable at times by civilians, while petrol rationing almost banished private cars from the roads. Many of these controls were established by the UAP government, but the war situation enabled Labor to use them more vigorously and to add others. Together they helped Australia's seven and a half million people to provision the million-odd who joined the armed services and to find food, and some equipment too, for the hundreds of thousands of American troops in the Southwest Pacific area. Towards the end of the war, the government also introduced a wide range of social benefits which included university scholarships for able young people and ex-servicemen and women, help for unemployed and sick people, free provision for all of certain life-saving drugs, and increased subsidies for hospitals.

The prime minister died in harness before the final victory and was succeeded by Joseph Benedict Chifley,⁷ who had been treasurer in Curtin's cabinets. A year later, in the election of September 1946, Labor lost only six seats, and two of these were to independent Labor members, one a left-wing dissident and the other J.T. Lang, returning like a ghost from the past to badger the party he could no longer control. The Chifley government initiated a number of measures which were to have far-reaching effects on the whole pattern of Australian life. Ever since federation the Commonwealth had tended to gain power at the expense of the states, and this process had gathered momentum during the war – not least by the "uniform taxation" arrangements of 1942 under which the Commonwealth assumed exclusive power to levy income tax, some of which was handed back to the states in annual grants or "reimbursements". War also underlined the essential unity of the nation. Afterwards people were somewhat less concerned about state rights and more accustomed to look to Canberra for broad national initiatives.

Demobilisation of servicemen and women and their rehabilitation into civil life proceeded smoothly and quickly, amazingly so compared with the equivalent performance at the end of World War I. Many returned to their old jobs; for others subsidised training for trades and professions was provided. The war had practically ended the notion that Australia must forever remain a land of farmers and graziers. Land-settlement schemes catered for only a small minority of the demobilised diggers, but these men were given every reasonable help and were almost Uniformly successful. Partly in order to accommodate the wave of ex-servicemen and women who wanted professional training, the Commonwealth government moved into the field of tertiary education. Old universities expanded their facilities, a new university opened in Sydney, and the Australian National University, conceived as primarily a postgraduate research and training institute, was founded in Canberra. Private home-building had almost ceased during the war. Commonwealth and state government agreements to alleviate this shortage were not so successful. For a time the term "squatter" came to mean not a wealthy grazier, but an ex-serviceman or woman forced to "squat", with or without a family, in almost any unoccupied building; but government action did help to keep the cost of housing lower than it

would otherwise have been during the post-war housing famine. Perhaps the most imaginative scheme was that launched for developing the resources of the Snowy Mountains area near the border between New South Wales and Victoria. This giant undertaking was continued and expanded by the succeeding Menzies governments. When completed, millions of tonnes of water, which had run to waste annually in the Pacific, were used to supply much of Australia's needs for electric power. In addition, the water was diverted through tunnels so as to flow out on to the dry western plains of New South Wales for irrigation.

The greatest breaks with the past were made, however, in the fields of immigration and foreign policy. There had been much assisted migration throughout Australian history, but the scheme introduced by Arthur Augustus Calwell,8 Chifley's minister for immigration, was unique both in its scope and in that it was sponsored so enthusiastically by Labor. The war had jolted everyone into realising that Australia would have to rely more heavily on her own resources for defence and for this, many thought, more Australians were needed. More people were not less important for a higher rate of economic growth and increased prosperity. Human decency also played some part in making people want to help displaced persons and other victims of the war in Europe. In the past Labor had opposed, or at best tolerated, assisted immigration on the ground that the government's first duty was to find work at reasonable wages for those already in the country. But there had been no appreciable unemployment since 1940. Jobs were more plentiful than ever immediately after the war and the Labor movement – possibly with some muted misgivings – decided to trust its own government to maintain full employment indefinitely. More surprising was the agreement of all political parties that about half of the immigrants might be European, but non-British, in origin, and most surprising of all, to anyone who knew the provincial xenophobia of Australians before the war, was the generally friendly way in which the newcomers were accepted. Abusive or contemptuous terms like "Dago" and "Reffo" (refugee) gave way, not just at an official level but in general usage, to "New Australian", though "Pommy" tended to stick more tenaciously to English immigrants, partly to distinguish them from other New Australians who, as an Irishman might have put it, were after all so much newer. Between 1945 and 1966, well over two million immigrants came to the country and the total population rose from 7.5 million to 11 million.9

For fifteen or twenty years after the war, most white Australians were apt frequently to congratulate themselves in public over the new immigration policy. They felt that it marked a complete break with past traditions and practices and demonstrated to the world how truly liberal and open their society had become. The rest of the whole world's inhabitants disagreed. Those few people in Europe, Asia, Africa and America who had heard anything at all about Australia knew of the "white Australia" policy and consequently regarded us as a racist pariah among nations, very like the Union of South Africa. It was not quite true. At no time in our history did the white conquerors enact laws which savagely punished human beings of a different skin-colour for loving each other; but most people who had grown up before the war continued to hate and fear brown, black and yellow people and to hold the "white Australia" policy in the sacred awe with which ancient Israelites regarded the ark of the covenant; and nearly all politicians agreed with them. Calwell himself, so genuinely liberal towards "new Australians" so long as they were white, was inflexibly opposed to admitting any of darker hue. Yet there had been some change in race relations. Calwell was a frequent guest of honour at national celebrations held by the Chinese communities in Sydney and Melbourne, and young white Australians, particularly those who were better educated, increasingly and demonstratively disowned the racial prejudices of their elders.

Even young people, however, showed little interest in Aboriginal rights at this time. After the war, so far as is known, Aboriginal people even in the remotest areas of the central Western Australian desert, of the Kimberley and of Arnhem Land were no longer massacred. Throughout the long years of Menzies' conservative rule (1950-66) they continued to be

segregated as far as possible in reserves and on mission stations – and ignored. Most had no votes to trouble politicians and no rights, except special rights of the kind reserve for "protected" people, such as the right (and duty) of not drinking alcohol. "Fringe-dwelling" Aborigines continued to exist in ghettos on the outskirts of most country towns. They were prevented both by custom and terror from using public facilities on the same terms as white citizens. They could not, usually, use the same swimming pool or public bar or the same seats in a picture-theatre. Even in the more populous states like New South Wales and Victoria where they were entitled to vote, most feared to do so. In the last two or three years of the period covered by this chapter, some educated Aborigines in the capital cities began to protest, but for most of the time they hardly appeared on the stage where public events, the traditional subject matter of history, were enacted. It is not surprising that a conservative like Menzies tolerated this situation comfortably for sixteen years: he was probably not even aware of it. It is a little more surprising that a Labor leader like Evatt, with his concern for human dignity in other spheres, should also have been blind to so much lack of it at home.

Herbert Vere Evatt, Attorney-General and Minister for External Affairs from 1941 to 1949, had stepped down from the High Court bench in order to contest a Sydney suburban seat in the Labor interest. An intellectual and an idealist, he believed passionately in the importance of civil liberty at home and of the rule of law in international affairs. Some thought him insufficiently realistic for the hurly-burly of political life, and others pointed to streaks of instability and of almost childlike vanity in his character. Yet his integrity was unquestioned and his legal brilliance proverbial. The latter was the subject of one of those asides which occasionally break the tedium of proceedings in the House of Representatives. Menzies, himself no mean lawyer, was "confessing" in his loftiest and most ironic style, his "inability" to understand the legal reasoning behind a Labor argument. "Never mind Bob – Bert Evatt can," interjected E.J. Ward, member for East Sydney and one of the very few men capable of ruffling the Liberal leader's customary urbanity.

When at the end of the war the Indonesians revolted against their Dutch masters, Evatt and the government sympathised with the rebels and did nothing to hinder a continent-wide wharf-labourers' boycott of Dutch ships. Probably most Australians wished the Indonesians well, though many Opposition supporters were scandalised at the very idea of those whom some were old-fashioned enough to call "natives" being helped to oppose "white men", no matter what the circumstances. On the whole, Australians encouraged Indonesian independence, partly from a genuine belief in the natural right of every people to govern itself, and partly too from motives of self-interest. Evatt was by no means the only person to realise that the days of European rule over Asia and Africa were numbered, that in the future Australia would have to learn to deal with neighbouring Asian governments, and that she would need all the Asian friends she could get. Despite its implicit contradiction of the "white Australia" policy — to which both Labor and anti-Labor parties remained passionately attached — this liberal, internationalist policy was warmly advocated by Evatt at the early meetings of the United Nations Organisation. As the candidate of a bloc of small and medium powers he was elected president of the UN General Assembly in 1948.

The most controversial legislation of the time was the *Banking Act* of 1947, which set out to nationalise the whole banking system. In Chifley's view this was necessary as a safeguard against the possibility of future depressions, but Australia had in fact never been so prosperous and conservatives regarded the banking legislation as an almost revolutionary attack upon the most sacred shibboleth in their lexicon, private enterprise. The government also sought to nationalise air services, but both measures were ruled unconstitutional by the High Court. A government-owned airline, Trans-Australia Airlines, was set up in competition with private companies, however, and it, with the government-owned Australian overseas airline, Qantas, has maintained since a record of safety and efficiency second to none in the world.

At about the same time, Churchill's "iron-curtain" speech at Fulton, Missouri, gave impetus to the revived wave of anti-communist feeling which was sweeping all Western countries. In Australia, as elsewhere, people were tired of wartime restrictions and controls, some of which, like a modified form of petrol rationing, still survived. In the midst of prosperity and expansion a bitter coal strike caused power shortages, which on some nights plunged great cities into darkness. People were unpleasantly reminded of the wartime blackout. At the nadir of UAP fortunes in 1944, Menzies had taken the leading part in yet another reorganisation of the anti-Labor forces under the new (or refurbished) banner of the Liberal Party. He then promised to abolish petrol rationing and other troublesome restrictions on private enterprise, and to smash the influence of communism in the trade unions and elsewhere by making the Communist Party an illegal organisation. At the election of 1949, the Liberal and Country parties came back to power again with a comfortable majority. Within a few months, Australian soldiers were again fighting overseas, this time in Korea.¹²

Ruled for fifty years by Japan, Korea was divided at the end of World War II between a communist administration north of the 38th parallel of latitude and a capitalist one south of that line. Needless to say, the North Korean government was in effect a puppet of the Soviet Union, or to some extent of the newly communised People's Republic of China, while the South Korean government depended just as fully on the support of the United States. When fighting began in June 1950, the South Korean forces were nominally led by the United Nations Organisation, but in fact by General Douglas MacArthur, American hero of the war in the South-West Pacific and later commander of Allied Occupation Forces in conquered Japan. Some twenty nations contributed troops to the UN force in South Korea, but the Menzies government saw to it that Australia was the first to respond to American diplomatic pressure. Menzies, like most Austral-Britons, fondly believed that timely help to our great any would ensure American protection of Australian interests in the future. Twelve years later, when President Sukarno of Indonesia annexed Netherlands New Guinea in the teeth of anguished Dutch – and Australian – protests, Menzies sought America's diplomatic support. The Americans unblushingly gave it to the Sukarno, but even this painful experience did nothing to shake the faith of Australian conservatives in American care for and loyalty to Australia. Most Australians, however, cared little about the Korean war just as they did later about confrontation with Sukarno, remaining much more interested in the anti-communist witchhunt at home. True to its election promise, the new government in 1950 passed a Communist Party Dissolution Bill.

The bill gave power to declare the Australian Communist Party, and other bodies deemed to be affiliated with it, illegal organisations whose property should be forfeited to the Commonwealth. It also barred communists from employment in the Commonwealth government services and from holding offices in key trade unions, and it gave the government power to "declare" citizens to be communists. Contrary to the ancient principle of British law. the onus of disproving the charge was placed squarely on the accused or "declared" persons. In speaking to the bin in the House, the prime minister anticipated its passage a little by "declaring" twenty or so communist trade-union officers whose names had presumably been supplied to him by paid government spies. The fact that some were not communists, and that one was neither a communist nor a trade-union member, did not reassure the large body of moderate opinion which was strongly anti-communist but troubled by the idea of entrusting such (arbitrary powers to any government. The bill was passed but immediately challenged in the High Court by the Communist Party and by some powerful trade unions such as that of the waterside workers. Labor was a little half-hearted in its opposition to the bill, partly for fear of being branded with guilt by association and partly because some Catholic Labor men were at least as illiberal on this matter as was the Liberal government. Nevertheless Evatt, in his private legal capacity, argued the case for the unions before the High Court, which found the bill unconstitutional in March 1951.

The government then decided to seek a constitutional amendment to give it the necessary power for passing its anti-communist legislation, and accordingly prepared for a nation-wide referendum on the subject. 13 At this point Chifley died suddenly and Evatt succeeded to the leadership of the Opposition. Despite the latter's zeal for a "no" vote, the referendum campaign was not fought strictly on party lines. Government members and practically all newspapers and radio commentators urged the electors to vote "yes", and some Labor men joined them – if only by their significant silence upon the issue; but as the campaign warmed up a good many prominent citizens not identified at all with party politics, including some who probably normally voted conservative, spoke out fearlessly on the "no" side. From his retirement in Perth, old Walter Murdoch said, "The government is asking for... the power to punish a man for his beliefs – or for what some spy alleges him to believe. It will be a sad day for Australia if she allows this spiritual poison to get into her system." On the same day the prime minister assured voters that, "Nobody other than a communist can, under any conceivable circumstances, be affected."14 Almost everyone, whatever his or her hopes or fears, expected an overwhelming affirmative vote, but in the event the government's proposals were narrowly defeated. Needless to say, the vast majority of Australians were almost as strongly opposed to communism as were Americans at the same period; but they were apparently less ready to sacrifice traditional liberties in the name of opposing it.

Despite this defeat, Menzies immediately announced pettishly that the Commonwealth government, as an employer, would hire thenceforward only those whom it considered politically unobjectionable. Government offices were purged of communists, real or supposed, and government employment denied thereafter to any applicants considered politically unreliable by the government's secret police services. Yet these herculean efforts to scotch the communist menace seemed insufficient. With a federal election due by mid-1954 at the latest, public opinion polls showed an alarming swing towards Labor. On 6 April the *Sydney Morning Herald* wrote that the government would have to pull a couple of rabbits out of Mr Menzies' top-hat if it were to survive the election. Exactly a week later, cynics observed that the rabbits were already there. Menzies announced, in the absence of Dr Evatt, leader of the opposition, that Vladimir Petrov, a Russian diplomat and spy, had left his masters in the Soviet Embassy in Canberra and presented himself, together with a folio of Soviet spy documents, to the Australian spies in the Australian Security Intelligence Organisation. Petrov was granted political asylum and the prime minister set up a Royal Commission to inquire into the affair.

The Commission sat in the full glare of publicity in an atmosphere of hysterical witch-hunting which must have been more familiar to Petrov than to the natives of a democratic country. Preliminary proceedings, inspired "leaks" and unrestrained press speculation seemed to connect Petrov's spy network with the ALP and its leader, Evatt. No one was surprised when, two weeks and two days after the production of the rabbits, or perhaps the red herrings, the Menzies government was re-elected despite the earlier massive swing of opinion against it – and despite the fact that it polled only 47.07 per cent of total votes cast as against 50.03 per cent for the ALP.

For forty years people have argued passionately as to whether the Petrov affair was just what it seemed – the defection of a Soviet spy – or a carefully set up political mare's nest designed by the government, or by ASIO on behalf of the government, to discredit the ALP at the 1954 election. Careful study of all the available evidence shows that it was most probably organised by a self-appointed group of conspirators, responsible to no one but themselves and bound by a solemn oath to secrecy. This group changed in personnel from time to time but usually included high-ranking Commonwealth public servants, especially from the Defence Department, and powerful air force, naval and military intelligence officers, including,

certainly in the 1950s, Colonel Charles Spry, head of ASIO. Thus these guardians of Australian democracy could have used ASIO itself, probably without Menzies' knowledge, but certainly not without his gratitude, as an instrument for keeping him in power. 15 Another fascinating glimpse of the activities of these seditious conspirators was provided by the Salisbury affair twenty-five years later. In January 1978 the South Australian Police Commissioner, Mr Harold Salisbury, was dismissed by the Labor premier of the state, Mr Don Dunstan, for having misled the government. The "special branch" of the South Australian police, like those of every other state, kept secret dossiers on thousands of citizens including Labor members of parliament, to some of whom, including the premier, it was legally responsible. Salisbury had given evasive, incomplete and misleading replies when asked about these matters. At a press conference three days after his sacking, he made the astonishing claim that he was "responsible to the Crown – directly to the Queen – or her representative in Australia" and not to the government which had appointed him. When reporters were nonplussed by this statement, Salisbury blundered on to explain that he had been "sworn to secrecy". No one then or since asked "to whom?" Presumably it could only have been directly to the Queen or her representative, to spies mightier than himself in the Australian network, or to the faceless persons banded together, in the reported words of Charles Spry in a conversation with Dr John Burton, head of the External Affairs Department in Evatt's day, in a conspiracy "to protect democracy from itself". An oath to any one such body would have been grossly illegal and subversive of the police commissioner's absolute responsibility to the Crown, through the government of the day and its first minister. It mattered not. At this stage of the affair no one even asked Pilate's question, what was the truth, though everyone, like the Judean governor, stayed not for an answer. 16 A year later Dunstan's health broke down and he retired from politics.

After what many saw as the tragic farce of the Petrov affair, the Liberal-Country Party coalition retained power with only relatively minor dramatic performances, and Menzies remained its unchallenged leader. No Australian prime minister ever ruled the country for anything like so long, or so continuous, a period. The reliable old anti-communist drum proved of considerable help in most of the succeeding election campaigns, but at the same time the government had profited by its earlier unhappy experience with the "anti-communist bill". It vigorously denounced communism but skilfully avoided any further head-on confrontations with the trade-union movement, such as had brought down the Bruce-Page government. The Liberals were also helped enormously by yet another Labor "split". From 1954 onward many right-wing people deserted, or were expelled from, the Labor Party to form a strongly anti-communist but separate group which finally came to be known as the Democratic Labor Party. The great majority of its members and supporters were zealous Catholics, although most of their co-religionists remained faithful to the official Australian Labor Party. From 1964 onwards, Menzies gained many Catholic votes, and fervid DLP support, by reversing a national policy that had been settled for nearly a hundred years: he reinstituted a form of state aid to church schools.17

Even without this help, however, the Liberals would probably have continued in office for most of the postwar period. Menzies was unquestionably the ablest politician in the country, and he combined with tenacity the ability to keep on learning from his mistakes. Under his leadership, the Liberals were not too proud to adopt, and successfully implement, some planks of their opponents' platform – full employment, for instance. During the Chifley regime, most Liberals felt, and some voiced, fears that really full employment for all who wanted work would have a disastrous effect on the economy. Without the competitive goad of fear, they believed, employees would work badly and national productivity would fall. Their theory was that a "small" or "moderate", but permanent, pool of unemployed – say 3 or 4 per cent of the workforce – was an unpleasant but necessary part of the free enterprise system for which the Liberals stood. In 1952, not very long after the Menzies government had returned to power,

there was a brief recession during which unemployment rose to about 2 per cent. Public reaction was so strong that the government, to get everyone back to work, quickly imposed drastic import restrictions and other controls which would probably have been denounced as socialist measures if imposed by their opponents. After that, succeeding Menzies governments placed almost as much emphasis as Labor did on maintaining full employment. Nor was this mere lip service to catch votes. Almost full employment continued to be a fact, except for another brief recession nearly ten years later. The general election of December 1961 reduced the Liberal-Country Parties' usually comfortable majority in the lower house of 120 members to a majority of two. "Sound government" continued, without very much of the experimentation that might have been expected from Labor; but while expansion and full employment continued seemingly indefinitely, why change horses? Most people felt they had good reason to be content.

It was sometimes hard for Australians themselves to realise the extent of the development that took place in the decades following the war years. The war was the trigger rather than the cause of this enormous expansion, which continued under both Labor and anti-Labor governments. No earlier generation had "had it so good" - or so continuously. Australia continued to be the world's main supplier of wool, and in the early 1950s overseas prices rose to the staggering figure of more than £1 per pound (or 500g) for the very best wool – equivalent to perhaps \$100 per kilogram in 1990 money values; but the postwar period was remarkable precisely for the great diversification of the economy. To wool, wheat, meat, dairy products and orchard produce were added many other crops. Some rice had been grown before the war, but afterwards there was a considerable surplus for export. Tobacco and cotton continued to be imported, but for the first time it began to seem possible that this need not always be so. Even coffee and cocoa from New Guinea began to appear on the home market in significant quantities. For long before the war most important metals had been mined in quantities great enough to provide large export surpluses. After the war, rich ores of nickel, aluminium and uranium were added to the iron, lead, tin, copper, zinc, silver, gold and other metals already produced. The war also made Australians acutely aware of the one vital raw material which they lacked – oil. During the 1950s, generous government subsidies stepped up the rate of search, and in the following decade rich strikes were made in Queensland, Western Australia, Bass Strait and elsewhere. In the late 1960s Australians dreamed of being self-sufficient in oil, but reality in the 1970s saw local production accounting for only about 70 per cent of consumption. It was some consolation that there was a large surplus of natural gas for export. 18

The discovery or development of new primary resources was overshadowed by the much greater advance in secondary industries. Between 1940 and 1960 the number of factories more than doubled, the real value of manufactured goods was multiplied by more than three, and the quantity of power applied to secondary industries increased nearly four times. Before the war durable consumer goods like cars, vacuum cleaners, washing machines and refrigerators were mostly imported luxuries which only the well-to-do could afford. After it they became standard equipment for almost every household, and the vast majority of these and other manufactured articles, like the new television sets, were made in Australia. A healthy export trade in secondary products grew steadily. By 1966, relative to its population, Australia had one of the strongest and best-balanced economies in the world.

The new affluence and the technological changes on which it was based made life somewhat easier for Australian women at this time. The back-breaking labour of washing the family's clothes, sheets and towels had always been done by the "housewife", except in wealthy bourgeois families where it was done, more often than not in addition to labour for her own family, by an overworked and underpaid housewife from the poorer suburbs. By the 1960s a washing machine was standard equipment in all but the very poorest households. So were other labour-saving devices like electric irons, cooking appliances, vacuum cleaners, refrigerators

and sewing- machines. So was a family motor car. Together these things went far towards making it possible for married women to get paid work outside the home and a steadily increasing number did so. That more did not was due first to the massive inertia of the traditional belief, still held firmly by most women as well as men, that "a women's place is in the home". Almost no one except communists and the "friends of communists" then demanded equal legal and social rights for women. Like Aboriginal people they were rigidly debarred by custom, if not by law, from drinking in most hotel bars and from working in some of the better-paid jobs. Like Aborigines, too, they were paid only a fraction of the white male wage for almost all kinds of work, and few indeed were the women who protested. In addition to all these barriers, there was an appalling absence of crèches, child-minding centres and children's health facilities. Finally, contraceptives were still quite inefficient. Women working in factories, business, politics or the professions were always likely to have their routines interrupted by unplanned and unwanted pregnancies. Small wonder that, though more women joined the workforce after the war, not a great many more did. For instance, when Annabelle Rankin (later Dame Annabelle Rankin) was elected to the Senate in 1946, she became the first Queensland woman sent to either house of the Commonwealth parliament. 19

The great influx of European migrants improved, perceptibly if not dramatically, the status of Australian women. This it did by diluting quite rapidly some of the worst traditions of what was no longer such an aggressively male "frontier" society. It helped too to create a higher valuation of culture, in the narrower sense of the word, than was common in the Australian past. Life became much more urbanised, more complex, and more sophisticated. Between 1945 and 1965, for instance, the number of universities more than doubled and the number of undergraduate enrolments more than quadrupled. In painting, literature and other arts, more Australian work reached a mature standard which challenged comparison with work done anywhere in the world – and without any special pleading for regional values. Moreover, private citizens and public institutions began to patronise art to a degree scarcely conceivable before 1939. Instead of leaving for foreign parts where their work was appreciated, some leading intellectuals, artists and writers, like the great novelist Patrick White, even returned to live in the new Australia that appreciated them. In the early 1960s J.J. Cahill, Labor premier of New South Wales, did something, possibly the only thing, for which he will be gratefully remembered by posterity. He imported the Danish genius, Joern Utzon, to create that architectural masterpiece of the modern world which now soars and dreams over Sydney Harbour, symbolising the best aspirations of the Australian people.

The greatest painter of them all, Russell Drysdale, had stayed near the source of his inspiration, the Australian bush, particularly in Cape York Peninsula. He painted Aborigines long before most white Australians cared even to remember their existence. Kenneth Clark, probably the most eminent and catholic art critic alive in the 1980s, wrote of him: "No one except Drysdale gives the same authentic feeling of the resolute humanity, that has managed to exist in that terrible continent. Those who love Australia and the Australians as I do, will find their feelings reflected in the bold, sincere and deeply human records he has made of the landscape and its inhabitants, black and white". Despite competition from mass-produced overseas books, the local publishing industry expanded sufficiently to meet most of the new demands made upon it. Most citizens were happy enough in the knowledge that progress in all these fields did not involve any falling away from what they regarded as Australia's natural preeminence in tennis, swimming and other sports. Similarly, the New Australians introduced many new skills, fashions and foods without really challenging the ancient and excellent predominance of steak-and-eggs.

Nevertheless, there was a good deal of speculation about the extent to which the continuing wave of European migration was changing what Australians regarded as their basic national attitudes and goals. It was perhaps an indication of increasing maturity that not all of the

speculation was apprehensive in character. For example, many prosperous citizens had long agreed with the multitude of visitors who declared that the average Australian was far too leisure- and pleasure-loving for either his own or the national good. Perhaps, thought these moralists, New Australians would work harder and for longer hours, so setting a good example to the government servants, the footballers, the surfers, the trade unionists, the life-savers, the coal miners, the students, the race-goers and the beer-drinkers – in fact, to the regrettably easy-going bulk of the population? Certainly a disproportionately large number of New Australians, by skill, perseverance and sheer hard work, built up large or small businesses of their own; and this helped to raise somewhat the general standard of business efficiency. More often than before it happened that a pair of shoes would be mended in a day or two rather than a week or two, or even that a building would be finished within a few weeks – rather than months or years – of the date stipulated in the contract; but by North American standards at least, Australian business methods still seemed inefficient.

On the other hand, most New Australians fairly readily absorbed, in trade unions and elsewhere, the old Australian conviction that a person should work to live, but should not live to work. Teachers agreed that the New Australian children were usually completely assimilated into the general community even when, as often happened, their parents were not. Those who feared or hoped for dramatic changes as a longer-term result of the massive immigration were probably wrong. American and Canadian experience of what were, proportionately, equally massive foreign migrations, suggests that sooner or later immigrants almost inevitably conform to the established ways of their new country – if not in the first generation, then in the second or third. And the sudden influx of new people, money and ideas into Australia was not relatively as great, after all, as was that during the gold-rush decade in the middle of the last century. Then most contemporaries thought that the whole nature of Australian life was bound to be transformed, but in fact it was not.

A good many older Australians were vaguely troubled by some of the other possible effects of the long-continued post-war boom – its effects not so much on themselves, of course, as on young people. After 1940, they pointed out, a whole generation grew up without experiencing at first hand depression, war or other hardships of former days which, in retrospect, seemed to have been so salutary. Boys and girls took it for granted that jobs would be available just as they assumed the sun would continue to rise in the east. If they wanted to go to university, and had the ability to do so, a wide range of government scholarships was ready to make it easier for them. Among lefterly senior citizens, these head-shakings were inspired partly by the feeling that there would be nothing like another good depression to make younger voters change their political allegiance. To this extent the forebodings suggested a certain fossilising of attitudes among Labor supporters, but it is also true that the policies of the two major parties tended to approach each other during the 1950s.

More often, the gloomy apprehensions merely reflected the well-founded conviction, not unusual among older people everywhere, that life was not what it had been when they were young. In fact the mental horizons of young people were not nearly as circumscribed as their parents' had been, and this augured well for the future. For years trade with America, Japan and other foreign countries had been increasing while the traditionally accepted trade with Britain had declined. People were growing more aware of the no longer so remote outside world beyond Australia's – and Britain's – shores. Young people were, or liked to feel they were, more sophisticated and cosmopolitan in outlook than their elders. Some of them seemed even to question the hallowed sentiments associated with the celebration of Anzac Day, while many vigorously queried the wisdom of the "white Australia" policy. Yet this same generation was equally often criticised by its elders for "playing it safe" and for conformism.

In truth it was the older generation which was being left behind by events. Nothing in recent history is so striking, and so important for humanity's future, as the rapid change which was

taking place everywhere in race relations. In a backhanded way, perhaps, we may thank Hitler for it. In earlier wars men fought and died in the belief that their race or nation was innately superior to all other "lesser breeds without the law". During World War II, by their systematic and cold-blooded murder of many millions of men, women and children for the crime of not having been born into the "master race", the Nazis demonstrated to everyone the logical end of racist delusions. Allied propaganda was not slow to point the moral. In Australia as elsewhere, through every medium of mass communication, people were taught the truth about race. The Nazis had to be defeated, not because they belonged to a different and supposedly inferior race or nation, but because they preached and practised a scientifically false and ethnically monstrous doctrine of "racial superiority".

The effectiveness of the lesson was underlined by the speed with which almost all groups of African and Asian peoples, formerly ruled by European powers, won or were given national independence in the twenty years following the war. It was shown too by the United States' rapid movement towards real social and economic integration of its Negro citizens, and by the much slower movement in Australia towards assimilation of its Aboriginal non-citizens. Yet Australia, with her New Guinea dependency, still appeared before the world as one of the few surviving, old-style colonial powers, and she shared with South Africa the doubtful distinction of believing, or appearing to believe, in the principle of racial inequality. For, however Australians might explain the "white Australia" policy, this was inevitably what it meant in the eyes of most other nations.

Fortunately the true picture was not as damning as it seemed to most outside observers. During the war, thousands of Australian soldiers learned to value Asian friends in Malaya and the Indonesian archipelago. In 1951 the Menzies government took a leading part in launching the Colombo Plan, under which many thousands of Asian and African students were assisted to study at Australian universities. They were completely accepted as equals and friends by Australian students in a way that surprised many of the latter's parents and horrified some surviving grandparents. Indeed, however conformist they may have seemed in some other respects, if we judge by their actions, Australian undergraduates felt more strongly about racial equality than about any other political issue. Incidents such as those at Sharpeville in South Africa, or Birmingham in Alabama, usually evoked student demonstrations and resolutions in Australian cities and, since they creditably felt that charity should begin at home, undergraduates frequently embarrassed senior statesmen of all political parties with persistent questions about their attitude to the "white Australia" policy.

Of course, there was a large element of ingenuousness in the younger generation's attitude. Not all of them realised how easy it was to love all humans as brothers and sisters in a country which, partly because of the longstanding exclusion policy that they derided, had comparatively slight "race" or other minority problems. Some public opinion polls indicated a decisive change in attitudes. Those interviewed were told that people of certain nationalities (no Australian could have any doubt about what was meant) were prohibited from settling permanently in Australia. They were then asked if they were in favour of admitting at least fifty migrants a year from each of those countries. Between 1954 and 1959 the answers changed as shown in Table 4:20

Year	Keep out (%)	Let in (%)	No opinion (%)
1954	51	31	8
1956	51	42	7
1957	55	36	9
1958	45	44	11
1959	34	55	11

Table 4 Public opinion on migration, 1954-1959

It should be emphasised that few or no Australians supported a policy of completely unrestricted and unplanned immigration. If, say, 2 million or so of India's 500 million-odd people were to have immigrated over a few years, the effect on Australian living standards and folkways would obviously have been enormous, while the effect on India's distressingly low living standards would have been negligible. It was the principle and practice of absolute exclusion on "racial" grounds which was offensive to Asians, Africans and Polynesians, and discreditable to Australians. Those who wanted to abolish the policy aimed at substituting a planned quota system such as those of the United States, Canada and many other countries. As Britain moved towards entering the European Economic Community, the importance of trade and friendship with Asian neighbours increasingly occupied the attention of Australian governments. More and more Australians were coming to believe that abandonment of the "white Australia" policy, at least in its historically rigid form, might be a necessary condition of survival as well as a moral imperative.

The vast majority of citizens had readily accepted the other, and more immediately vital, great chance in external relations – those with the United States; but this did not mean that there were no tensions between the two countries. In the last century, when Great Britain was the most powerful country in the world, Australians generally took for granted their ultimate political and cultural dependence on her. Yet even though she was also their "mother country", they did not always love their dependent role. Indeed, as we have seen, Australian nationality sprang in large part from resentment at what many felt, with little reason, to be British domination. After World War II the United States largely took over Britain's role in the world, and in 1951 Australia recognised the changed reality by signing a treaty with New Zealand and the United States – the ANZUS treaty – which bound the signatories to consult and aid each other in war-time. After 1942 Australian security, in the ultimate analysis, appeared to depend just as much on the United States as it formerly had on Britain.

In 1954 Australia sought to underline this dependence on the Great Republic by joining with her in SEATO, the South-East Asia Treaty Organisation, which embraced also the United Kingdom, France, New Zealand, Pakistan, the Philippines and Thailand. The treaty bound the signatories to consult about measures to be taken in the event of an attack on any one of them, but no such consultation has ever taken place. The real aim of the treaty was embodied in a protocol which enabled member-states to join with the United States in fighting communism in Indo-China. Most Australians readily accepted government assurances that SEATO had strengthened them against Asian communism, and none had any tangible cause to doubt this until the American intervention in the Vietnamese civil war began ten years later. During 1963, for the first time, United States investments in Australian business and industry exceeded British investments. The influence of American films, gramophone records, magazines, books and television programs increased steadily, while that of British books and so on tended slowly to decline. In 1966, as the first step in converting Australia to the metric system, the traditional British currency of pounds, shillings and pence was replaced by dollars and cents.

Australians generally were virtuous enough to make a modest degree of happiness out of apparent necessity. They never forgot America's decisive role in the war with Japan. On the whole they liked and admired Americans and, as official spokesmen seldom wearied of repeating, the two countries had much more in common than Australia had with any other land outside the British-descended members of the British Commonwealth. With the possible exception of Canada, Australia was the most loyal any America had. Yet many Australians also felt irked by their dependent role just as, like the Americans themselves, they previously had *vis-à-vis* the land of their forefathers. In Australia, as elsewhere, only a rather small minority of people thought very much about international relations. Those who did sometimes felt as exasperated over American exercises in "brinkmanship" and the doctrine of massive nuclear

retaliation as they felt grateful for the, after all, hypothetical assurance of American protection. Similarly, many Australians resented the trend towards American domination of important sectors of the national economy, even while they recognised the need for more American capital investment to help in the development of their country. Americans, after all, took just as ambivalent an attitude towards British financial influence on the United States in the last century.

There was also something of a reversal of roles between right and left, *vis-à-vis* America. In the last century, Australian liberals and nationalists were generally pro-American. The United States presented to them an image of progressive and nationalist radical democracy; but for this very reason Australian conservatives tended to damn Uncle Sam as a shoddy, revolutionary, anti-British vulgarian. In the third quarter of the twentieth century, when the United States, with its vast power and world-wide responsibilities, had become more interested in preserving the status quo, the Australian left discovered an increasing affinity with welfare-state Britain, while the right tended to love the new America much more, though not to love the "old country" very much less. When Menzies left public life, these changes in the outlook of Australians seemed to gather momentum.