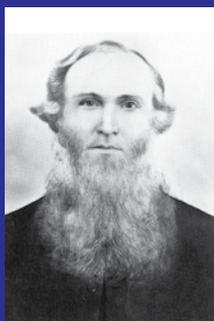




John Dunmore
Lang



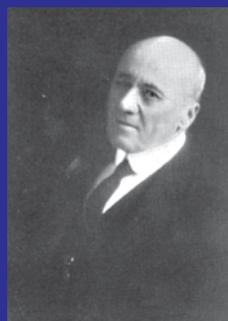
Charles Harpur



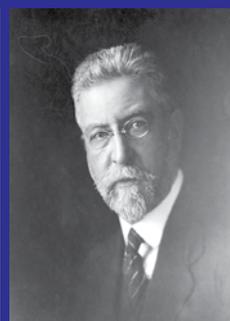
Adelaide Ironside



Daniel Deniehy



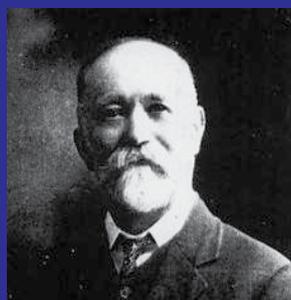
George Black



John Fitzgerald

The fight for an Australian Republic

From the First Fleet to the Year 2000



William Spence



King O'Malley



Frank Anstey



Jack Lang



John Curtin

A Publication of the Citizens Electoral Council of Australia

Recommended Price: \$10



December 1999

**For further information or to obtain more copies of this
pamphlet please contact:**

Citizens Electoral Council of Australia

595 Sydney Rd Coburg Vic 3058 Australia

P O Box 376 Coburg Vic 3058

Home Page: <http://www.cecaust.com.au> Email: cec@cecaust.com.au

Ph: 03 9354 0544 Fax: 03 9354 0166

Published & printed by:
Citizens Media Group Pty Ltd
595 Sydney Coburg Vic 3058
P O Box 376 Coburg Vic 3058
ACN: 010 904 757

First Reprint: May 2001
Second Reprint: Jan 2008

From the CEC National Secretary

Dear Fellow Citizen,

Australians voted decisively on November 6, 1999 to reject the Establishment's offer to give us a Clayton's Republic. Under the rejected scheme, we were to be denied the right to elect our own President directly. Moreover, the whole "republic" campaign was run by the very political and financial Establishment, which has ruined our country over the last three decades with policies of free trade, deregulation, privatisation, competition policy, and union-busting. What sort of "sovereignty" could we expect from the initiative of ex-Treasurer and Prime Minister Paul Keating, "Mr. Republic," who had sold out Australia to foreign interests, while destroying domestic manufacturing and agriculture?



CEC National Secretary
Craig Isherwood

Although Keating was the first to crusade for a "republic" in recent times, he was by no means its architect: every phase of that effort was run by the Queen's own retainers, beginning in 1991 with the establishment of the Constitutional Centenary Foundation (CCF). Its founding chairman was former Governor-General Sir Ninian Stephens. Major funding was supplied by Rio Tinto, in which the largest single shareholder is the Queen. In February 1998, the CCF-run Constitutional Convention ("Con Con") was chaired by Her Majesty's longest-serving Privy Councillor in Australia, MP Ian Sinclair. The CCF's main publicity arm, the Australian Republican Movement (ARM) of international merchant banker Malcolm Turnbull, brought together many activists who, like Turnbull himself, were former or present employees of multi-billionaire Kerry Packer, frequent visitor to the Queen's box at Ascot.

That the Queen's own toadies led the drive for a "republic," shows it up for the fraud it was. The scheme was designed as a foot-in-the-door for constantly rewriting our Constitution on a whim — by the attachment of a Preamble that enshrined "Aboriginal land rights" as a principle of the State (this, like the false "republic," was also voted down), or by repeatedly reconvening the "Con Con" for the purpose, as the CCF itself has proposed. According to one CCF official, the Constitution requires "updating," to incorporate such principles as "a balanced budget" and "globalisation." Some "republic"!

As Nov. 6 drew closer, the Establishment grew more and more fanatical about securing its "republic." Why the desperation?

The world is now hurtling toward the worst financial collapse in all human history, and the British Crown-led financial oligarchy of the City of London and Wall Street is attempting to destroy all nation-states and to steal their raw materials, in order to establish the political power and the control of resources to enforce an unchallengeable globalist empire. Australia (like Indonesia, as well) happens to have one of the richest concentrations of raw materials and precious minerals on the face of the earth. And, as defective as our Constitution may be from a truly republican standpoint, it nonetheless poses certain barriers to the wholesale looting of our country.

Were our elite serious about wanting a republic, they would have emphasised that several times in Australian history, we did come close to establishing a real republic. The struggle for a sovereign republic, free from the Crown and the City of London's Money Power, has been the dominant theme of Australian history, from the time the First Fleet delivered its load of Irish, Scottish and English political prisoners to these shores in 1788. During the mass organising for a republic in the 1840s and 1850s by the greatest republican orator, writer, and political organiser this country has ever seen, the Rev. John Dunmore Lang, his plan for a "United States of Australia, the great republic of the Southern Seas" so terrified the British, that it forced them to grant "responsible government" (the beginnings of the Westminster System) to the colonies in the 1850s. In the 1880s and 1890s, the pro-republican, pro-American mass trade union movement began to organise for a republican nationalist Federation, instead of the "Federation under the Crown," which they were ultimately tricked, cajoled or bullied into accepting. Even after Federation, the Crown's control over all Australian institutions notwithstanding, Labor's struggle for sovereignty continued in the fight for a National Bank in 1911, through NSW Premier Jack Lang's debt moratorium against British bondholders in 1932 (done so as to prioritise payments to starving women and children), through to Gough Whitlam's attempts in the early 1970s to "buy back the farm" from Rio Tinto and others of the Queen's raw materials

cartel which controlled our vast riches, for which Whitlam was sacked by the Queen's toady, Sir John Kerr.

Today, we must once again take up the battle for a true sovereign republic. As means and inspiration toward that end, this pamphlet contains the speeches given at the October 22-24, 1999 National Conference of the Citizens Electoral Councils, entitled "Preparing to Govern." They reflect thousands of hours of research in Australia's libraries and archives, to bring back to life the individuals and the mass movements, which the Establishment has paid our lying academics to erase from the pages of our history books, lest the slumbering virus of true republicanism burst forth once again to infect our fellow countrymen under conditions of social, political and financial upheaval.

Today, this battle for sovereignty is a global one, which has been most powerfully articulated by the American physical economist and candidate for the U.S. Presidency, Lyndon H. LaRouche, Jr., in his proposal for a "New Bretton Woods" alliance of sovereign nation-states. We must seize the opportunity represented by the impending disintegration of the financial oligarchy's bankrupt, "globalist" financial system, LaRouche argues, to replace that evil system with an agreement among perfectly sovereign nation-states, each characterised by national banking, great infrastructure projects, fixed exchange rates and capital controls, and tariff protection— exactly the policies of "old Labor" up until the death of Ben Chifley.

My fellow Australians, what you are about to read is the truth about your own history, at least as we have discovered that truth so far. Learn it, and be inspired by it to take up the battles where our forebears left off. This time, we must win.

Sincerely,



Craig Isherwood
National Secretary
Citizens Electoral Council

1 December 1999

Table of Contents

The fight for an Australian Republic From the First Fleet to the Year 2000

Lyndon H. LaRouche, Jr., addresses the CEC National Conference: *To save civilisation, learn to think philosophically*

- 1. The birth of Australia and the political prisoners of the First Fleet**
- 2. The great Republicans of the 1840s and 1850s: Rev. John Dunmore Lang, Charles Harpur, Adelaide Ironside and Daniel Deniehy**
- 3. The 1880s and 1890s: The Republican Labor Movement awakens**
- 4. The 1930s: The struggle against the City of London's "Money Power"**
- 5. The economic mobilisation for World War II: Curtin's break with the British and the alliance with America**
- 6. The fight for a National Bank and Labor's grand vision for post-war reconstruction**

Appendix A: Australian battle royal over phony "republic"

Appendix B: The great postwar projects

To save civilisation, learn to think philosophically

Lyndon H. LaRouche Jr., addressed the National Conference of the Citizens Electoral Council via speakerphone on October 23, 1999.

Well, I'm glad to be with you in this manner of speaking. I wish I were there, but things are what they are, and we have to deal with the world as it is given to us. If we don't like the world the way it is, we have to change it. Until we've changed it, it won't get better. That's the general rule of the game, I believe.

We are in a very interesting period in history. There is, in all modern times at least, and somewhat longer, actually no precedent for what we're experiencing. The problem that people have, generally, is, you're looking at a situation, and you're looking at it with eyes which are influenced by the way you are accustomed to looking at things, and the world isn't that way any more.

For example, you'll notice that in our treatment of Classical Greek sculpture, and Classical Renaissance painting, such as that of Leonardo da Vinci, notably the "Last Supper" of da Vinci, which is this famous chapel wall inside the chapel in Milan, that what you see this teaches you, (when you're looking at a sculpture which is Classical, which therefore might have the literal appearance of being "off-balance," actually), is something in mid-motion.

And the mind, with the aid of your eye, absorbs this sensory experience, but the mind recognises this thing as in mid-motion, and then gets a static idea of mid-motion, which changes the way your mind looks at the statue. So that what you see in a Classical statue, is not the sense-impression of the statue, but what your mind does to what your eye receives.

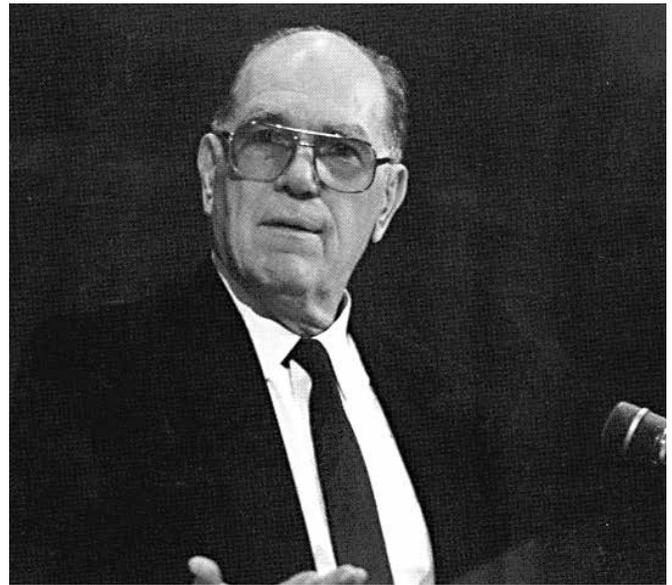
You could see the same thing if you were wandering within this chapel in Milan, where this rehabilitated wall of Leonardo da Vinci, is now again on exhibit, though to limited audiences. I was there a couple of years ago, and had that experience.

But you can also get the same thing from any good reproduction of the da Vinci "Last Supper": that when you move in the room, the chapel in which the wall is included, and you look toward the wall, it's as if you were looking into another room where Christ and the Apostles are gathered. And as you move, that other room changes, as if you were in it, in the actual room.

And wherever you go in the chapel, the eye of Christ follows you. You say, "How is this possible?" because what you're looking at is a flat wall, and the flat wall represents a room. But you don't see a flat wall, you just see a room.

Of course, this is the genius of Leonardo, who perfected this new idea of perspective as opposed to the vanishing point perspective. The vanishing point is the periphery of your eye with Leonardo. So, the mind translates the sensory impression into the cognitive understanding of what is represented, and the mind does it. So it's the mind that functions.

Now, the same thing happens when you look at the world around you, including passing events. And what is happening, is not what you think you see, in the terms of literal



U.S. physical economist and Presidential candidate, Lyndon H. LaRouche

events. What is happening, is a process of change.

Your vision can't see the process of change as such; it sees a succession of images or a process, in a literal sense-image way. But your mind is able to recognise: "This is a change."

The difficulty that people have, is, when you are going from one kind of quality of change in the world to another, you don't recognise, your mind stubbornly refuses at first to recognise you're in a changed ordering of circumstances.

And that's the difficulty people have today. People are trying to interpret the changes which are occurring, and which they are experiencing, which they know about; I mean, generally, you can say people are getting poorer, things are getting worse. That's the general impression.

But when you say "poorer" and "worse," you often are making a linear comparison of standard of living, number of workplaces in the area, how the tax rolls are going, how the economy generally is going, that sort of thing.

You don't see the underlying change in the quality of the way things are changing. And that's where the difficulty comes in, in dealing with a situation like this.

It is not difficult to recognise that it's something of a calamity. But once you recognise it's a calamity, if you're an ordinary person in an ordinary society these days, you fall back into wishful thinking. You say, "I refuse to believe that it could be as bad as that. I am hopeful that things will get better. Not that I will change things: I won't be able to change the big world in which I'm trapped like a prisoner in a cave. But I will hope that things will turn out for the better."

It's sort of like Dickens' *David Copperfield*, Mr. Micawber, who was always waiting for "things to turn up." I think most of the world is sort of in that sense today. I know that's true in Europe; I know that's largely true in the United States.

Most people in the United States, at all levels, are fools. They keep believing, like Mr. Micawber, that "things will turn up." They're not going to turn up that simply. We're

in a different kind of a world.

We're in a point of crisis at which the world is changing qualitatively; the rules of the world are changing, the rules by which things change are changing. This defines what's called in physics a "boundary condition."

So you're living in a very unusual part of history, from the standpoint of modern experience. You're living within a boundary condition, in which the rules by which things change, are far different than you're accustomed to. And that's what boggles the mind in this kind of situation.

We are at the end of the existence of an existing system. It's the end, not because we've reached a point; we're not about to fall off Swift's floating island of Laputa into the sea. It's not that kind of a boundary condition.

We're entering into a condition like a triple point in simple physics, in Classical Physics. You have this point at which the combination of temperature and pressure and so forth, define a point at which water, ice, and steam or vapor are transformed into each other on very slight changes. So you're at a point where you could have either water, ice, or power steam or vapor at the same point.

We're at a point where the physical state of affairs is about to change, or the equivalent of the physical state of affairs is about to change.

The system doesn't work any more

The general way it's defined, is this. In 1971, we had a general decision, made first by the United States, then by others, to sink the postwar economic and monetary system, which had served much of the world fairly well. It wasn't a good system, but it had served the world fairly well.

We had a growth of industry, I think you had that in Australia. Improvements in this and improvements in that. Infrastructural projects, which created a hopeful sense of the future.

And then, beginning '71, or approximately that time, or with the English, it was different. It started with Wilson in about '64, where things really began to get bad, deliberately so.

But for the world as a whole, '71, the day that Nixon shut down the gold-reserve monetary system, is a point of change. And you have to look at the world today, in terms of the changes which have occurred as a result of that point of departure —August of 1971.

Now, the system doesn't work any more. But people being wishful thinkers, have kept wishing that it would turn up, like Mr. Micawber: that things would turn up.

Well, they haven't turned up, and Mr. Micawber is getting poorer and poorer, and older and older, his circumstances are more pitiful than ever before. But he refuses to recognise that he's still clinging desperately to a certain peculiar kind of mixture of pessimism and optimism, desperately hoping that "things will turn up." And they won't.

What happened, of course, was that with the change in the monetary system, the shift away from an economy based on production and trade in things of production, in technological progress, in improvements in infrastructure, and all those sorts of things, which were things that made things better, not for the best, but better, in former times, at least for most people in most of the so-called OECD countries: that's changed.

What has happened since then, beginning with Nixon's

decision in August-September of 1971, is that people decided to save the monetary order, the new monetary order, by parasitising on the unfortunates of the general public, industry, and so forth, by methods of austerity.

These are the methods which were used in 1931, for example, under a Labour Minister in Britain, Ramsey MacDonald, who had been formerly a Socialist and turned himself into a fascist, and introduced the famous austerity measures which went with the September 1931 collapse of the British pound sterling.

These were the methods used by Brüning in Germany, by von Papen in Germany, methods which were used in a different form and application by Adolf Hitler in Germany. These were the methods which were introduced in the United States under Hoover: austerity. But even before, austerity measures.

The result was that investment in maintaining infrastructure collapsed. So the infrastructure began to erode. Railroads, power systems, water management systems, public utilities of various kinds; municipal infrastructure; agriculture. All these things began to rot, decay, under austerity.

And the money that was "saved," so to speak, by not maintaining the premises, went into propping up monetary and financial assets. So you have the picture of an increasingly ravenous glutton, the financial processes, gobbling up the diminishing physical resources upon which life had previously depended. That was the situation of the Great Depression, for example, around the world.

Those were the circumstances under which Hitler was brought to power in Germany. Those were the circumstances against which Roosevelt fought in the United States. And, of course, there was some effort in Australia, particularly with Curtin, to move in a similar direction of upward turn.

So in 1971, Nixon introduced an austerity measure called Phase I, Phase II, Phase III. Phase I and Phase II were so awful, they didn't have to bother to go to Phase III.

And since that time, the world in general, one place after the other, beginning with the Wilson government in Britain, has gone downhill generally; particularly all those countries that were formerly considered agro-industrial developed countries, such as Australia, have been taken down.

They are being looted. Everything that life depends upon, is being destroyed. And so you have this process of this increasingly ravenous, great, fat monster, getting fatter and fatter on his looting, at least financially fatter, gobbling more and more of diminishing resources, in the name of austerity, budget-balancing, free trade, globalisation, what have you.

This is what's happened.

Now, as a result of that, you had what I've described in the Triple Curve. You had, with the growth of monetary emission, whether from central banks or by private circles associated with central banks, a move to create more monetary assets—as in the case of the Japan yen bubble: this great inflation in monetary assets in circulation, which was used with the so-called system of leverage in mostly gambling debts or casino-type of speculation, in increasingly short-term financial obligations.

And the result is that, as in a figure I had from last spring

from banking circles in Europe, as of that time last spring, the total amount of short-term financial obligations of the planet, as measured in U.S. dollar equivalent, had already exceeded \$300 trillion. And this is the figure which we've compared also with the fact that, in terms of estimated gross domestic product of all nations combined, the dollar valuation put upon this GDP, is about \$11 trillion.

And if you take into account the inflation of other financial obligations, which are of this extremely short-term variety, you have an awful spectacle, in which it's obvious that the world is hopelessly bankrupt, financially; that the monetary systems of the world are presently also bankrupt, and that the physical economy of the world, per capita and per square kilometre, is in large part, taking the world as a whole, in a state of collapse, near to breakdown.

That is, you get to a point of breakdown in which things shrink so much, that everything begins to fall apart. We're now approaching the point at which things simply fall apart. The process of production and distribution is a chain of events; different parts which have to be produced, raw materials and so forth, go into production. People have to be educated to be qualified to maintain this production. Professions have to be maintained.

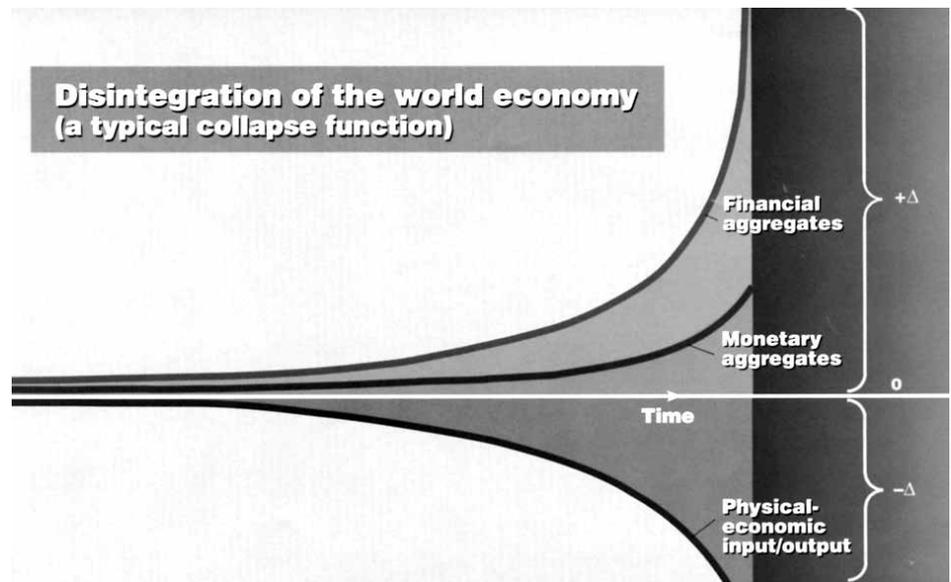
And this forms a chain, an interdependent chain of events, which results in a certain final product upon which the order of life depends. And if the links in this chain begin to disintegrate, then the chain as a whole disintegrates. And that's the point of a breakdown. In terms of physical economy, we're at that point, as we'll demonstrate in a number of things, studies which we'll be publishing soon, now in preparation.

Actually, this is coupled with the fact that industrial management, business management generally, government, and an increasing number of professions, are actually dangerously incompetent by comparison with, say, 10 years ago, 20 years ago, and longer.

A constant increase in the level of incompetence of top managements, top-ranking circles, in all aspects of life. That people who are in the top positions in corporations, in government and so forth today, and in many professions—teachers, for example, in schools—would be considered almost criminally incompetent, ready to be chucked out on an emergency basis and replaced, by comparison with what was considered competence in the 1960s and 1970s.

You have the collapse of the rail systems in the United Kingdom. A similar disintegration of rail systems in Germany: the trains don't run on time. I make it a piece of wit, the possibility that maybe somebody in Germany, wants to bring Mussolini back into power, in Germany. A neo-Mussolini, that is, and to replace Schroeder, because Schroeder can't make the trains run on time. They certainly don't.

It's in this kind of breakdown you have the question



of incompetence in design. You have automobiles which are designed by the top automobile manufacturing firms of the world. They don't work. They're dangerous—dangerously incompetent in design, in maintenance, in performance.

The same thing is true with nearly everything. So we're in a society which, on the physical side, the side of the links which enable us to produce the means for a decent life, the links in the chain are breaking, all rotting out.

So, this is a result of this imposition of austerity on the base. So the monetary process continues, its expansion continues, in an inflationary direction. We're on the verge of an outbreak of commodity price hyperinflation globally if this thing keeps going on this way.

In the meantime, we have an astronomical expansion of all financial obligations. We're heading actually toward a quadrillion-dollar equivalent bankruptcy, blowout, of the world financial system at any moment.

Now, in order to maintain the financial system, which is now already contracting—that is, the volume of transactions is already contracting significantly. Entirely artificial means, desperate means, are being used to hold this financial system up, to keep the bubble from totally collapsing.

It's going to collapse. And it will be, if it comes, a quadrillion-dollar equivalent, worldwide financial collapse. Which means that you are approaching a situation, in most parts of the planet, in the British Commonwealth and in the Americas, possibly Japan, too, in which money will go out of existence. That kind of a financial and monetary collapse puts money out of existence, as happened in Germany in the fall of 1923 with the collapse of the Weimar Reichsmark. We're approaching a condition like that.

In order to maintain the system, however, they have to keep priming the pump, with more of this Triple Curve kind of hyperbolic increase of the discrepancy between total product per capita, financial claims, and monetary aggregates.

As these curves become steeper, as you look at the Triple Curve as a representation of this, you get to a point where the curve just shoots up, and it doesn't move outward any more. You try to move it outward, it just shoots up, higher and higher. And that defines what's called in physics a "boundary condition."

We are in a “boundary condition”

We’re now in a boundary condition. Now, what’s caused the boundary condition, is not a “few mistakes” here and there. *What has caused the boundary condition, is a process of change in the way in which the world makes leading decisions.*

So, it is not a mistake made in 1971. 1971 was a crucial turning point, in a whole series of follow-on decisions made by governments, decisions about the way we should think. The environmentalist movement, for example, is a piece of insanity which has poisoned the way decision-making is made around the world.

It’s these kinds of decisions: the idea to eliminate the nation-state, globalise, go to radical free trade, all these newfangled ideas about modernisation, going away from the ideas of a successful agro-industrial society.

It is these decisions which have become built into the mental habits of the policy-making institutions, including the general population of nations, which have brought us to this boundary condition, where the system, under this kind of decision-making, is doomed to collapse. What day, we don’t know; because you’re in a boundary condition.

And the effect of being in the boundary condition is that it can move in various directions in the very short term. It can move to an instant collapse, it could move to a salami-type collapse, which is what seems to be going on now; or, it can move from a period of salami-like collapses, which is what we’re having now, and have had for the past two years, into a period of, suddenly, the whole thing breaking down—when too many links in the chain are broken, and it just suddenly all collapses.

So, that’s where we stand.

The problem before us, if we look at this objectively, is *not* how to put one “fix-it” into the system. We have to change the way institutions think in making policy. We have to overturn the cumulative habits which contributed to this mess over the past decades—for about a quarter century, for about three decades. All the changes, or nearly all of the changes, in the way people think about economy, about government, about the world, insofar as it bears on economics and social conditions of society, all of these changes in policy, must be reversed, cancelled.

We must go back to the way we thought before, not to get into the past, but to recognise that we took the wrong turn in the road. It wasn’t a very good road. It had a lot of short-cuts, and we should have gone *upward* in a different direction.

What we have to do, is return to the point where things more or less worked, in terms of decision-making, and find our feet moving along the upward path we should have taken, rather than the path downward toward Hell, which we’ve taken instead.

This is what people have a problem with. They will say to you: “Well, what do you propose we do to fix the system? What one or two gimmicks do you propose?”

You say, “It is not the system we have to fix. It’s the inside of your head we have to change. It’s your sense of what’s right and wrong that’s all screwed up. That’s what the problem is.

“Yes, leading institutions are corrupt. They are rotten. They’re even evil. But you, the majority of the people and the institutions, have gone along with this, as we heard from the AFL-CIO convention on the West Coast of the United States.”

The labour leaders are voting for Adolf Hitler. I mean, for a labour leader to move to endorse Al Gore, is like a German Jew voting for Adolf Hitler in 1934. It’s comparable.

You say: How could labour vote for a Gore who, like George Bush, is committed to the extinction of organised labour? And farmers and a few other things as well? How could they vote for that?

Well, they told us: you go along to get along. And as they say in England, “Don’t worry about me, I’m all right, Jack.” And you “go along to get along,” as the labour leaders often said during the course of these proceedings on the West Coast of the United States this past week.

So, that’s where we stand. And thus, to understand this, one has to go a step beyond the “Mr. Fix-It” conception of how to approach these problems.

What we have is, as Plato described it, a philosophical crisis. It’s not what we think that’s wrong. What we do think is often wrong; but the reason that what we do think is wrong, is because *the way* we think is wrong. And therefore, the key in it, is to look at the way we think.

Look at the way we *did* think in the best periods of European civilisation, in particular, and compare that with the wrong way we’ve learned to think, in terms of habit, in the recent period.

That’s the turning point. And so therefore, in order to become practical, we first have to become philosophical.

Thank you.

The fight for an Australian Republic

1. The birth of Australia and the political prisoners of the First Fleet

by Robert Barwick



CEC Executive member
Robert Barwick

Tonight, tomorrow, and on Sunday, we are going to take a journey through the 200 years of history, that leads us up to today, October 1999, and the fact that we are gathered in this room. I call it a journey, because we will not simply fly over pages of historical facts and data, being lulled to sleep by the drone of a history professor's voice, as we perhaps remember history from school. No, we are going to get our feet wet, get our hands dirty, and meet the people—the real people—whose ideas and decisions conspired to create the history of Australia. It's important to conceptualise history from that standpoint, from the standpoint of the individuals who actually make it; in a very real sense, we are making history in this room this weekend. One hundred Australians from completely diverse backgrounds, most of whom have absolutely no natural inclination to politics, are gathered at a conference on the theme "Preparing to Govern". Why is that? What will come out of it? Well, believe it or not, people one day will be asking those exact questions, trying to piece together the flow of ideas that motivated us—the ideas which determined the future whose shape is still unclear to us as we sit here today, but which will be known to our descendants. I am keenly aware of this process, of locating our role in what Lyndon LaRouche calls "Temporal Eternity", because I have been part of the team that has endeavoured to do just that with our Australian history project. In a sense, Muriel Mirak-Weissbach¹ has started us off from the beginnings of known time, with her presentation on the significance of Prometheus, and the idea of history as classical art. Well, let us now look at the figures on the canvas, the characters in the drama, that comprise the sometimes tragic, sometimes noble classical drama that is Australian history.

In what you will hear over these three days, imagine the chief actors as the Renaissance painter Raphael would have painted them, as people who all lived—and still live—at the same time, in the fashion in which he painted his great painting, *The School of Athens*. (above)

Here is that painting, with Plato in the middle, on the left, pointing up to the universe of ideas, and Aristotle on the right, arguing with him, and pointing down to the dirt of sense certainty.

On all sides of them, you have portrayed many of the greatest thinkers in history, including Socrates, Pythagoras, Heraclitus, Archimedes, and Ptolemy. Raphael painted



Above: Raphael's *School of Athens*.

Right: *School of Athens* detail, showing Plato pointing upward to the universe of ideas, and Aristotle pointing downward to the dirt of sense-certainty.



himself in the picture, also. And he constructed this painting, which was designed to be hung in the Pope's private apartments in the Vatican, so that the observer was also drawn into the painting. Therefore, you must imagine that you, too, are in there, in an ongoing dialogue with the greatest minds in human history. What??! Little old me? Yes, you! Because, since you live in Temporal Eternity, you may be old—as old as Prometheus in fact—but you therefore are most assuredly not "little". That is, unless you choose to be. And that is the great issue of the ongoing drama of Australian, and of world history. How does the so-called "average person" conceive of his or her innermost sense of identity?

American exceptionalism

Australian history begins not at Botany Bay, or even in England, but in the United States of America. And it doesn't begin in 1788, or 1770, but in battles that were being fought in America, Britain and Germany in the 1600s. America was the world's first sovereign nation-state republic, which had declared independence from Britain in 1776, six years after Captain Cook discovered the

1. Muriel Mirak-Weissbach is a member of the editorial board of *EIR* and has represented Lyndon LaRouche and the Schiller Institute in many countries. She attended the CEC National Conference, which she keynoted on Oct. 23, with a speech titled "History as Classical Art". [Not included in this publication].

east coast of Australia. It cannot be overstated how revolutionary the words of the Declaration of Independence were at the time, not so much in a political power sense, but in the conception of mankind it put forth. The Declaration states: *We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness. That, to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed. That, whenever any form of government becomes destructive of these ends, it is the right of the people to alter or to abolish it and to institute new government, laying its foundation on such principles and organising its powers in such form as to them shall seem most likely to effect their safety and happiness.*



Left: Cardinal Nicolaus of Cusa, who insisted government power came from consent of the governed. Right: Illustration of Venice, the evil, pre-16th century centre of anti-republican oligarchism. Using divide and conquer techniques, Venice kept its enemies from becoming strong enough to threaten its slave- and drug-running empire.

all the earth, and over every creeping thing that creepeth upon the earth. So God created man in his own image, in the image of God created he him; male and female created he them. And God blessed them, and God said unto them, Be fruitful and multiply, and replenish the earth, and subdue it: and have dominion over the fish of the sea, and over the fowl of the air, and over every living thing that moveth upon the earth.

Around 350 years before, Cardinal Nicolaus of Cusa [Cusanus], who organised the famous 1439 Council of Florence which reunited the East and West churches in Europe, had been the first to state the idea that government power is derived from the consent of the governed. In his 1433 book, *On Catholic Concordance*, Cusanus argued that the only lawful authority over men was that established by election. Cusanus developed his argument thus: since by nature all men are created equal in power and freedom—revolutionary enough in those days—and are endowed by God with reason, and since all legislation is based upon natural law, or should be, and natural law is based upon reason, all authority over men can only be established by election, as all legitimate governance, and all true religious and political peace can only come from the agreement and consent of the people, and not from any coercive law. To quote Cusanus: *All legitimate authority arises from elective concordance and free submission.* Cusanus did understand the dangers of pure democracy, since, in his words, *the number of fools is infinite.* So that the vote of the ignorant not outweigh the wise and the majority become tyrannical, Cusanus insisted that true freedom must be subject to reason. Universal harmony involved diversity and difference, but does not endure unless all the governed are joined in *rational harmony with the Word.* The Word, was Christ. Cusanus' idea was not the 1400s version of the U.S. State Department's continual rantings about *democracy*; rather, Cusanus was defining republicanism. The key idea was that men are created equal by nature, and are endowed by God with reason. This was a restatement of the Biblical idea, found in Genesis 1:26-28, where Moses wrote:

And God said, Let us make man in our image, after our likeness: and let them have dominion over the fish of the sea, and the fowl of the air, and over the cattle, and over

In other words, the basis of political freedom, and democracy, according to Cusanus, was the concept of the nature of mankind as made in the image of God, or *imago viva dei*. This idea was at the very heart of the struggle that has shaped the last 2000 years of known history, but in reality, it is much older than that. But Cusanus was building on the ideas of Plato, who in his book *The Republic* defined the nature of man as *agape*—a love for truth and justice. This flew in the face of the philosophy of the oligarchy, as represented by Plato's contemporary, Aristotle, who instead characterised man as a mere beast. According to Aristotle, the human mind is a *tabula rasa*, or blank slate, which acquires knowledge via the five physical senses of touch, taste, sight, hearing, and smell. Of course, this way, mankind by definition is indistinguishable from other mere beasts, who are also reliant solely on their senses. However, the history of mankind on the planet, of successive generations increasing their population, and living standards, and in the process going from hunting and gathering societies with a few million people, to today's nuclear age with now 6 billion people, bespeaks the lie in Aristotle's philosophy. The point is, Aristotle's philosophy was convenient for the oligarchy, as it justified their idea of power for power's sake, and justice as the advantage of the strong over the weak. Oligarchism is *rule by a few*, but the opposite is not democracy, which as Cusanus warned can be just as tyrannical, but republicanism. The struggle between oligarchism and republicanism has shaped history ever since.

In Cusanus' time, the centre of oligarchism, was the evil empire of Venice, which sat at the crossroads of Europe and Asia, sucking wealth from all quarters through its trade in slaves and drugs, and staying secure by using manipulative “divide and conquer” techniques to keep potential enemies from getting too strong. At the beginning of the 1500s, an alliance called the League of Cambrai, was formed in Eu-

rope between the various nations to wipe Venice off the map once and for all. This was almost successful, until Venice was able to manipulate the Pope of the day, Julius II, through his commercial interests, to sabotage the alliance. By the 1600s, the centre of oligarchism had shifted to England and Holland.



Gottfried Wilhelm Leibniz



This shift had begun under the notorious Henry VIII in the 1500s, when it was a Venetian agent at the English court, named Francisco Zorzi, who advised Henry to go against the Pope's ruling, and divorce Catherine of Aragon to marry Ann Boleyn. The shift was mostly consolidated in the Glorious Revolution of 1688, when the Dutchman, William of Orange, and his English wife Mary assumed the throne. It was at this time that the dominant political faction in England began calling themselves the Venetian Party. These were the members of the notorious Hellfire Club, which was a provider of all the sado-masochistic debauchery one could think of, and which had been founded by Bernard de Mandeville, a Dutchman who was the author of the philosophical treatise called *The Fable of the Bees*, a parody of society conveying the idea that *private vices equal public benefits*—i.e., the good in society comes from everyone's individual evil as they act in mad pursuit of hedonistic pleasure. The British Crown's Mont Pelerin Society, which invented the concept of "economic rationalism" and whose Australian think tanks control all the major parties in this country, praises de Mandeville as their spiritual father.

The Venetian Party was by no means completely hegemonic, however, and it was vigorously opposed by a nationalist faction in England, that included the famous Irish satirist Jona-than Swift, the author of *Gulliver's Travels*, Daniel Defoe, the author of *Robinson Crusoe*, and Robert Harley, the Prime Minister under Queen Anne, who succeeded William and Mary. These nationalists were allied to people like Cotton Mather in America, who was the mentor of the future American founding father Benjamin Franklin, and Gottfried Leibniz in Germany, who was employed by the Electress Sophia of Hanover.

Leibniz was the leading scientist and philosopher of his day, and Swift's nationalists were the conduit for his ideas in England. Contrary to standard history, it was Leibniz who was the inspiration for the U.S. Declaration of Independence. In *On Natural Law*, written in 1690, Leibniz wrote: "The most perfect society is that whose purpose is the universal and supreme happiness." This is where the phrase, "life, liberty and the pursuit of happiness" in the Declaration of Independence came from. These were not just words, but were the very cornerstones of all of Leibniz's philosophy.

The Venetian Party hated Leibniz, and the British to this day still do, and there has been a concerted effort, beginning while he was still alive, to write him out of history. To do this, they called upon two of their most famous exponents, the slavery and child labour promoting philosopher John Locke, and the homosexual Satanist scientist

Top left: King Henry VIII, whose marital problems facilitated a Venetian takeover of England. Top middle: Gottfried Wilhelm Leibniz, the 17th century German scientist and philosopher whose ideas so threatened England's Venetian Party they deployed Sir Isaac Newton (top right), and John Locke (bottom) to discredit him, and virtually write him out of history.



Sir Isaac Newton.

Newton is promoted as the father of modern science, a title Leibniz rightfully deserves, as there is ample evidence to prove that all of Newton's famous scientific discoveries were in fact plagiarisms. It is a little known fact that Newton's famous inverse square law of planetary attraction, and the related idea of gravity, were stolen directly from the famous 16th century astronomer Johannes Kepler. More well known is the dispute between Newton and Leibniz over who invented the calculus. The history books usually tell us it was Newton, but only because the British Royal Society inquiry into the dispute in the early 1700s that ruled that Leibniz plagiarised Newton, and that Newton was the actual inventor, was headed up by Newton himself! When British economist John Maynard Keynes opened up Newton's chest of papers at Cambridge University in the 1920s, expecting to find an insight into Newton's scientific mind, all he found were books on black magic and the occult, and a study of the prophecy of the biblical Book of Daniel.

Leibniz's main philosophical sparring partner was John Locke, the man almost universally credited with inspiring the Declaration of Independence. We have already heard Leibniz say that the purpose of government was the universal happiness, now listen to what Locke said the purpose of government was: in his 1690 *Two Treatises on Government*, Locke states that the fundamental human rights were the rights to "life, liberty, and property". This distinction between property, and the universal happiness, is the rub; this is the difference between oligarchism and republicanism. In keeping with the philosophy of the oligarchy he represented, to Locke the sole purpose for the existence of government was to protect private property. Here are some quotes from Locke: *The great and chief end, therefore, of men uniting into commonwealths, and putting themselves under government, is the preservation of their property.* And, *The great end of men's entering into society being the enjoyment of their properties in peace and safety.* And, *For their preservation of property being the end of government.* And, *The reason why men enter into*

society is the preservation of their property. In fact, Locke justifies slavery using the same arguments: *These men having, as I say, forfeited their lives, and with it, their liberties, and lost their estates, and being in the state of slavery not capable of any property, cannot in that state be considered as any part of civil society, the chief end whereof is the preservation of property.* In other words, if you don't have property, you don't have civil rights!



Left: King George III, the mad grandson of George I, whose tyrannical deeds were denounced in the American Declaration of Independence. Right: Benjamin Franklin, Thomas Jefferson and others presenting the Declaration of Independence to the American founding fathers in 1776.



In 1704, Leibniz published a chapter by chapter refutation of Locke called *New Essays on Human Understanding*, in which among other things, he destroyed Locke's regurgitation of the Aristotelian idea that the human mind was a *tabula rasa*, or, in Locke's words, "white paper, devoid of all characters, without any ideas". Humans, said Locke, like animals are creatures of the senses, who are motivated solely by the pursuit of pleasure and the avoidance of pain.

Things then are good or evil, only in reference to pleasure or pain, he wrote. Happiness then is the utmost pleasure we are capable of, and misery the utmost pain.

In refuting the *tabula rasa* philosophy, Leibniz wrote: *The question is to know whether the soul in itself is entirely empty, like the tablet on which nothing has yet been written according to Aristotle and the author of the Essay [John Locke], and whether all that is traced thereon comes from the senses and from experience; or whether the soul contains originally the principles of several notions and doctrines which external objects merely awaken on occasions, as I believe, with Plato, and even with the schoolmen, and with all those who take with this meaning the passage of St Paul (Romans 2:15) where he remarks that the law of God is written in the heart.* Or, in other words, natural law, that is based upon man's nature as in the image of God.

Leibniz also attacked Locke's notion that happiness consists of achieving the utmost physical pleasure, which of course is the nub of the debate over whether Locke inspired the pursuit of happiness clause in the Declaration. Leibniz wrote: *I do not know whether the greatest pleasure is possible. I believe rather that it can grow ad infinitum....I believe then that happiness is a lasting pleasure; which could not be so without there being a continual progress to new pleasures....Happiness is then, so to speak, a road through pleasures; and pleasure is merely a step and an advancement toward happiness, the shortest which can be made according to present impressions, but not always the best. This shows that it is the reason and the will which transport us toward happiness, but that feeling and desire merely lead us to pleasure....True happiness ought always to be the object of our desires, but there is ground for doubting whether it is. For often*

we hardly think of it, and I have remarked more than once that the less desire is guided by reason the more it tends to present pleasure and not to happiness, that is to say, to lasting pleasure....

Queen Anne, who succeeded William and Mary at the beginning of the 1700s, was childless, and Leibniz's research proved that the next person in line for succession to the English throne was Sophia of Hanover. This meant that there was a very real prospect that Leibniz might become Prime Minister of England, which horrified the Venetian Party. Unfortunately, however, Sophia of Hanover died just months before Queen Anne did, and her brutish son George, an enemy of Leibniz, succeeded Anne instead, becoming King George I. It was this George's mad grandson, King George III, whom the American revolutionaries threw out in 1776.

To the American founding fathers who signed the Declaration of Independence, and later wrote the American Constitution, America had a mission, a moral responsibility on the planet. They had founded the only nation-state in the world that was dedicated to the principle, that every man and woman is made in the image of God, and that the governing system of social relations and law must be based upon that as the fundamental governing principle of the nation-state. This is what is known as American Exceptionalism, and the founding fathers inserted this concept into their Constitutional Preamble. The preamble reads: *We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.*

The American System

They then devised a system of political economy, that could maintain this principle in their own nation, but also take it to the world. This became known as the American System of Political Economy, as opposed to the British System. The British System was free trade, and this had been one of the causes of the war: Britain sought to maintain its colonies as a network of paddocks and quarries—sources of raw materials that could be shipped to England and manufactured into products using cheap peasant labour.

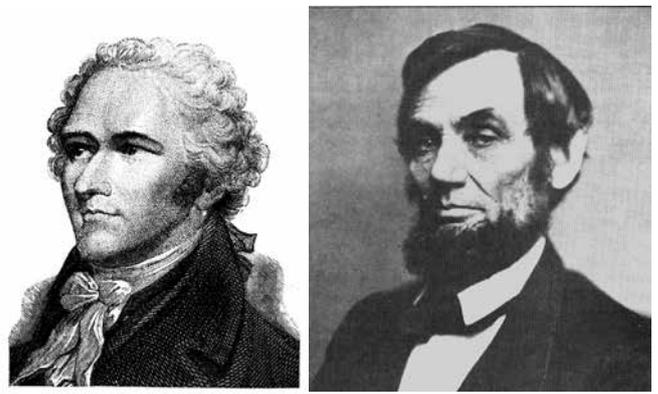
The U.S. Government was heavily in debt after the war, and George Washington's Treasury Secretary, Alexander

Hamilton, devised plans whereby the government could pay its debts, and build the economy at the same time. In three reports he wrote while Treasury Secretary in 1790 and 1791, *A Report on Public Credit*, *A Report on the National Bank*, and *A Report on the Subject of Manufactures*, Hamilton created the seed crystal for the American System of Political Economy. This system was based on dirigism, whereby the government directs the economy; “dirigible” means able to be steered. In his *Report on a National Bank*, Hamilton argued for the necessity for the government to establish a national bank that could provide cheap credit to fund the payment of the Revolutionary war debt, and the development of a national system of manufactures that could achieve high rates of industrial growth and technological development, and that could protect America from the usurious banking practices so prevalent in Europe. In the *Report on the Subject of Manufactures*, Hamilton outlined the need for a policy of high protective tariffs, that could allow a manufacturing industry to grow and create real national wealth. In this report, Hamilton based his economic theories firmly on the belief that the power of human labour, particularly in mental activity which he called “artificial work”, was the driving force behind economic growth, rather than finance capital. Hamilton wrote: *To cherish and stimulate activity of the human mind, by multiplying the objects of enterprise, is not among the least considerable of the expedients, by which the wealth of a nation may be promoted.*

Hamilton’s Reports were adopted by the Congress, and in 1791, Congress issued a 20-year charter for the First Bank of the United States. Hamilton’s measures were stunningly successful, and even today, he is regarded as a brilliant Treasury Secretary, although today’s free trade-brainwashed economists discount his policies as being for another time, as if to say human beings have changed since then. Thus, Hamilton established the three pillars of American economic policy, that became the American System: 1. National banking, that would ensure that the nation’s credit and lending institutions acted as an aid to the productive process by issuing credit for industrialisation, the fostering of scientific research, and the subordination of usury to the productive process; 2. Government financed internal improvements, such as massive road and railway construction projects and canal construction projects, which had the effect of ordering investment into new manufactures, technological innovations in agriculture, and other socially useful investments; 3. Protective tariffs to prevent the British from the wholesale dumping of their goods—and their debts—on the new country in a bid to recolonise it.

According to the late historian Allen Salisbury, in his book *The Civil War and the American System: The aim of the founding fathers was to effectively safeguard the nation, that had just emerged from a successful revolution, against British raw materials looting practices which would have meant the effective recolonisation of the United States. At the same time, the Founding Fathers sought to foster the development of the United States until the nation became powerful enough to free the rest of the world from the British system.* This was the mission of the United States.

Using various agents and networks inside the United States, the British tried desperately to crush America, and the American System of Political Economy. There was the ongoing debate about slavery, that hadn’t been resolved in



Left: First U.S. Treasury Secretary Alexander Hamilton, the inventor of the American System of Political Economy. Right: U.S. President Abraham Lincoln, whose Civil War application of Hamilton’s ideas financed the Union war effort with “greenbacks”.

the Constitution, and that ensured that the Southern plantation owners always fought against the protectionist policies of the American System. The free trade vs protection debate was always recognised as the British System vs the American System, which we see in a Congressional debate in 1827, when a Senator said, “There are two schools of political economy—one headed by Adam Smith, and the other by Matthew Carey—a British school and an American school.” The British also tried to squash Hamilton’s national banking policies, and were finally successful in 1836, when the traitor President Andrew Jackson failed to renew the charter of the Second Bank of the United States.

The struggle between the British System and the American System finally culminated in the American Civil War, with the election of President Abraham Lincoln, whose chief economic adviser was Henry Carey, the flagbearer of American System economics. Lincoln’s economic measures, in particular the issuing of the \$400,000 in greenback currency backed only by the government to finance the war, were a re-establishment of the American System in United States government policy. America’s mission to take the American System to the world was also bearing fruit: it had taken hold in Germany, at the initiative of German economist Friedrich List; in Japan, under the Meiji Restoration of the 1860s, and, most importantly, was also becoming influential in Australia.

Settling Australia

Which brings us to our own history. History records that, because in the War of Independence Britain lost her 13 American colonies, as a destination for transporting convicts from the overcrowded British jails, she was forced to look elsewhere, and so decided to settle Australia, which had been claimed for the Crown by Cook just six years before the war broke out. That is the bland way it is taught in school, but in reality, it is much more interesting. The initial idea to settle Australia came from an American named James Mario Matra, a native New Yorker who had been a junior officer on Captain Cook’s ship *Endeavour*. Matra belonged to a circle of English loyalists, who had supported England in the War of Independence. He proposed to Lord Sydney, the British Secretary of State, that loyal subjects of the Crown who were no longer welcome in the United States could find new homes and opportunities for farming and commerce in the territories of the newly discovered New Holland, as Australia was then known. Thankfully for us, who have been digging deep to uncover the evi-



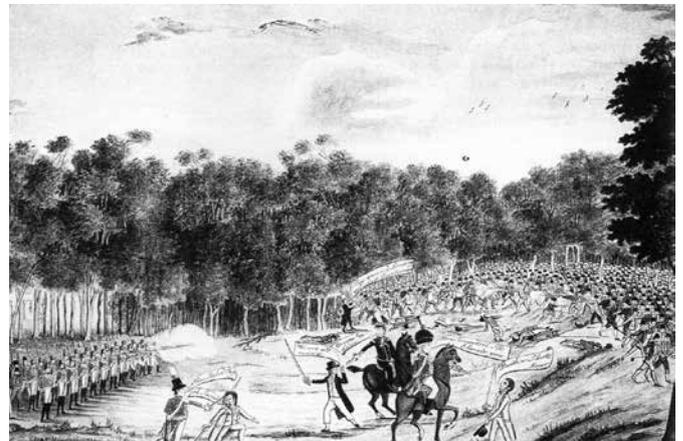
Left: Thomas Paine, whose writings inspired the American Revolutionary war effort. Top middle: Thomas Muir, Scotsman sentenced to 14 years transportation to Botany Bay for distributing Paine's writings. Top right: Illustration of the 5 "Scottish Martyrs", with Muir in the centre. Bottom: Battle of Vinegar Hill near Parramatta in 1804, when Irish and Scottish political prisoners revolted against the English authorities.

dence of republican influence in early Australia, Matra's novel idea wasn't taken up, for if Australia had have been founded by pro-British American colonists, who knows where we might have been today—maybe with a bunch of Anglophile George Bush-types running the country; but, I suppose we have that anyway. However, Matra's idea did prompt Lord Sydney to decide on Australia as the next destination for convict transportation, which was the beginning of a mass-transportation process that, over the next 80 years until it finally ended in 1868, saw 160,000 convicts transported to Australia, at least 50,000 of whom were Irish.

Many of the Irish, Scottish, and even some of the English convicts were political prisoners. The American Revolution had sparked off a wildfire of political dissent right across Europe. In 1791, the first part of Thomas Paine's tract, *The Rights of Man*, sold an incredible 1 million copies in England! The English-born Paine's writings had inspired and raised money for the American Revolution. At the height of the War of Independence, when the American army was battling to survive a bitter winter at Valley Forge, Paine penned these immortal words to keep their courage up: *These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of his country; but he that stands it now, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict, the more glorious the triumph. What we obtain too cheaply, we esteem too lightly.*

The Scottish national poet Robbie Burns penned the words to Scotland's unofficial national anthem *Scots Wha Hae* when he witnessed the star chamber court case that saw a promising young Scottish lawyer named Thomas Muir sentenced to 14 years transportation to Botany Bay for distributing *The Rights of Man*. An outraged Burns wrote: *By Oppression's woes and pains. By your sons in servile chains. We will drain our dearest veins, But they shall be free! Lay the proud usurper low! Tyrants fall in every foe! Liberty's in every blow!— Let us do or die!*

Muir became part of a group of five Scotsman transported to Botany Bay for their republican politics, who were known as the Scottish martyrs, pictured above in a poster with Muir in the middle. They later banded together with Irish political convicts in a failed rebellion attempt at Paramatta



near Sydney in 1804 called the Battle of Vinegar Hill. The illustration on the right is of that uprising, that shows it was fairly substantial in terms of people involved.

Most of the Irish convicts were shipped out in the wake of the 1798 "Great Rebellion", or during the virtual civil war that existed in Ireland between 1815 and 1840, as the Irish struggled against what was called the Ascendency, their name for the brutal British domination over the country since the days of Oliver Cromwell in the 1600s. Even the official records, which are notoriously skewed against showing the political element, show that about 20 per cent of these transported Irish convicts were convicted of purely political crimes, including riot and sedition, and even simply attending a political meeting. Many were ardent republicans, and although not all the details of the activities of these republicans are known, and what happened to them, it is obvious that republicanism was a crucial intellectual force from the earliest days of Britain's colonies in Australia.

In fact, as you will hear in the work of the Rev. John Dunmore Lang, republicanism was the dominant intellectual force amongst a broad majority of Australians, from the very earliest days through at least 1856, and even beyond. The British, and their flunkies amongst Australian historians who are almost entirely raving Anglophiles, have gone to extraordinary lengths to try and establish that Australia was not founded upon political prisoners—i.e. those infected with the virus of the American Revolu-

tion—but that most of those shipped out here were mere common crooks, pickpockets, prostitutes and the like. Like bean counters, what they will do, is go back to the records of who was shipped out here in the convict fleets, see what charges they were sentenced on, and then proclaim, triumphantly, “See! Most of these people were ordinary criminals.” Well, what was LaRouche sent to jail for? Was he charged with aspiring to foster economic growth and create a new international monetary system, or, with mail fraud and conspiracy?

And then consider, that Britain’s savage economic policies were even then destroying entire nations, such as the Irish, who were to suffer genocide during the first few decades of the 1800s due to the potato blight, or the Scottish, tens of thousands of whom were being driven from their homes in the Scottish Highlands, in order to make way for British oligarchs to run sheep! Or many of the English people themselves, consigned to live in the worst slums, in London, that the world had ever seen. In other words, what happened then, is the same thing as we see happening in America today. There, the African-Americans and Hispanic-Americans in the U.S. are being targeted to be destroyed, both by economic policies—such as former U.S. President George Bush starting the crack cocaine epidemic in the ghettos of American cities in order to pay for his Iran-Contra weapons deals—and by the so-called criminal justice policies of the U.S. Department of Justice, run by the financial oligarchy. This misnamed Department of Justice, for instance, has a program called “Fruehmenschen”, which means “primitive man”, in which African-American elected officials by the hundreds are targeted to be investigated and framed up, simply because they are black, and it is there presumed, on racist grounds, that they are incompetent to serve in public office. So, with these economic and political policies, do you have a lot of African-Americans and Hispanic-Americans in jail in the U.S.? Of course—the U.S. has the highest rate of incarceration in the entire world—exactly as Britain did in the late 18th and early 19th centuries. But, if you give these people the chance to be normal, healthy human beings with productive employment, they will seize it with both hands, precisely as happened with the convicts shipped out to Australia by the shipload. And, note that precisely these minority groups are some of the strongest supporters of the presidential campaign of Lyndon LaRouche.

By 1841, in New South Wales, which included Victoria at that time, 39% of the population were either convicts or emancipated convicts, 24% were colonial born, and 37% were free immigrants. As in America, the free settlers were obviously some of the boldest and most pioneering spirits from the old country, which added to the republican aspirations set loose on the continent. However, an aristocracy had also been transplanted to the new colonies, in the form of the wealthy squattocracy that controlled the land. Naturally, this led to conflicts between classes of people, and, not surprisingly, the wealthy land owning class were the strongest supporters of British colonial policy. This set the stage for the political career of the Rev. John Dunmore Lang, in the first of two waves of what British historians call “radical nationalism”, i.e. republicanism, which swept our country in the 19th century.

The great poet, Percy Bysshe Shelley, wrote that, at certain periods in history: *There is an accumulation of*



King O'Malley, the flamboyant immigrant from America who became a Labor politician in the first federal parliament. O'Malley fought for Australia to adopt American System economic policies to realise his vision for Australia's development as a nation.

the power of communicating and receiving intense and impassioned conceptions respecting man and nature. We are today living in such a time, and it is our intention to help learn how to deal with the present, momentous epoch, by examining four similar such crucial turning points in Australian history: the 1850s; the 1880s and 1890s; the early 1930s, and 1941-1949. We hope to show you both what advances for our nation were achieved during these crucial turning points, by the actions of great individuals, and, also, perhaps more importantly, to understand the tragic flaws, the hidden axioms, which have, so far at least, prevented us from fully realising our heritage: that is, to become an actual, sovereign, republic. I think we should all take to heart the observation of the great American-born Australian, King O'Malley:

The Australian is such a lovable fellow, the salt of the earth. So vigorous physically, but dulled mentally for want of sharpening up with knowledge. How he could expand! What a God-given heritage there is here! But Australians sleep on. If only the people here would realise what they own; what is theirs by the grace of God! Trouble is it came to them without a fight....But they'll wake up good and proper some day. Then let the rest of the world look this way—there'll be something to see! That I'll promise you.

As you will see, this premonition of a great and glorious future for Australia, as the “new America of the South Pacific”, perhaps destined one day even to surpass the accomplishments of America itself, was the passionate vision which guided our republican forefathers, particularly in the first half of the 19th century, under the leadership of Rev. John Dunmore Lang.

Since history is made by individuals, as in the cases of Prometheus, Dante, and Shakespeare, we shall tell the story, as much as possible, through the very words of the individuals who made it, from John Dunmore Lang onward. For it is the life's work of these individuals, the ideas for which they passionately fought, which have been wiped out of history books by an oligarchy intent on eradicating the “virus of republicanism,” even while they rant and rave about how you should vote “Yes” on November 6. Having read a huge amount of the so-called “standard histories” of our nation over the past few months, and in our earlier work on *The Rise and Fall of Australia* project, we can assure you, that you will never have heard the true history of Australia, such as we present it to you, at least in first approximation, over these three days.

2. The great Republicans of the 1850s

by Noelene Isherwood



CEC Executive member
Noelene Isherwood

The spirit of national freedom and independence is one of the most generous and disinterested, as well as one of the loftiest and most ennobling passions of human nature; and when it once animates a people, they become capable of deeds, and sacrifices, and exertions, of which they could never have supposed themselves capable before. This spirit, moreover,

is highly contagious; and it has only to take possession of some master-mind to communicate itself to the whole mass of the people.

—*Freedom and Independence for the Golden Lands of Australia*

Such was the conviction of the Rev. Dr. John Dunmore Lang, arguably the greatest true patriotic Australian of the last 200 years. Can you imagine writing about American history, and leaving out Benjamin Franklin, or George Washington, or perhaps Abraham Lincoln? Nothing would make any sense! But that is exactly what has been done by virtually all Australian historians, about a man who bestrode our continent for six decades in the 19th century like a modern Prometheus. Today, we shall only have time to tell you a little about this extraordinary human being. With Lang, as with others whom you will hear about over these three days, those of us working on the Australian History Project have increasingly felt as if we were looking at one of the old group pictures of people taken during the reign of Stalin in Soviet Russia, when they would just airbrush someone out of the picture as if they never existed, because Stalin had purged them.

You know how it works. You have a picture of, say, 15 people taken in 1936. Then, by 1940, there are only six people left in the picture. All the rest were simply airbrushed out, as if they never existed, because they had been purged by Stalin, and so, now, they were officially ‘non-people’, who never existed, a policy applied to Lyndon LaRouche today. Imagine—if we don’t win a New Bretton Woods, do you think any future history books will bother to mention the towering figure of LaRouche, without whom you can not understand such things as the SDI [Strategic Defense Initiative], the fall of the Berlin Wall, or the construction of the Eurasian Land-Bridge, or the furious fights over international monetary policy from the 1970s to the 1990s, among many other things? And, if they did mention LaRouche, what do you think they would say about him, based on the so-called press coverage of him during his own lifetime?

So it has been with John Dunmore Lang. If you have learned anything about Lang, you have probably heard that he was just an egotistical character, who liked to get into lawsuits with everyone because he was just plain ornery, and was just too cranky to get his good ideas implemented. Well, the historians who say this, are lying, in order to cover up the reality: that John Dunmore Lang came very



Rev. Dr. John Dunmore Lang, arguably Australia's greatest republican thinker, whose vision was for Australia to break from Britain and become the “great republic of the south seas”.

close to pulling off a republican revolution in Australia in the early 1850s. And I do not exaggerate one bit, in making that claim.

John Dunmore Lang was born in western Scotland of a farming family, and was sent to the University of Glasgow at age 13. By 22, he had graduated with an excellent education in classical Greek, Latin, geometry, music, and astronomy, among other subjects. His brother George had emigrated to Australia, and was an official in New South Wales, so John Dunmore decided to follow him, arriving here in May 1823. He was a strongly built young man of 24, over six feet tall, with sharp blue eyes behind steel-rimmed glasses, and ready to take up his ministry.

Freedom and Independence

Lang’s dream, from shortly after his arrival, was to see the British colonies of the great and golden lands of Australia, welded into a vibrant and dynamic sovereign nation, which he believed was the lawful and divinely ordained destiny for all such colonies. He articulated this vision in his internationally esteemed book, written in 1852, *Freedom and Independence for the Golden Lands of Australia*:

The spirit of colonial nationality, is no accidental feeling; it is unquestionably of Divine implantation, and designed, not for evil, but for good.... “Colonies” says the celebrated William Penn, “are the seeds of nations, begun and nourished by the care of wise and populous countries, conceiving them best for the increase of human stock, and beneficial for commerce.” The feeling of nationality...comes down to us from heaven. It is the gift of God for the welfare and advancement of his creature man.... So far indeed from the feeling of nationality being a mere matter of the imagination, it constitutes a bond of brotherhood of the most influential and salutary character, and forms one of the most powerful principles of virtuous action. Like the main-spring of a watch, it sets the whole machinery in motion. Like the heart, it causes the pulse of life to beat in the farthest extremities of the system. It is the very soul of society, which animates and exalts the whole brotherhood of associated men. And must the young Australian be debarred from the exercise of that generous and manly feeling, of which every rightly constituted mind is conscious, when he exclaims, with deep emotion, “This is my own, my native land!” In one word, nationality, or their entire freedom and independence, is absolutely necessary for the social welfare and political advancement of the Australian colonies. Give us this, and you give us everything to enable us to become a great and glorious people. Withhold this, and you give us nothing.

And for Dr. Lang, “nothing” was not an option. In his



vision, the possibilities and potential of his golden lands of Australia were seemingly unlimited. And there was nowhere he would not go and nothing he would not do to make it happen.

Lang's vision for the development of Australia

Lang's vision for Australia in the mid-19th century was not unlike that of our own Lyndon LaRouche for the world today, or that of Prof. Lance Endersbee who will address this conference on Sunday afternoon.

When J.D. Lang closed his eyes and dreamed his dreams for his native land, he saw a land bustling with industry and enterprise. He saw citizens of every nationality and social standing, hard at work, making a comfortable living free from the constraints of the old Mother-country, its aristocracy and its brutality; a land where people did not know poverty and tyranny—a land of freedom.

Lang delighted in technical progress. The utilisation of steam power in transport and industry was the most auspicious phenomena of the first half of the 19th century. He advocated a railway system for Australia to link the Gulf of Carpentaria and the southern provinces. He said this line would provide a bridge to the remainder of the world. He envisioned Carpentaria becoming the focus of the nations' commerce. From here Australian raw materials and influence would radiate throughout the world. Thus, he reasoned, it was indispensable for a railroad to link all the provinces.

He envisaged this major trunk route to run from a point on the Murray River equidistant from Adelaide and Melbourne, due north through Bourke on its way to the Gulf. Bourke was uniquely equidistant to the four existing capitals.

Lang wanted to offer migrants arriving in the colonies, an acreage of land equal in value to their passage money. In order to secure good land for this purpose, he suggested the reservation of a development corridor, seven miles' width of country on each side of every navigable river, and on each side of every new railway. He had practical dreams of an enriching variety of occupations, centring in rising townships within easy reach of rivers and railways. It reminds you very much of the development corridors LaRouche has proposed for the Eurasian Land-Bridge. Lang also advocated developing plantations of sugar and cotton in North Queensland and enlisted the help of his friends in those areas to grow trial plots and to run scientific testing of the best crops and varieties to plant.

But these dreams were entirely dependent on the nation achieving its full freedom and independence. This became Lang's life work and that of his close friends and collaborators of the day: the poet Charles Harpur, his fellow Member of Parliament and patriot, Daniel Deniehy, and, to a lesser extent, his protégé, the painter and poet Adelaide Ironside. These people made their own unique and profound contributions to the fight for a true Australian Republic, but first let's look at just a few of the extraordinary contributions that the Rev. Dr. John Dunmore Lang made.

Lang's early projects and colonisation

The individual about whom Lang constantly wrote, in some of his more than two dozen books and hundreds of pamphlets, was Dr. Benjamin Franklin, the universal genius and political organiser who, more than anyone



Above: Steam-powered locomotive.

Right: Benjamin Franklin conducting his famous kite experiment. Echoing Benjamin Franklin's role in the early development of America, Lang advocated a railway system for Australia, and organised schools, universities and the immigration of a skilled working class in order to develop the Australian colonies.

else, was the “father of American independence.” In the decades before America declared independence in 1776, Franklin literally built the institutions around which the 13 young colonies grew. For instance, if there were no public library, Franklin took up subscriptions, and founded one. If there were no university, he built one. If there were no postal service for the 13 colonies, he founded one, becoming the first postmaster general in the process. And, later, if there were no militias to defend the colonies, he organised them. And so on.

And so with the Rev. John Dunmore Lang. Shortly after arriving in 1823, the young Rev. Lang built the first Presbyterian church in Sydney. Since there was no system of primary education in the colony of New South Wales, which then covered all the eastern coast of the continent, he started a primary school in his church. Since there was no college, he sailed back to England and organised the British government to give him 3,500 pounds, a very large sum at the time, to start one. Even more important, since New South Wales was largely colonised by unskilled convict labour, Lang handpicked a shipload of Scottish mechanics, artisans, weavers and builders to emigrate with him. On October 15, 1831, soon after Lang and his skilled workmen arrived, the *Sydney Gazette* gave him credit for “the most important importation the colony ever received, and certainly the boldest effort ever made by a single individual to advance Australia”. You will hear later in this conference, that it was the industrial and agricultural working class movement which conducted the fight for republicanism in the 1880s and 1890s. Well, far more than any one single individual, Lang personally created that skilled working class, through his immigration activities.

Soon, the new workers had not only built Lang's univer-

sity, the “Australian College”, as he named it, but they had changed the face of Sydney with their building projects. Since there was no popular newspaper to educate the population, instead of just titillating them, Lang founded his own, *The Colonist*, in 1835, which gave him rapidly increasing influence in the colony. That same year, he convinced the British government, for the first time ever, to pay the passage money of selected groups of immigrants to Australia. Not content with the British government’s slow pace, Lang soon was making plans to bring out many more boatloads of not only skilled mechanics, but small farmers, who could begin to settle and cultivate the new land. In his book, *Freedom and Independence for the Golden Lands of Australia*, first issued in 1852, Lang described the ideas which motivated what he called “the heroic work of colonisation”:

For God made the earth to be inhabited—not to lie waste, as so much of it has done hitherto, through the folly and perversity of man—and his first command to the human race, even in the Garden of Eden, was “Be fruitful and multiply, and replenish the earth.” Now colonisation, with all that leads to it, whether in the laws of nature or the necessities of men, is merely the carrying out of this divine ordinance.



This divine ordinance, Lang stressed, was best understood by the Greeks, who instead of dispatching their destitute and “dregs” to their colonies, populated them with a cross section of the most talented and noble individuals of the land. He also stressed that the classical Greeks’ culture, as reflected in their colonisation projects, paved the way for Christianity, stating that:

The field of Grecian colonisation was the scene of the earliest and greatest triumphs of Christianity. The seven apostolic churches were all planted in Grecian colonies; and the New Testament, including even the epistle addressed to the Romans themselves, was written in the Greek language, because Grecian colonisation had made that language the language of the civilised world.

Lang counterposed to the colonisation of the Greeks, which uplifted and enriched the world, that of the British, which degraded and impoverished it.

America as the model

In all that he did, Lang had before him the shining example of the United States of America. He wrote in *The Colonist*, 19 Jan. 1837, that Australia must surely follow her northern cousin in becoming a republic:

It is natural that Australia should look upon the United States with more than ordinary interest. Throughout the whole of her history, there are certain broad features bearing no imaginary resemblance to our own. America was once a British dependence; Australia is now. America receives her language, her manners, her literature and the germ of her laws and political institutions, from the British Isles; so also has Australia. America at length outgrew the trammels of national juvenility, and asserted the prerogative of matured manhood which she in the

end compelled her reluctant parent to acknowledge. It is perfectly consistent with loyalty and with common sense to predict, that at some future period—far distant no doubt it is—Australia will pursue a similar course with similar success....

I have taken it for granted that in the event of Australia becoming free and independent, she would adopt, as a matter of course, a Republican form of government. I look upon this as a settled point, in the present circumstances and conditions of a civilised world—not however, as being the result of reasoning from abstract principles, but simply...from the necessity of the case.

In 1840, on the way back from still another trip to England to organise more immigration, Lang visited the United States for the first time. He told Americans, in an address to the American Colonisation Society of New York on 13 May 1840, that his purpose was “to ascertain the state of morals, of religion and of education, in this favoured land and to solicit your friendly assistance and your Christian cooperation, for the intellectual, the moral and the spiritual advancement of the future America of the Southern Hemisphere.”

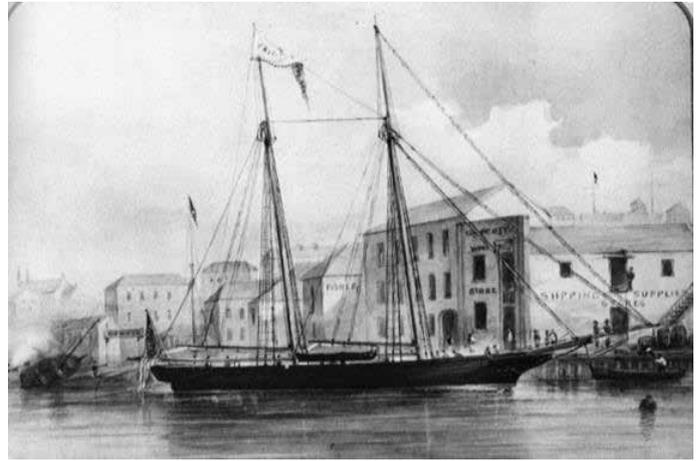
In 1843, he stood for the newly-instituted Legislative Council of New South Wales, and won. He traveled widely, and agitated, among other things, for the separation from New South Wales of both the Port Phillip district, which is now Victoria, and of the Moreton Bay District, which is now Queensland. The colony of New South Wales was too large, he reasoned, to adequately represent the aspirations of these districts. He had seen, in the United States, how effectively the state governments represented their citizenry, under a federal system. It was largely because of his organising, that the Port Phillip district was given its own government not long after.

In 1846 he once again set sail for England, where he was to spend the next three years attempting to organise the British government to implement his plans for greatly stepped up immigration. Lang was also attempting to secure changes to the Squatting Act of 1846, by which the British locked up almost the entire land of the continent under the control of a tiny handful of superwealthy pastoralists, the squatters.

The British Colonial Office under Earl Grey rejected almost all of Lang’s plans, though he did organise another dozen or so boatloads of emigrants to come out, largely at his own expense, some of whom did indeed help settle the territories to be known as Victoria and Queensland. Upon leaving England, Lang issued a remarkable open letter, which was published in England and in New South Wales, in which he blasted Grey, one of the most powerful individuals in the mighty British Empire, in the following terms:

I am now returning to Australia with the bitterest disappointment and the deepest disgust, cherishing precisely the same feeling as the celebrated Dr. Benjamin Franklin did, when he left England as a British subject, for the last time. In reviewing the intercourse I have thus had with your lordship’s department for the last three years I cannot but express the extreme regret, not unmingled with indignation, which I cannot but feel as a British colonist, when I reflect that I have myself experienced much

Left: Caricature of Earl Grey, the British Colonial Secretary with whom Lang clashed constantly. Right: Ship bearing immigrants to Australia. Below: Edward Gibbon Wakefield, the British colonial agent who schemed of “responsible government” to keep the British colonies perpetually under the power of the Crown.



more courtesy and attention, merely as a British traveler; from the President of the United States of America, in his marble palace at Washington, than I have done as a representative of the people of New South Wales from the paltriest underlings of your Lordship’s department. Like the mutes in the Sultan’s palace at Constantinople, these familiars of your lordship regularly strangle honest men and every honest measure connected with the colonies, in the dark recesses of their political inquisition; and the people of England never hear of the matter any more than the Turks used to do of those hapless victims whose bodies were thrown at midnight into the waters of the Bosphorus.... Very moderate concessions would have satisfied the colonists three years ago, but such concessions will not satisfy them now. To use a vulgar but expressive phrase, which your lordship will excuse, they will now ‘go for the whole hog’ or for nothing at all....

For three years past, you have been knocking on the gate of futurity, for the President of the United States of Australia. Be assured, my Lord, he is getting ready, and will shortly be out; and will astonish the world with the manliness of his port and the dignity of his demeanour.

The die was cast. Immediately upon his return, Lang set up an organisation, “The Republican League”, which was dedicated to achieving independence. In April 1850, he gave three lectures which were attended by thousands, in which he called for the establishment of a republic in Australia. The first two of these were reprinted as a pamphlet called *The Coming Event*, which was widely circulated, and was later expanded into his famous book, *Freedom and Independence for the Golden Lands of Australia*.

The fight against the squatters

The big political problem for the British, ever since they started sending boatloads of people out to the Australian continent in the immediate wake of the American Revolution, people whom they knew very well to be “infected” with the virus of republicanism, was how to make sure that they did not do what their American cousins had done—create a republic. Until 1823, Australia was under military rule, which made control rather simple. In that year, a Legislative Council was set up, which consisted, at first, of between five and seven government officials nominated by the Governor, with a few nominated representatives of the colonists added later. Being nominated by the Governor, the Councilors were all responsible to him, and not to the population, while the Governor was in any case all powerful, and not responsible either to the population, nor the Council, but only to the Crown.

In 1837, the British got the shock of their lives, prob-

ably second only to that of the American Revolution, when a military rebellion erupted in Canada. The rebellion was put down, but the British became obsessed with how to prevent any future such outbreaks. They gave one John George Lambton, the Earl of Durham, and one of the leading oligarchs in Britain, unprecedented powers as High Commissioner and Governor-in-chief of British North America, as Canada was known.



Durham appointed a commission to study the problem, the most important member of which was one Edward Gibbon Wakefield. Wakefield argued that the colonies should be merely transplantations of British society, and, in order to keep them that way, land prices should be kept very high, so that no class of small farmers could be created, but only great landowners closely tied to the Crown. Wakefield’s ideas were used as the basis to set up South Australia and parts of New Zealand, among other places. Wakefield’s second recommendation was to offer the Canadians so-called “Responsible Government”. Under this scheme, an Executive composed of Ministers appointed by the Governor from an elected assembly, would be “responsible” to that assembly. Not only did the Governor appoint them in the first place, but they would only hold office at his “pleasure”, their supposed responsibility to the assembly notwithstanding. Consider what happened when Governor General Sir John Kerr sacked Whitlam and his government in 1975, and you see the pattern of so-called Responsible Government was established, all the way back then. In addition, the consent of the Governor was still required for legislation passed by the assembly to become law, and the Governor could dissolve the assembly. The system was intended to give the appearance of local control, whilst control still in fact was vested in the British Crown, since the Governor was appointed by, and was the representative of the Crown. As Wakefield put it, this ultimate control by the Crown *would tend more than anything to preserve an intimate connection between the colony and the mother-country.*

This concept of Responsible Government was one of the most insidious and corrosive schemes ever devised by the British Empire. Its main importance, as stressed by

Justice Isaac Isaacs of the High Court, a framer of the Australian Constitution and subsequently a Governor-General of Australia, in a High Court judgment in 1920, was that it did not follow the model of America. He said:

It is essential to bear in mind two cardinal features of our political system which are interwoven in its texture and...radically distinguish it from the American Constitution. One is the common sovereignty of all parts of the British Empire [that means the Crown, of course]; the other is the principle of responsible government... the institution of responsible government, a government under which the Executive is directly responsible today, is almost the creature of the Legislature. This is not so in America....

No, indeed, it is not so in America, which has a popularly elected President who is not a creature of the legislature. And it is precisely the notion of an American-style popularly elected president, which terrifies our Anglophile establishment, which therefore wants us to vote “yes” on November 6. It is also clear, from Isaac’s account, that the Federation we got in 1901, was just an updated form of this Responsible Government scam foisted upon us in the mid-19th century, in order to stop the republican organising of John Dunmore Lang.

But, back in the 1840s, one of the keys to the Responsible Government fraud, was to set an extremely high property requirement to even be considered as a candidate for the Council, of at least 5,000 pounds, which was a fortune in those days. So, here you had it: a John Locke-style scam of “life, liberty and property”, instead of the Leibnizian and American “life, liberty, and the *pursuit of happiness*”. And this is exactly the way John Dunmore Lang saw it—as a fraud against the fundamental rights of mankind.

Lang was elected to the first Legislative Council in Australia in 1843, set up along the lines of Wakefield’s Responsible Government scheme. However, from at least the time of his return from England in 1849, Lang campaigned relentlessly to dump the Responsible Government fraud, declare independence and elect a House and a Senate, with an elected President and Vice President modeled largely upon the U.S. system.

Lang counted people like Benjamin Franklin, Cotton Mather, George Washington and Thomas Paine amongst his greatest heroes and constantly quoted from their writings and expounded their ideas.

The gold rush

In 1851, gold was discovered in both New South Wales and Victoria. This brought a massive increase in immigration. Five thousand people a week, or a quarter million people per annum poured into Australia, coming from every corner of the globe, including many shiploads from the gold diggings in California. Lang was delighted. He said that:

A country which is being peopled at the rate of 5000 a week by men nursed in freedom will soon be able to demand as a right that which she now entertains as a favour.



A group of Chinese marching single-file to the gold diggings.

However, whilst Lang was overjoyed about the influx of wild “freedom-loving” fortune hunters, his colonial masters saw the potential for rebellion in the wind. It is therefore hardly a coincidence that only a few months after the discovery of gold, that Lang was sentenced to four months in prison for libel. He was considered Australia’s most notorious republican trouble-maker, the leading advocate of radical reforms and they wanted to make an example of him.

They had good cause to worry. When Lang traveled to the gold diggings around Bathurst to see for himself the conditions, he preached the Gospel before 3,000 people in the open air. The diggers honoured him in an address, saying:

Your name will henceforth be associated with human progress, a watchword for liberty and will occupy a distinguished place in the history of your adopted country. You are the apostle of the independence of Australia and this will be the foundation of your future fame.

The standard historians invariably talk of Lang as some sort of eccentric, and always attempt to downplay the enormous popularity he had with the masses. Lang himself always attributed that popularity to the fact that he was openly, vigorously fighting for exactly what they wanted: republican self-government. For instance, shortly after one of the times he had been thrown in jail, with enormous slanders and libels being circulated against him in the major press, he decided to run for office yet again. Not only was he elected, but he topped the poll, an astounding feat under the circumstances. When he walked to Parliament to take up his seat, a crowd of 10,000 escorted him, cheering him all the way. Can you imagine?! There were only 51,000 people, total, living in Sydney at this time.

With the sort of explosive republican ferment under way in the goldfields and elsewhere, under the leadership of Lang, the British clearly had to act to forestall an American-style republic being declared, which many newspapers and journals of the time admit was being intensively discussed, though you will rarely find that acknowledged in the history books of today, either. The British passed a new act for an expanded form of Responsible Government, to take the wind out of the republicans’ sails.

This *Constitution Act of 1853* contained a clause excluding from Parliament all ministers of religion, a clause

engineered by Lang's political enemies in order to exclude him from membership; and so, when Responsible Government was inaugurated in 1856, he had no seat. The following year, however, this clause was repealed, and from 1859 to 1869 Lang was again a member of the House as a representative of West Sydney.



Top: Soldiers clash with prospectors on Ballarat goldfields.

By far the most determined effort to lay Lang low came in 1854, just as the Eureka rebellion was erupting on the goldfields of Ballarat. The oligarchy framed up his son George, convicting him of stealing 10,000 pounds from a branch of the Bank of New South Wales on the goldfields, which he was in charge of. George was sent to jail for five years.

Determined to prove his son's innocence, Lang pursued every avenue including through the press. It was during this time that he particularly rankled the establishment and they brought a number of libel and slander suits against him, eventually leading to his imprisonment for six months. Henry Parkes, who in the 1840s was an advocate of republicanism and a friend of Lang, strongly defended him, saying that since his first arrival in Australia Lang had devoted all his energy and talents to bringing about the moral and social regeneration of the colony, which owed more to him than to any other man.

Lang, Parkes argued, was one of the most influential men in the Legislative Council, and Parkes forecast that, whatever his opponents might urge against his public conduct, future generations would delight to honour Dr. Lang's name and that statues would be erected in his honour when, probably, all other public men had been long forgotten. In fact, as you will hear later, we should pull down whatever statues exist of Sir Henry Parkes, as he later became known when he was Premier of New South Wales in the late 1880s and the chief British toady in organising Federation under the Crown, and erect statues to Lang.

In this graphic from *The Bulletin*, Australia's widest-circulation weekly in the late 19th century, we see Lang frozen in time, eternally scoffing at the very British oligarchs who considered him their worst enemy, yet who are now unveiling his statue!

But, through the frame-up of Lang's son George and the related lawsuits, enormous damage was done. Just when support was coming from many unexpected quarters, both in Australia and even in Britain itself, for Lang's dream of a Republic, the indispensable organiser to actually attain a republic, was taken out of the picture. The time that was then ripe never came again, at least not in Lang's lifetime.

Lang's image of Man

John Dunmore Lang not only had the soul of a poet, in his ardent conviction regarding the nobility of man, and mankind's ability to perfect itself, as the crown of God's creation, but he was also literally a poet, with at least one volume of poetry to his credit. Listen to his poetic passion in this poem he wrote in 1826, when he was 27 years old, just three years after he had arrived in Australia:



Bottom: Bulletin cartoon showing Lang ironically laughing at the British aristocrats unveiling a statue of him—their worst enemy.

Australia! Land of hope!
Thy sons shall bear thee up even to the skies!
And earth's exalted ones
Shall hail thee from their thrones,
Queen of the southern Zones.
Australia, rise!...

O be it then thy care,
From Superstition's snare
And Slavery's chain,
To set the wretched free;
Till Christian liberty,
Wide o'er the Southern Sea,
Triumphant reign!

Lang devoted his life to fighting for "Christian liberty", which he viewed as the birthright of all human beings, since all were created in the image of God, and were therefore "born free and equal." When he visited America in 1840, for instance, he told a meeting in New York on May 13, 1840:

I trust I am under no obligation to conceal from this assembly my own cordial abhorrence of slavery, as a civil institution, and my own earnest desire for its immediate and entire abolition. I have ever regarded slavery as an evil and bitter thing for the country in which it exists, as well as for its miserable victims. It is the grand calamity of this country, that such a system was entailed upon it from a bygone age. It constitutes the only dark spot in your star-spangled banner—the only gloomy and portentous cloud in the firmament of your glory.

He also blasted the hypocrisy of the supposedly anti-slavery British:

Besides, it is the rule that Great Britain herself, in her pride of place, has again and again prescribed to the Americans in regard to the emancipation of their negro slaves—and, for my own part, I do not object to her applying it in that case by any means; but it is the last rule she ever thinks of applying to herself, in regard to her ill-governed and oppressed colo-

nies. On no! Save Great Britain from acting upon the Golden Rule towards Colonial insignificance! The law of Christ may be good enough for the Americans; but only think of applying it to us here in England! Pooh! Pooh! Nonsense!



From the time of his visit to America, Lang spent an incredible amount of time on a personal mission to end slavery in the United States, by attempting to start large-scale cotton production, using free labour—in Queensland, whose production would undercut the price of slave-grown cotton, and thus put slavery in America out of business. When the ministers whom he had brought over from Scotland were sent out around the country, he had all of them conduct experiments growing cotton, and he sent their samples of cotton to Manchester to have them tested for quality. Not surprisingly, the allegedly anti-slavery British Colonial Office, which was trying to start a Civil War in the U.S. on the issue of slavery, did not want to back Lang’s plans, which had advanced far enough by 1852, that he could say:

And as it is now no longer a matter of doubt that we can grow cotton of superior quality for the British market, at a cheaper rate than the same quality can be grown by the American slaveholder, we should in all likelihood compel the latter to break every yoke, and to let the oppressed go free.

Not surprisingly, Lang was therefore against a proposal by one cotton lord who wanted to import a quarter million Chinese into Queensland to grow cotton for Manchester. Lang said:

Perish all their mills, say I, rather than consent to anything of the kind. It would completely ruin the hopes and prospects of the country.

Unlike what happened when the Labor Movement opposed Chinese immigration in the 1880s and 1890s on racial grounds, Lang opposed it on the grounds that no slave labour should exist anywhere. Indeed, after first supporting a poll tax which had been put on individual Chinese to stop them from immigrating to Australia, in 1866 Lang reversed himself, and fought vigorously to repeal the tax. At his funeral in 1878, a delegation of 500 Chinese marched, calling Lang “our great Liberator”. Lang also foresaw, that, at some point, it was likely that northern Australia would be inhabited by Aborigines, Malays and Chinese, which populations he proposed to elevate *by means of a European education, and the extension of equal rights and privileges to all.*

He also denounced the kidnapping then going on in islands of the western Pacific, the so-called Kanaka slave trade, and was a great supporter of Australia’s Aborigines and New Zealand’s Maoris. As his main biographer, who is by no means entirely sympathetic to Lang, has written:

Unlike many of his contemporaries, Lang firmly believed that the Australian Aborigines were just as much human beings as were Europeans. He repeatedly drew attention to the fact, attested by scripture, that “God hath made all men everywhere, for to dwell upon the face of the earth”. Equally frequently he denied what some people affirmed, that the black man of the Australian forests was no better than the orang outang or monkey. Lang, in fact, had a considerable admiration for this free and independent race of black men and women who owed no allegiance to Great Britain but



Kanaka slaves in Queensland. Lang denounced the slave trade, and was a great supporter of equal rights for Australian Aborigines and New Zealand Maoris.

who, most lamentably, were fast disappearing from existence as white men occupied their country and diminished their means of subsistence.

Lang’s beliefs on these so-called “racial issues” were all located within, first, his knowledge that all men were created in the image of God, and second, of the glorious mission that the Australian nation was destined to play within mankind as a whole. As he said to an American audience in 1840:

It must be evident to every intelligent American, that the series of colonies that have thus been successfully planted on the shores of the Australian Continent... will, in all likelihood, exceed all former precedent, will, at no distant day, exert a mighty influence, either for good or for evil, on a large proportion of the whole family of man.



Australia, in alliance with America during World War II, partially fulfilled that goal. But, it was the concept of President Franklin Delano Roosevelt and Prime Minister John Curtin at the end of the war, that Australia, which had industrialised herself overnight, would play a key role in economically developing and therefore liberating Asia from the yoke of British, Dutch, French and Portuguese colonialism. Yet, here we are, almost a century and a half since Lang wrote his *Freedom and Independence for the Golden Lands of Australia*, and half a century since John Curtin’s death, and we are intervening to restore colonialism in Indonesia, on behalf of the British!

Lang clearly understood that there could never ever be an Australian Republic unless the population were organised and educated. He believed that:

British Colonists, as a class, had in too many instances become apathetic and indifferent in regard to their own rights and interests, and had sunk down into a condition of social, moral and political degradation. To use the language of an eminent New England patriot, who flourished shortly before the commencement of the American troubles of last century, “There has been a most profound, and I think a shameful silence till it seems almost too late to assert our indisputable rights as men and as citizens”.

Though acknowledged as a towering giant for his greatness of spirit, John Dunmore Lang was not alone in his struggle to uplift Australians, in order to bring about the true freedom and independence of the golden lands of Australia.

Charles Harpur, the second son of convict parents, was born into this life in 1813, and like Lang, he had

This Southern Land of Ours

With clowns to make our laws, and knaves to rule us as of old,
In vain our soil is rich, In vain 'tis seamed with virgin gold;
But the present only yields us nought, the future only lours,
Till we have a braver manhood, in this Southern Land of ours.

What would pygmean statesmen, but our new-world prospects
blast
By chaining Enterprise and Thought to the misyielding past;
With all its misery for the mass and fraud-upholden powers,
But we'll have a braver system in this Southern Land of ours.

And Lo! The unploughed future boys! May yet be all our own,
If hearts that love their native soil, Determine (this alone);
To sow its years for crops of truth and border them with flowers,
Till we have a nobler manhood in this Southern Land of ours.

In the course of his life, Charles Harpur wrote hundreds and hundreds of poems, numerous prose pieces on most issues of contemporary interest, as well as a play, all of them dedicated to creating “a nobler manhood”. But, historians claim that, aside from a tiny handful of similarly high-minded intellectuals of the day, Harpur was largely disregarded by a population more intent on exploiting the seductive and bountiful riches of their new land, than creating a nation of true wealth and prosperity for the benefit of generations to come. Like similar claims made about John Dunmore Lang however, that may well be a lie.

Like Burns and other poets whom he greatly admired, including Shakespeare, Shelley, Keats and Milton, Harpur was a passionate Republican. So much so that he named his first son, Washington, after that famous American founding father, as well as writing this patriotic poem in his honour.

Harpur believed that the common man had the potential to participate in his nation's destiny, that he was the equal of the so-called upper classes and, indeed, that he was individually responsible for the future course of the nation. He said of himself:

I am not only a democratic Republican in theory, but by every feeling of my nature. Its first principles lie rudimentally in the moral elements of my being, ready to flower forth and bear their proper fruit. Hence, as I hold myself, on the ground of God's humanity, to be politically superior to no fellow being, so, on the same ground, I can feel myself inferior to none.

Now, I want to give you some sense, apart from his extraordinary poetry, of the inner workings of Harpur's mind—his thinking—his philosophy which animated and shaped all his writings, whether poetry, prose or plays.

On freedom and necessity

Harpur wrote in the *People's Advocate* in March 1851:

I sometimes think myself fortunate in the worldly experience of the last five years of my life; but at other times, I can scarcely forbear accusing Providence of something

a mission! We can begin to glimpse that mission in his simple but powerful poem, *This Southern Land of Ours*.

George Washington

Even as the one sole star of morning
Shines that Name upon the earth!
Even as a God-lit light adorning
A great Nation's clouded birth!
Or like an altar-flame it rises
From the field of Freedom's battle won:
Then send it o'er the whole wide world;
That patriot name — George Washington.

To breathe it, is to brand all trading
Through dominion for a throne;
To know it, is to curse all wading
Into blood for power alone!
While like an altar-flame it rises
From Freedom's fields of battles won:
Then send it o'er the whole wide world;
That stainless name — George Washington.

No cry is it for frantic glory
Such as sworded hirelings laud;
No greatness is there in its story
Or of conquest or of fraud!
But like an altar-flame it rises
From fields of fight where Freedom won:
Then send it out, — o'er the whole wide world;
That sacred name — George Washington.

akin to malignity in inflicting it upon me: for it has all but ruined my faith in human nature, giving to its whole moral aspect the furtive and cowardly expression of a lie. Pretence—mean, miserable, mouthy pretence....The cold preachments of mere church systems—the stale ethics and frothy legalities of mere class schools and colleges—the meagre moralities of mere conventions, social and political....Must we even heave our humanity overboard, as a radical deformity—a thing incorrigible? Let us first try another remedy.

He then goes on to restate in his own words the very essence of that historical giant of republicanism and true freedom from the late 18th and early 19th centuries, the German Friedrich Schiller's life-governing idea, that *man-kind possesses the capability of exercising reason in order to transform the world of necessity into his free choice and to elevate physical necessity to a moral*. Schiller spelt this out in considerable detail in his *Aesthetical Letters*. Listen to how Harpur spoke of this idea that one's reason and one's emotions could be brought into total harmony:

The brave unfaltering habitude of perfect, educated, social equality—of absolute, instructed, soul-ennobling individual liberty—that is to say, entire freedom from all false, fashionable, and juggling necessities, would assuredly work out for it, in all truthful regards, a more effectual and abiding redemption: To shackle it down is but to cramp and straiten it into falsehood. To liberate it thoroughly, were to give it, at all events, its best remaining and most honest chance of escape into truth.

But would an individual enfranchisement, thus extensive, tend in any wise to relax our sense of social obligations—such as grow naturally out of our humanity, and are sanc-

Left: Charles Harpur, Australia's republican national poet. Middle: American President George Washington. Right: Friedrich Schiller, Germany's Poet of Freedom.

tioned both by affection and reason? In no wise would it do so. But it would infinitely exalt our moral willinghood. The righteous discharge of all our true duties would be more than ever the conscious glory of our manhood: because, by being separated from all false and mystifying requirements, their essential sacredness would be but the more clearly discernible....But no obediential necessities, imposed by the selfishness of mere authority, could any longer be juggled into the place and dignity of duties. And here lies the prime difference between the moral world as it is, and as it should and might be.

The best of all possible worlds

Harpur's thinking resonates not only with Schiller's view of the universe, but also with the great 18th-century scientist and philosopher, Gottfried Wilhelm Leibniz. Leibniz is renowned for developing the philosophical idea of "the best of all possible worlds", a metaphor that lawfully resolves that paradox of the co-existence of both the nobility and the depravity of mankind. Charles Harpur was, without doubt, very familiar with the work and ideas of Leibniz, as exemplified in Harpur's poem *Theodic Optimism*. In the *People's Advocate* of Dec. 27, 1851, he had this to say on the subject:

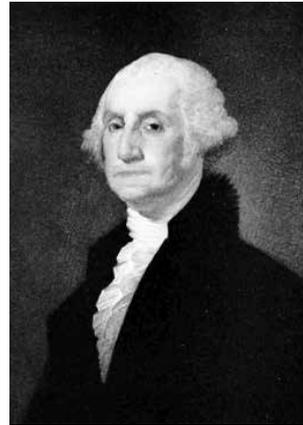
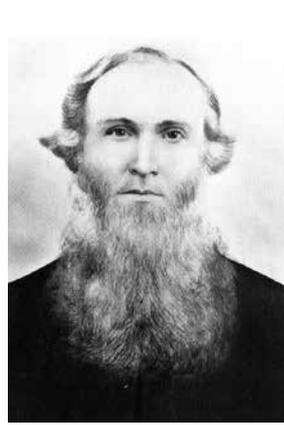
In all matters of moral and social judgment, the world of now must be wiser, [through] the very pressure of its progressive necessities, than the world of then could possibly have been....In other words, the fulfilling nature of man and the real nature of things, becoming more and more developed in their mutual relations, by virtue of there being a course of time for the prolongation of thought and action, become also more readily perceptible, and are thenceforth matter of fixed or fixing knowledge, out of which a present wisdom is extractable transcending accumulatively all the boasted wisdom of the past.

Adelaide Ironside

Now, don't think for a minute that the fight for a sovereign Republic in this country was left entirely to the men. Adelaide Ironside was Australia's first female republican poet. She was also Australia's first woman to deserve recognition as a "professional" artist. Unusual for her time, she made her living as a painter, gaining acclaim from some of the most noted European art critics. However, none of her works hangs in a major Australian gallery, perhaps for the reason that,



Adelaide Ironside, poet and artist, who was a key member of Lang's inner circle of collaborators.



As manhood must be more enlightened, speaking generally, through the prolongation and enlargement of the mere consciousness of being, than youth or boyhood possibly can be, however otherwise favoured; even so must it hold of the race collectively in the maturing tendency of its ages.

With every century, society is making good riddance of the manifold hallucinations of its minority; and so too, for many centuries to come, the spirit of its progress will have to forget for truth's sake, even more perhaps than it will have to learn notwithstanding all the "wisdom of our ancestors", and our own in addition.

Charles Harpur lived for his country. He fought for it in the most profound way, but tragically his life ended with an unrealised dream. Despite this deep disappointment, he never relinquished his hope that one day, his vision of having a "Nobler Manhood in this Southern Land of ours", would be realised. He wrote:

At this moment I am a wanderer and a vagabond upon the face of my native Land—after having written upon its evergreen beauty strains of feeling and imagination which, I believe, "men will not willingly let die." But my countrymen, and the world, will yet know me better. I doubt not, indeed, but that I shall yet be held in honour both by them and by it.

like many of her republican friends, she did not particularly please the establishment of the day. Her poetry also, like her art, is not very well known and is not featured in the usual "Penguin" or "Oxford" collections of early Australian poetry.

Adelaide was born in 1831 in the colony of New South Wales. Her father, James Ironside, separated from Martha, her mother, not long after Adelaide's birth, and from the age of 19 years, Martha devoted the rest of her life, as a single parent, to raising and educating her only child.

Adelaide's education was also supported by the Scottish minister who baptized her and knew her from birth, Dr John Dunmore Lang. Lang recognised Adelaide's talent and ensured that she received the best education possible for a colonial girl. As a scholar of art and literature, Adelaide also studied the old Greek and Roman classics, music, the French and Italian languages and Dr Lang no doubt made

sure that she knew her Bible well.

In fact the famous republican, Dr. Lang, was the first influential male figure in Adelaide's life. She openly acknowledged her respect for Lang and made it clear that it was from him that she had first gained her republican sentiments. She referred to him as "the Patriot Father of the Free and Golden Land of Australia".

Lang's Australian League advocated total democratic independence for the Australian colonies, and their incorporation into a Federation. Members of the League included the young Henry Parkes, before his later adoption by the British elites, the remarkable young intellectual Daniel Deniehy, the poet Charles Harpur and other political radicals. The 19-year-old Adelaide Ironside probably also attended meetings and lectures organised by the League.

The other major influence in her life was Daniel Deniehy. He took a keen interest in her studies and encouraged her to pursue her art and poetic work, including going to Italy to study first-hand the classical works of the Old Masters. It was with Deniehy's support and encouragement, that she published her first republican poem, *A Song of Independence*, in the *People's Advocate* in January 1853. During the next two years, twenty of her poems appeared in the *People's Advocate*. Her poetry was fiery and patriotic, and sometimes laced with references to the classics and Greek mythology. They were grand and lofty poems, crying out for Australian liberty and independence.

Let me recite for you, a *Sonnet* by Adelaide Ironside,

Daniel Deniehy

And now, last but not least, the other hearty member of this noble bunch of conspirators was Daniel Deniehy, a young Catholic revolutionary, who, like his older friend and mentor, J.D. Lang, was elected to the NSW Legislative Council in 1853. The next year he took up residence in Goulburn and from then until his re-election to the NSW Legislature as Member for Argyle, in February 1857, he wrote a series of seminal essays and editorials for the *Goulburn Herald*, on subjects including "Our country's Opportunity", a brilliant policy document on the development of a true political economy and "Australian Freedom and Independence".

Like his friends, Lang, Harpur and Ironside, Deniehy was a "heart and soul" Republican. He believed that given the "democratic tendencies of the age", as he put it, "a new community" could only develop into a republic. He inevitably consulted the American revolutionary writers; hence, in his essays and speeches, one can detect sources such as Benjamin Franklin, Thomas Jefferson, Tom Paine and John Adams.

Deniehy was above all, however, a true poet—an enlightened lover of ideas—always seeking the idea of the Beautiful. Although he became a lawyer and earned his living that way, the arts were his love and beauty his passion. He had studied in Europe and later lectured on



Daniel Deniehy, eloquent republican who scathingly attacked the idea of Australian peerages as a "Bunyip aristocracy".

published in early 1854, voicing her anti-royalist sentiments:

Sonnet

When men ask what first inspired thee to fight
For a Republic, thou make answer thus—
God, through my own free nature—Man, through right,
That bows not to the royal I or us
Of autocrat or sovereign. Herodotus
Outstands a king exemplified in God's sight!—
Blood staved against snow, ghastried alight
With horrid memory! A warn to us
'Gainst worshipping that creature called a king.
He, that bows not to his Maker, bends the knee
Servilely humble to a Royaling.
Now hear me!—you who are as good as he,
Swear not to obey.—Tax not Liberty,
Lest out she cast thee as an underling.

In 1855, Adelaide Ironside left Australia to follow her dream of studying and working with the Masters in Italy. She spent the rest of her relatively short life, growing in stature as a professional artist. Her last 12 years were spent primarily in Rome, with a short period in London. She died tragically early in Italy of a respiratory illness in 1867, aged 35, without ever returning to her beloved Australia.

Her poetry, however, which for the most part was written in her early years in Australia, truly captured the republican spirit which we must re-ignite today.

poetry and French literature in the colonies. So it is not surprising that he was determined to facilitate and champion the emergence of what he called Australia's "native men of *minstrel fire*".

Deniehy discussed Charles Harpur's verse in close detail, including in a public lecture in November 1857. Reaction to the lecture was swift, the conservative, Anglophile *Sydney Morning Herald* running a long, anonymous response which castigated *those who not only affect to lead public taste, but to govern men and guide the State*, for holding up *to the admiration and imitation of our colonial youth the writers of wishy-washy, milk-and-water verses, and declare them the equals of Homer and Milton*.

"Bunyip Aristocracy" speech

But the establishment had seen nothing yet!

As reaction against the elitist clauses of the new New South Wales Constitution intensified, in mid-1853 the public clamoured for opportunities to discuss its provisions—in particular, that of seeking colonial hereditary titles for the Upper House, an Australian House of Lords.

The following speech by Deniehy at the Victorian Theatre in Sydney, abruptly ended William Charles Wentworth's dream of 'Bunyip' peerages and assured Deniehy's place in the colony's political and cultural history. Three weeks after this speech, before a crowd at Circular Quay estimated at 10-12,000 people, Deniehy delivered another speech replete with his characteristic satire and biting wit referring to the now famous "dunghill nobility".

The name of Mr. Wentworth has frequently been mentioned this day, and that on one or two occasions with an

Left: W.C. Wentworth Right: Mechanics Institute in Sydney, which Deniehy established to provide adult education.



unwise tenderness, a squeamish reluctance to speak plain English, and call certain nasty doings of Mr. Wentworth by the usual homely appellatives, simply because they were Mr. Wentworth's....

Because it was the good pleasure of Mr. Wentworth and the respectable tail of that puissant Legislative body, whose serpentine

movements were so ridiculous, we are not to form our own Constitution, but instead of this, we are to have an Upper House and a Constitution cast upon us, upon a pattern which should suit the taste and propriety of political oligarchs who treat the people at large as if they are cattle to be bought and sold in the market....

It might be well to ridicule the doings of such a clique, but their doings merit burning indignation—yet, to speak seriously of such a project would too much resemble the Irishman's kicking at nothing; it wrenches one horribly....

But, though their weakness is ridiculous, I can assure you that these pigmies might do a great deal of mischief. They would bring contempt on a country whose interest I am sure we all have at heart....Here we all know the common water mole was transferred into the duck-billed platypus, and in some distant emulations of this degeneration, I suppose we are to be favoured with a bunyip aristocracy....

Bring not the fugitives from England, Scotland, and Ireland, here, with delusive hopes—let them not find a new-fangled aristocracy haunting these free shores. But it is for you to offer them a land, where man is rewarded for his labour, and where the law no more recognises the supremacy of a class, than it recognises the predominance of a religion....But there is an aristocracy worthy of our ambition. Wherever man's skill is eminent, wherever glorious manhood asserts its elevation, there is an aristocracy that confers honour on the land that possesses it. That is God's aristocracy. That is an aristocracy that will grow and expand under free institutions, and bless the land where it flourishes.

Universal education

Like Lang, Deniehy was also passionate about the noble and necessary task of universal education. He worked hard to establish what became known as "Mechanics Institutes" in Australia, primarily for adult education. He gravitated to a fundamental notion held by many American writers, including Jefferson and Whitman, that democracy is susceptible to mob rule, and therefore necessitates an intelligent and informed populace. He had this to say on the subject:

The education of a man is never at an end....The possibilities of moral and mental growth which God has endowed his human creature with, have an awful grandeur worthy of that mysterious spiritual existence placed under material conditions in a material theatre, which our Lord Christ came down to redeem. The wonders of the starry heavens are less stupendous in the eye of the bilities of development in the mind and soul of a human being. These are truths we

are quite well enough aware that seldom disturb with their light and music the narrow murky cells of [our political opponent's] brains....The ethical cultivation and mental improvement of the mechanic—additions to his knowledge, and the opening up for him of faculties of profound and beautiful and lasting enjoyment in objects and pursuits that connect themselves with his immortal existence as a moral being, are matters we know, quite beyond the range of [our opponent's] mental vision. That they can see no possible benefit accruing to a carpenter from lectures on astronomy, or to a stonemason from reading poetry, is quite in character.

For Deniehy the entire future of the nation depended on nurturing and developing the highest qualities of statesmanship and leadership. These final words from him, really are thoroughly fitting and proper to our conference, as we face the same challenge today, of "Preparing to Govern".

Our colony has been cursed with bad legislators and bad laws, and unless constituencies are reminded of the duties that they owe to themselves and to the state, we see no prospect of change for the better. The country requires at this juncture, men of enlarged views and of statesmen-like abilities. She stands sadly in need of patriots, true lovers of her soil, of her climate, and of her worth; such who know what she would be capable of under a genial rule, and who would, without one selfish desire, shape her destiny. She does not need the mere demagogue "whose unthinking rage, Maddens for a moment and expires" but those men of progress who, utterly and unreservedly despising the abominations which have disfigured her government, retarded her power, and stunted her growth, are ready and prepared to lay the axe to the very root of imbecility and corruption.



Qualities of leadership

These heroic and determined individuals from the 1850s not only did a great service for their fellow countrymen of their time, but they indisputedly laid the foundation for our comparable fight today. Without their courage and just plain hard work; without the benefit of their noble orations and art; without their vision of something higher and better and more noble for their fellow man, beyond what they would see in their own lifetimes; we would be a poorer and more intellectually impoverished band of patriots.

We must take up their struggle, and, this time, we must win.

3. The 1880s and 1890s: The Republican Labor Movement awakens

by Robert Barwick

After the partial defeat of John Dunmore Lang, through the establishment of the fraud of so-called “Responsible Government” in 1856, the next great opportunity to profoundly change our form of government came as a result of the rise of the Labor Movement during the 1880s and 1890s. For it was during these years, that the issue of what form the coming Federation of the Commonwealth of Australia would take, was fought out.

W.G. Spence

The towering figure in Australian unionism during this time, was William Guthrie Spence, the driving force behind the two great “bush unions”, the Amalgamated Miners’ Association and the Amalgamated Shearers’ Union, the latter soon to become known as the Australian Workers Union, the AWU, the most influential union in Australian history.

The young W.G. Spence was a founder of the Amalgamated Miners’ Association, which was first established in Bendigo in 1874. Spence became the head of the AMA in a Victorian town named Creswick, where the future prime minister John Curtin would be born and raised. The Creswick branch of the AMA was by far the union’s most dynamic. By 1882, Spence had become general secretary of the AMA, and he directed an explosion in its organising. Within a few years, the AMA had 23,500 members in branches across all the Australian colonies and in both islands of New Zealand, to become the first truly federal, even intercolonial union, which had been Spence’s concept from the outset.

Many miners were also part-time shearers, since both were rural occupations. In 1886, as the pastoralists moved to cut back the shearers’ wages drastically, a young member of Spence’s AMA, who also did shearing, came to him, and asked him to organise a union for shearers. Many attempts had been made to organise shearers earlier, but all had failed, in part due to the structure of the industry, where small groups of shearers were constantly on the move. Their lives were miserable, both because of their horrid living conditions, their low pay rates, and also because of the practice called “raddling”, whereby a pastoralist would not pay for an entire pen of shorn sheep, if there were even only one not shorn to his satisfaction. We will listen to Spence himself recount the working conditions of the shearers, in his book, *Australia’s Awakening: Thirty Years in the Life of an Australian Agitator*:

The accommodation provided for the workers at shearing time was something awful. Mostly it was unfit to put human beings into, and consisted of long, draughty buildings without windows, the timber often being so open that you could put your arm through. Two and often three tiers of bunks, one above the other, would be ranged all round the wall of the narrow hut, [with] the table at which the men ate in the middle....The bunks for sleeping in were made of rough boards, neither mattresses nor even straw being provided. They were only a bare six feet in length overall, and as Australians are mostly tall men—five feet ten inches



William Guthrie Spence, union organiser extraordinaire and founder of the Australian Workers Union (AWU). Spence was a giant of the early Labor Movement.

to six feet seven being not uncommon—the closeness of your neighbour’s feet to your nose can be pictured. The odor of clothing saturated with the yolk of sheep’s wool, mixed with perspiration, is anything but pleasant. The floor of the hut was earth, frequently worn lower than the surfaces outside, thus being full of stagnant water when unused between shearing seasons.

The surroundings of the hut were insanitary, the men being left to make provision for themselves. Frequently the drainage of the hut and its insanitary surroundings ran into the only water supply available to the workers. In more than one station typhoid fever appears almost annually, and many deaths occur from this and other ailments distinctly traceable to the want of reasonable provision on the part of the employer for the comfort of his employees. As a matter of fact, the horses and dogs of the pastoralist were better housed and cared for than the workmen out of whose labour he made enormous profits.

The atomised shearers faced the all-powerful pastoralists, who were in fact just the same squattocracy against whom John Dunmore Lang had fought 30 and 40 years earlier. And wool was Australia’s most important export item, by far, making what happened in this sector of the economy of importance beyond all proportion to its mere number of workers. Upon being asked in 1886 to organise the shearers, Spence took up the challenge. Within one year, he and a mere three organisers working with him, had enrolled over 9,000 shearers in the union, to total 44,000 by the turn of the century. Spence personally would travel over 15,000 miles a year, and his organisers would go through eight or nine horses per year, so quickly would the animals wear out at the pace the organisers were doing their recruiting rounds. As Spence described their work in his book, it was long hours, little sleep and a lot of travel—I bet no one here knows that feeling, right?

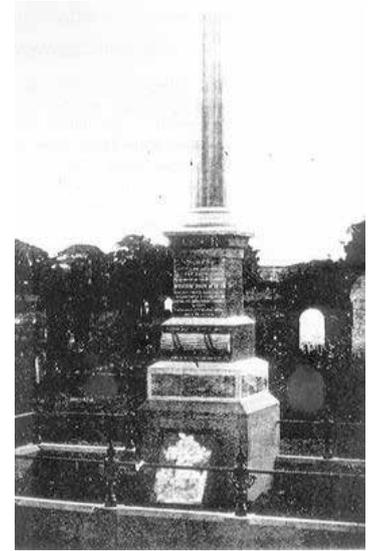
By 1889, Spence and the AWU had won an extraordinary series of victories, in terms of working conditions, pay rates, hours of labour, etc. But, that same year, the City of London began to pull its capital out of Australia, and, at the same time, the price of wool began to fall sharply. In 1890, the mighty Barings Bank, the backbone of the Empire, which had financed the purchase of the Suez Canal, among many other things, had gone bankrupt, though it was later bailed out. Squeezed by falling prices for wool, the pastoralists decided to unite and form the Pastoralists’ Union, while other employers formed the



Above: Mounted Sydney police trying to control a crowd of striking unionists in 1890 strikes.

Right: Grave of William McLean, Shearers' Union organiser shot at Grassmere Station in Queensland in 1894.

Below: Group portrait of Shearers' Union organisers jailed for union activities in the 1890s.



Employers' Federation, both bodies pushing the sanctity of "freedom of contract", i.e. union-busting. These were the direct ancestors of the H.R. Nicholls Society of today; just consider, for instance, that H.R. Nicholls' founder Ian Maclachlan, who was Defence Minister and hired soldiers as scabs to break the Maritime Union of Australia in 1998, is a member of the largest land-owning family in Australia, and a founder of the National Farmers Federation—i.e. the squattocracy.

The year 1890 saw the outbreak of the maritime strike, the most devastating strike in Australian history. The illustration (right) shows policemen in Sydney trying to control a crowd of unionists at the time. It was that year, said Spence, which marked *the turning point in Australian Labor history*. The Employers' Federation, which included the ship owners, provoked a strike by refusing to recognise the marine officers as a union. Very rapidly, coal miners, shearers and many other unions went out in sympathy with the marine officers. One incident gives a sense of how the various state governments backed the attempts to crush the unions. Though it was a nationwide strike, mainly centred in New South Wales, the following incident occurred in Melbourne, which was away from the powderkeg atmosphere of NSW, seemingly, but this incident shows the heavy-handedness of the law that the unionists were up against. When the union leadership decided to call a mass meeting in Flinders Park on August 31, the state government called out 1,000 armed troops. Colonel Tom Price told his Mounted Rifles what was expected of them that day, if trouble broke out:

To do your work faintly would be a grave mistake. If it has to be done, let it be done effectively. You will be each supplied with forty rounds of ammunition and leaden bullets, and if the order is given to fire, don't let me see one rifle pointed up in the air. Fire low and lay them out—lay the disturbers of law and order out, so that the duty will not again have to be performed. Let it be a lesson to them....

Fortunately, there was no massacre that day, but the case of union shearer William McLean was not unusual. The picture middle right, is of his grave. He was shot in the

chest on a sheep station called Grassmere in Queensland in 1894. Though the bullet punctured his lung, he was given no treatment, but just thrown into a cold prison cell overnight, and sent home to his mother the next day, to die.

The great maritime and shearers' strikes of 1890 ended in a rout for the unions, who simply did not have the resources to hold out. They went back to work with massive pay cuts, worse working conditions, etc. In fact, for the next several years, unions were persecuted all over the country, with authorities reading the Riot Act and using "unlawful assembly" laws at a moment's notice. Unionists were given draconian jail sentences of from three to 15 years.

The men shown here are some of the Shearers' Union organisers who were jailed at the time. They would often be put in solitary confinement for years at a time, and some of them literally went insane. Spence and his fellow union leaders drew some conclusions from their bitter defeats of 1890—that the unions would have to change the methods by which they fought. They would have to replace what they called the "old unionism" of pre-1890, with the "new unionism."

“New Unionism”

Come with me to the winter night of June 12, 1892, to the Leigh House in Sydney, where hundreds of people gathered to hear Spence speak on “The Ethics of the New Unionism.” Imagine yourself in the audience, one of the many who constantly punctuated his speech with loud cheers.

Throughout the whole of Nature there is undoubtedly a spirit of evolution working, and working in a very definite direction. Specialising the various forms of life, adapting them to their environment. Humanity must, of course, be regarded as part of Nature, and are also influenced by this spirit of evolution. We have been placed at the very apex of the pyramid of created things. We have, by the exercise of our superior intelligence been able to control many of the forces of Nature and utilise them for our own good. We have been able, to a greater degree than any of the lower forms of life, to take advantage of co-operation, or of forming alliances for mutual benefit. In this great movement called “Trades Unionism”, or the “Labor Movement”... we find the same evolutionary spirit has been at work....In the days of what we call the “old unionism”...the old unions or organisations confined their attention solely to what was called, obtaining reasonable wages and hours of labour, or as good a wage as they could get, and to a resistance of the crushing tendencies of the employers. But the older unionists imbibed somewhat the spirit of the capitalist—their views were too narrow. They did not, or could not take much interest or do anything for those outside their own ranks or amongst the great masses of the unemployed....In the meantime there was spreading amongst unionists this idea...that they could not effect the improvement they desired by dealing only with the mere question of hours and wages. And so comes what has been termed the “new unionism”—a unionism wide and broad in its aim, and one which will certainly be far-reaching in its effects. We find that labour has been educated and is steadily turning its attention to other methods of reform. It is that principle which distinguished the “new unionism” from the “old unionism”. There is a difference in our aim which is a most noticeable feature. We are aiming now at securing an improvement by social and political reforms—and by that means alone a revolution will undoubtedly be effected in time. When I use the word revolution—do not misunderstand me—I mean a quiet one. It will be a change from one condition to another, which almost deserves the name of “revolution”. I feel certain it will come about steadily and surely and rapidly if we take the proper stand, the only stand—that of “common humanity.”

In the second half of his speech, Spence traced the roots of the “new unionism” to Christianity. Not Christianity as in a Calvinist doctrine, that man is born a miserable sinner, except, of course, for those predestined to be saved, i.e. to get rich, but a Christianity whose moving spirit is to change the lives of human beings in the real world, profoundly for the better. At the same time, Spence cautions, one cannot measure one’s efforts simply according to the results of any short period of time, but see one’s efforts in the span of many generations—what we today would call Temporal Eternity.



I take it that the human family is inherently good. I go against that old idea of always crediting our human frailties to original sin. I say that humanity is inherently good if we only let it have a chance to exercise its goodness....

The aim of “new unionism” is a grand one, a noble one. The principle underlying and guiding it is simply the principle laid down by Him who long ago laid the foundation of a great reform—I mean the principle of love for one’s fellows....We all believe in justice, in truth, in honesty. The world today believes in them. The world could not get on at all unless there were reasonable men practising those great principles. If we are not able to carry them out in their entirety, if we are not able to practise what we preach because of our circumstances in life we can at least do this much—we can try to change our circumstances by exercising whatever power lies within us, and by so controlling the affairs of life remove impediments from human progress so that there will be an expansion of the good, of the noble, of the best. All these are qualities to be admired in man, and mark the distinction between the higher and lower in humanity. We must try and act and react upon the nature and character of those around us, and must not judge the results from trifling incidents here and there. The chief scientists in their study of nature see much that you and I do not, and in the same way all who study the present movement carefully, must see there is a great gathering of forces. I would ask you not to look at the matter in the paltry spirit of your own life-time. It must be dealt with in a far broader spirit than that. Unfortunately, the old unionists, and many who today pretend to be “new unionists”, look at every little barrier they have not overcome, which after all prove to be questions which simply require the putting forth of a certain amount of effort....

In taking up this new unionism, we must see if we cannot get right back to the level of the founder of Christianity, imbibe some of His spirit and get rid of musty theology, for some of it is very musty....In our present state we see many, very many cases of suffering and of trouble. We can trace its cause and see a way of removing it, and shall we sit idly by and allow the misery to go on? No, a thousand times no. Christ taught men that they could and should bring the kingdom of heaven upon earth. New unionism aims at giving practical effect to that, knowing full well that the inherent good in humanity, if it has an opportunity to expand, will rise, will become practical, and bind the people together.

Spence repeatedly polemicised, that the so-called “masses” must take personal responsibility to change the existing political order, instead of just whinging about it.

We cannot change in a day the mental habits of a million years, but we can quickly pull down those political and social barriers which coerce man to do what he for ages has not desired to do. There is enough latent goodness and sense of justice in man to make life better if given a chance by a better environment. Our hope is in the masses, in government by self, and by every self consciously taking an active part in the ruling of the collective life. Within the minds of the units who form the mass of working men there are high ideals. They are not realised now because they are crushed by the miserable

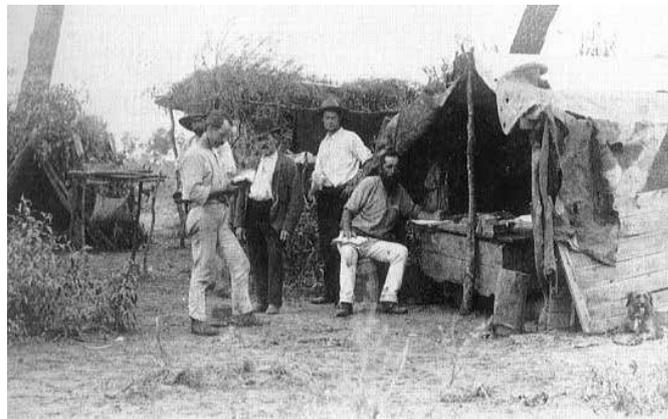


struggle for material things necessary to sustain life. Applied science and modern machinery, when utilised for the good of all instead of profit for the few, will banish fear of poverty and give a chance to moral, intellectual and spiritual advance. Then in a generation we shall see a leap to such a higher plane of life that can only now be conceived of in thought. The desire has ever been present in all ages, but the time had not come. It is with us now. Let us not miss the opportunity. The work lies in our hands. Let us Agitate, Educate, Organise. We have the power if we have the will....If any body of persons in Australia is to blame for the evils of our social system, it is the working classes. We have the intelligence and the power to change the conditions of life for the better, and have only to put forth our energy, and by unity of effort we can gain all that is required....The masses must not only take a deeper interest in political questions, but they must make the politics of the country. The welfare of the people must be raised to the first place—must be the uppermost and foremost consideration. How best to secure the good of all without injury to any should be the aim—not commercial supremacy, not cheap production regardless of the human misery following, but rather the broadest justice, the widest extension of human happiness, and the attainment of the highest intellectual and moral standard of civilised nations should be our aim....Let each remember that man had failed before because each carelessly left to some other the work of the Common Good. We must reverse that. Each must take his or her share. With unity above all as our watchword, the Common Good our aim, we will soon find common ground of agreement as to the way in which the goal should be reached. The best start we can give to our children is the certainty of better conditions; the sweetest memory of us to them the fact that we did so.

Finally, Spence outlined Australia's role among the nations of mankind.

We have special advantages in this young country, and if we make use of them we can accomplish all we desire....I expect to see economics advance, and I expect to see what will be really a revolution in our social system in Australia. Let us set up a system that the rest of the world will not be slow to follow. We have certainly, so far, had a good name and held our own in the world in modern social movements. I am anxious that we as a people should be able to do this great work, and that we should be able to give the rest of the world something to imitate, and they will quickly follow in our steps.

In pursuit of these noble goals, the AWU set up daily newspapers in Brisbane, Sydney and Melbourne, to counteract the Anglophile major press which dominated the country, and the union became famous for its constant efforts to educate and inform its members. As Spence put it, *Our members are notoriously the best informed of Australian unionists.* The above photograph is very interesting, because it shows the shearers' strike camp at Barcaldine in Queensland, when the Labor Party was founded, but what you are looking at is the strike camp library, and the striking unionists reading to stay informed and educate themselves. Spence himself came under heavy attack, both through the



Library of shearers' strike camp at Barcaldine, Qld, during the dispute that led to the founding of the ALP. It was the intellectual outlook of "new unionism" that created the shift in labour from an industrial movement to a political movement.

so-called "legal system", and through slanders and libel in the major press, charging that he was stealing money from the union, and sitting fat and happy, while his members faced hard times. Perhaps this might sound familiar.

At the very end of his book, Spence included what he called "The Honor List of Union Prisoners"—all those who had been framed up, or convicted under clearly unjust, draconian laws, and sent to prison.

As for the charge that Spence was getting rich off the sweat of his union members, perhaps the best answer to that is the following poem written by a member of the AWU.

[Preface from author: In the old union days it was a favourite gag with squatters to tell Union men that Spence was making a good thing out of them. In New South Wales I've heard them say Spence had a station in Victoria; in Victoria they'd say he had a run in NSW. I have known Spence for many years, and have travelled Australia from the Territory to the Bight, but could never locate Spence's Station.]

HONOR LIST OF UNION PRISONERS.	
The following Unionists were sent to prison for periods varying from four months to seven years for alleged breaches of unjust law vindictively administered. The list is not complete. It is for New South Wales for 1891-1894.	
Ashton, J.	Larney, J.
Armstrong, Alex.	Lawless, Henry
Belfitt, A. A.	Lee, Brian
Bruce, G.	McDonald, Jack
Brown, J.	McOid, Hugh
Berkely, Henry	McLean, Wm.
Blair, Wm.	Murphy, John
Bonner, Thomas	Murphy, Charles
Bolger, John	Montgomery, Alfred
Casey, James	Moss, H.
Collins, Alfred	McKenzie, G.
Cam, J. E.	Marsden, J.
Costello, Michael	Noble, J.
Coleman, Wm.	Olsen, Peter
Currie, Thomas	Osborne, Hector
Davidson, W.	O'Neill, Andrew
Donnellan, James	Oliver, C.
Douglas, A.	Price, Wm.
Devlin, B.	Polkinghorne, E. C.
Enright, J.	Pahas, Paul
Elliott, T.	Parker, John
Ewan, W.	Ross, A.
Ferguson, W. J.	Reinecke, E.
Fitzpatrick, P.	Richardson, Robert
Glendon, P.	Ryan, J.
Graham, Hugh	Stiff, Joseph
Graham, Jack	Skelton, Richard
Gearing, J.	Skelton, C.
Gerstenkorn, H.	Sullivan, Thomas
Hewitt, R. H.	Springfield, Frank
Heberle, Herman	Thomas, W.
Herr, Albert	Townsend, S.
Hogan, M.	Tyson, Wm.
Hurley, F.	Thomas, T.
Innes, David	Vergin, John
Jones, John	Williams, Henry
Jackson, W.	White, J.

Honour roll of union organisers jailed in NSW and Qld in the 1890s, for jail terms of up to 15 years.

Spence's Station

by F.J. Murray

Beyond the furthest far-out-back, beyond the setting sun,
Beyond the Western desert plain, where rivers never run;
Away beyond the border fence, 'neath azure summer skies,
Where droughts and floods are both unknown—there Spence's Station lies.

He owns five hundred million sheep of Lincoln-Leicester breed,
That's crossed with old Merino strain, true type of squatter's need;
His stud ram weighs ten thousand pounds, of wool he cuts a ton;
He's three weeks' shearing with the blades for Howe, the Queensland gun.

His shed is roofed with beaten gold, brought from the planet Mars;
From huts to shed the shearers ride in cushioned motor cars.
The drummer shears two hundred sheep and never turns a hair;
No cuss words on the place are used, all work doth start with prayer.

He got eight million pounds, we've heard, by pinching Union funds,
And purchased houses in the moon and many station runs;
And when he's made his pile they say he'll give the Union best,
And live in regal style while we are tramping in the West.

I've toured this land from north to south, from westward to the east,
In times of flood, in times of drought, of famine and of feast;
I've tramped it when the plains were dry and when the plains were wet,
But never crossed the border fence of Spence's Station yet.

New South Wales election, 1891

The first visible results of the "new unionism" came in the New South Wales parliamentary elections in 1891, when Labor sought to take government power in its own name.

In that year, Labor achieved an astounding success, electing 37 members in a parliament of 87, where before it had had zero. This was a shot heard across Australia, and, indeed, around the world.

I will give you a brief account of that 1891 campaign from a book written the very next year called *The Labour Party of New South Wales: A History of its Formation and Legislative Career*. Remember, in what is to follow, that there was no Labor Party before 1891—what you are about to hear, is its founding.

The year 1891 undoubtedly saw the awakening of the giant Labour in Australasia....

It has long been said, that "out of much evil good cometh", and this may certainly be applied to the Australian Labour War of 1890, which, widespread in its ramifications, and carried on with extreme bitterness, involved much anxiety, much misery and distress, and, at one time, almost threatened revolution. When peace came there also came calmer thoughts of more rational schemes for securing the end sought to be attained. There were certainly bitter thoughts, also, and one of these was that the Government of the day was more influenced by regard for the influence of Capital than by sympathy with the just demands of Labour in dealing with the great strike....

The Trades Unionists had suffered heavily by the great strike, and had become thoroughly imbued with the idea... that they would never secure justice until they secured

strong and direct representation in Parliament.... Having determined to be thoroughly represented in Parliament, arrangements were very quickly carried out. A Platform was drawn up by the Trades Hall Council, and then in the various electorates in Sydney and in a number in the country, Labour Electoral Leagues were formed. These Leagues afterwards selected the candidates who were to contest the different seats which it was desired to obtain.... Candidates were required to approve of every plank in the Labour League platform before they were acceptable to

the Electoral League. Among these sixteen planks, were included No. 9, which called for "Establishment of a Department of Labour, a national bank, and a national system of water conservation and irrigation", and No. 12: "The federation of the Australasian colonies upon a national as opposed to an Imperialistic basis...."

Although not thoroughly prepared, the Labour Leagues plunged vigorously into the contest of the general election which took place in June 1891. They had not the means to do much in the engaging of venues in which to address the electors, or of advertising; but they spoke at street corners and from carts—from any available vantage-point, in fact—and did the major portion of their advertising by word of mouth, which was inexpensive, and, as it proved, sufficiently effective.... The Labour candidates had no cabs and no money, but they had streams of supporters wearing the Labour colours "blue and white", who worked unceasingly from early morning until the closing of the poll in order to secure every available vote. The excitement at the different polling booths was great all day, but after the polls closed it naturally largely increased, and tremendous crowds impatiently awaited the result. At West Sydney and Balmain there was probably the most excitement, for at those places bunches of four prominent Labour men were contesting the seats....

When the polls at the two places mentioned were announced, there were tremendous outbursts of excited approval, for it was found that the complete Labour bunches were returned in each instance, all other candidates, of course, being rejected.... The Labour Party scored heavily in Sydney generally. They nominated 27 candidates and secured 18 seats out of the 52.... Other seats were obtained in the country elections which followed, and when the contest was finally over, it was announced that Labour had in Parliament a party of 37 members.

From all over Australia—indeed, from all parts of the world—congratulations on the successes of the Labour party were received by Mr. T.J. Houghton, Secretary of the Central Labor Electoral League, who, by the way, was himself returned for a Sydney constituency—the

THE LABOUR PARTY

IN
NEW SOUTH WALES

A History of its Formation and Legislative Career

TOGETHER WITH BIOGRAPHIES OF THE MEMBERS, AND THE COMPLETE TEXT OF THE TRADE DISPUTES CONCILIATION AND ARBITRATION ACT, 1892

BY
THOS. R. ROYDHOUSE AND H. J. TAPERELLI.



SYDNEY AND BRISBANE
EDWARDS, DUNLOP & CO., LIMITED
1892

The history of the 1891 election in NSW, in which 37 Labor men were elected to Parliament for the first time, sending political shock waves throughout Australia and the world.



Left: Queen Victoria, the long-reigning monarch of Britain under whom the "sun never set".

Middle: Cecil Rhodes, South Africa-based British mining magnate whose vision for the British Empire included the eventual re-conquest of the United States.

Right: Lord Alfred Milner, Round Table official and British governor of South Africa, who managed Rhodes' fortune to achieve his vision.

Glebe—for which it was thought at the outset he had but little chance.

Among those elected were the number one and number two vote-getters for West Sydney, the close friends and trade unionists, John D. Fitzgerald and George Black. But let us now look back to some three years before the great electoral victories of 1891, to what some of these labour leaders, including George Black and John D. Fitzgerald, were doing.

George Black and Republicanism

The year 1888 was a jubilee year, the occasion of an immense celebration of the landing of the first ships at Botany Bay one hundred years earlier. In part because there was still a sense of shame felt, at least in so-called "polite company", about Australia's alleged "convict" origins, the celebrations were mainly organised around Australia's connection to the British Crown and Empire.

From a global standpoint, these were ominous times. British imperialism was on the move worldwide, grabbing colonies throughout the world, and beginning to arrange the Triple Entente, and other diplomatic maneuvers through which England would soon plunge the world into the hell of its first world war.

Though the aging dowager, Queen Victoria, sat on the throne, the real ruler of England was her degenerate son, the Prince of Wales, later Edward VII, the "boss of all bosses" of the European oligarchy.

One of the chief instruments for Britain's imperial drives was the Oxford-educated Cecil John Rhodes, whom the British would soon back in the 1899-1902 Anglo-Boer War to seize the vast mineral wealth of southern Africa. Rhodes and his associates, including Lord Esher, the leading policy adviser to the Prince of Wales, founded a secret society, the Round Table, one of whose top officials was the British governor of South Africa, Lord Alfred Milner.

After Rhodes' death, shortly after the Anglo-Boer War, Milner and the Crown used his vast fortune in gold and diamonds to some years later establish the various "institutes for international affairs" around the world, such as the Royal Institute for International Affairs in London, the Council for Foreign Relations in New York, the Australian Institute for International Affairs here, and so forth. The purpose of all this was outlined by Rhodes in his will: *the extension of British rule throughout the world,... [including] the ultimate recovery of the United States of America as an integral part of the British Empire.* In a credo written shortly before his

death in the 1920s, the master of Rhodes's fortune, Lord Milner, outlined the specifically racist beliefs which had animated both himself and Rhodes:

I am a British (indeed primarily an English) nationalist. If I am also an Imperialist, it is because the destiny of the English race...has been to strike fresh roots in distant parts... My patriotism knows no geographical but only racial limits. I am an Imperialist and not a Little Englander, because I am a British Race Patriot....It is not the soil of England, dear as it is to me, which is essential to arouse my patriotism, but the speech, the tradition, the principles, the aspirations of the British race....This brings us to our first great principle....The British state must follow the race, must comprehend it wherever it settles in appreciable numbers as an independent community.

It was this "racial Imperialism" which was being celebrated in New South Wales and in Her Majesty's other Australian colonies in 1888.

There was another spirit rapidly growing in the land as well, however, one which the 1888 Centennial was clearly organised to combat—a revival of John Dunmore Lang's dreams for Australia as a separate, sovereign republic. On July 4, 1887, on the anniversary of the American Declaration of Independence against Britain in 1776, members of the New South Wales parliament celebrated that world-shaking occasion with the sizeable community of Americans living in Sydney. The same day, trade union leader George Black, and Louisa Lawson and her son Henry Lawson, the poet, founded a newspaper in Sydney called *The Republican*. This was only one of several republican newspapers and republican organisations founded in that year and the next.

In 1887, Black's friend the trade union leader John D. Fitzgerald founded an organisation called the Republican Union, which was dedicated to founding an Australian Republic, and so avoiding the likelihood of Australia becoming involved in an imperial war. At its second meeting, with over 200 in attendance, speakers constantly hearkened to the example of the American Republic and the Declaration of Independence.

Meanwhile, throughout that same year of 1887, George Black was giving speeches to large and enthusiastic audiences in Sydney's Domain, on the necessity to establish a republic. In early 1888, before a crowd estimated at 1-2000, he announced the formation of the Australian Republican League, whose key plank was "Federation of the colonies under republican rule." By mid-1888,



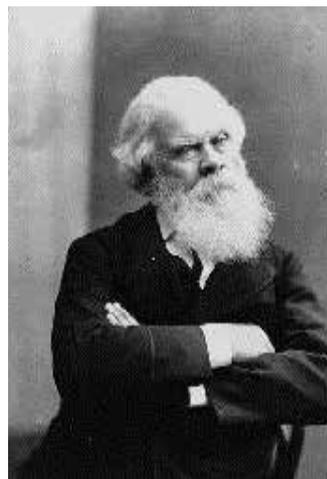
Black had published his ringing manifesto, *Why I am a Republican: Nationalist versus Imperial Federation*. The degree of republican fervor in New South Wales at that time, can be estimated by the circulation of Black's booklet, *Why I am a Republican*, which sold an astounding 63,000 copies in two editions—this at a time when there were probably not more than one million people in all of New South Wales, men, women and children. That same year, the Sydney nationalist Robert Thomson published his book, *Australian Nationalism*, which was modeled directly on John Dunmore Lang's book, *Freedom and Independence for the Golden Lands of Australia*. And, in May 1888, the National Party led by Thomas McIlwraith scored a remarkable victory in the Queensland elections, standing on a platform which included the goal of a federated independent republic for Australia.

Naturally, the British Empire could not allow this mass organising for a republic to go unchallenged. In the next year, 1889, Sir Henry Parkes, John Dunmore Lang's old arch-enemy who, as the Premier of New South Wales, was the most powerful politician in Australia at the time, and such a raving Anglophile that he would make Sir Robert Menzies' bootstraps blush, announced that he would lead a drive for "Federation under the Crown"—that is, an Imperial Federation.

The architect of all this, as the surviving records, including Parkes' own diaries, show, was Her Majesty's Governor-General in New South Wales, Lord Charles Robert Carrington, one of the most intimate associates of the Prince of Wales. Among other things, the British Crown clearly wanted Australia as a manpower and logistical base for the coming world conflagration, which the Prince had already done much to organise.

But, let us now hear, from the mouth of George Black himself, in the second, 1891 edition of *Why I am a Republican*, what the ideas were, which terrified Carrington and his puppet, Sir Henry Parkes. Black concludes his pamphlet with a poem, which I believe he composed himself—certainly the noble passion of his prose and that of the poem are identical. And, for anyone who disagrees with, or has heard complaints about the, shall we say, "polemical" style of the *New Citizen*, just listen to George Black, and you'll learn a thing or two about being polemical. In the preface to his pamphlet, Black explained that republicanism had grown rapidly since the first edition was issued just three years earlier.

This pamphlet was originally written and published at



Top left: George Black, arch-republican elected to NSW Parliament in 1891 as one of the 37 Labor representatives. Top middle: Louisa Lawson, and her son, Henry Lawson, who were early activists in the Republican League of the 1880s. Top right: John Fitzgerald, associate of Black and founder of the Republican League. Bottom left: Sir Henry Parkes, raving Anglophile who was deployed by British governor Lord Robert Carrington (bottom right) to defeat the push for an Australian Republic by substituting "Federation under the Crown".

a period when Republicanism and Australian Nationalism were less popular than now....Some of the contingencies prophesied in the first edition, pooh-pooed at the time by Conservative writers, have come to pass. Premier Parkes and those associated with him in the drafting of a Federal Constitution Bill have endeavoured to trade away Australian liberties for the problematical return of Imperial "honors".

They have attempted to saddle us with a Governor-General, a heavily-salaried scion of Royalty, in whom they would vest the right of veto, and who would inevitably constitute the first of a line of Australian monarchs, were we only weak enough and wicked enough to consent to his appointment.

This caucus of traitors, for traitors they were with few exceptions, anxious to please to obtain the "paltry prefixes" (Parkes, I thank thee for that phrase!) that gild, to easily-bedazzled eyes, the most dishonoured names, are anxious to found an Australian nobility in order to hand down their ignoble cognomens to posterity, thus espousing the most devilish device ever invented for the stifling of liberty; while not fearing to burthen Australian toilers for all time with a weighty load of leisured, lascivious, luxurious, and profligate human flesh....

We Australians do not intend to dabble in any scheme for



Federation that is not solidly founded on the bed-rock of Democratic institutions....In fact, we are willing to delay Federation until the style of Federation that we desire is made possible; till then we will endeavour to ensure the chafing of those 'silken ties'—knowing that when complete independence becomes necessary, we will, in that case, have the power as well as the will to obtain it.

Following this preface, Black outlines why he is a Republican, and how republican institutions differ from those of Great Britain.

It may be confidently stated that none of the existing Republics are in perfect accord with the spirit of the age, and that the government of the people, by the people, for the people, can never be fully attained in countries where Republicanism is "merely Monarchy parading under a mask", in societies where the sources for creating wealth are monopolised by the few, thus afforded the power to fix what share the toiler shall receive of the wealth created by his own exertions and the price he pays for commodities....

I am a Republican because I see in that system possibilities of improvement, while under Monarchy I can see none; because I believe that all men are born free, and equal, entitled by the mere fact of their existence to certain rights which are inalienable, no matter what their capabilities, nor how menial their occupation. It is monstrous that animal succession, the mere accident of birth, should entitle anyone to lord it over his fellows.... Those who cannot submit to absolute rule, must, if consistent, embrace Republicanism; any half-way house is but a refuge for fools, knaves, and cowards....I disbelieve in monarchical rule, moreover because it is an immoral system that has always been productive of immorality in the ruler, from whom the disease has invariably spread to the subject....

Look at this carefully prepared table [comparing Great Britain and America, and the millions of pounds spent in different categories—see table, below]:

Comment would be superfluous.

It has already been argued that standing armies and navies would scarcely be required in a world of Republics, and certainly the British naval and military services is the chief prop of the throne and nobility, as it is almost wholly officered by aristocratic nincompoops—in fact, a very great part of our war expenses is drawn as salaries

by those locusts of office....

A State Church, is an absolute essential to the existence of monarchy, in any country. The priest-ridden peasant and mechanic is told from the altar every Sunday morning that monarchy is a divine institution, he hears also long prayers so sedulously offered up on behalf of the Queen and every member of the Royal Family, that the poor, over-worked, ill-fed halfwit is induced to accept the monarch as a member of the Holy Trinity....

Like Spence, Black had some well-aimed polemics for the apathy and sluggish mental habits of the masses:

[In America] The Republic is rearing an intelligent race by her system of education, while the older country is fostering a horde of physical and intellectual slaves, doomed to struggle all their weary days for the support of an army of lazy, debauched loafers, and kept in subjection by the red-coated mercenaries recruited from their own ranks. How long will this last? Is Wrong to be forever triumphant? Will those who suffer, always remain in apathy, heeding no warnings, deaf to all the prayers and entreaties of those who would fain emancipate them? Surely the day of Freedom, intellectual first, and then physical, is dawning.



Some may be dense enough to ask—What has all this got to do with Australians? I answer, Everything! If the Imperialistic people here, and at home, have their way, Australians ere long will have to pay a quota of these expenses. The toadies here are eager to trade away our liberties in return for titles. The Tories in Britain are equally eager to buy with that which costs nothing, the right to levy blackmail on a continent now worth much and likely, ere long, to be worth more.

Imperial Federation, aye, and also Federation of the Griffith-Parkes' brand, means for us a share in England's quarrels, a share in her blood-thirstiness, a share of the enmity that she has worked so hard to earn for herself in every corner of the globe. It means that Australia will be governed, not in her own halls of legislation, but from Downing-Street....However: An Independent, federated Australian Republic would have absolutely no enemies, and it would be a weighty part of the duty of her leaders to see that she made none....

There is but one door of escape from those dangers and complications—COMPLETE SEPARATION AND FED-

Country.	Y'r.	Popu- lation	Rev- enue.	Spenton Educa- tion.	Army and Navy	Cost of Mor- archy, Aristoc- racy, and State Church.	Earnings per head.	Taxation per head.
		MILLS	MILLS	MILLS.	MILLS.	MILLIONS,		
Gt. Britain.	1887	37	103	6½	39½	31	£35	£3 17s.*
America.	1883	56	80	18½	12½	Nil	£73	£2 10s.

ERATION UNDER REPUBLICAN RULE. I have been told we are not strong enough. Humbug! We have about four millions against the three millions that constituted the United States of America when she so nobly won her Independence, and having better means of communication, being more distant from the dangerous powers, we are better able to defend ourselves than she was, while our trade and revenue are infinitely superior to hers at that date... Yet we are told that we are poor and defenceless, dependent for safety on the old country. These are the whining subterfuges of crawling cowards and numbskulls....

"Thrice armed is he who hath his quarrel just." I say again our ultimate safety is in SEPARATION!...

And finally, in an argument against Federation, which is similar to what we propose today, when we urge all thinking Australians to vote "No" in the Nov. 6, 1999 referendum, and fight to establish a real republic, rather than the "Clayton's republic" being offered by Malcolm Turnbull and his friends, Black in the 1890s says:

The question which a consideration of the Federation proposed by the Imperialists, of the undemocratic scheme propounded by Griffiths and Co., prompts me to ask is this: Do you Australians desire to accept a federation with the old land, accepting with it a share in all her miserable quarrels, heavy debts, entangling treaties, and dishonoured pledges? Or do you, no matter in what province you reside, desire to set out in national life, hand in hand with the other provinces, free from all restraint, at peace with all the world, to work out your own evident destiny as a great people? I think your answer will be, not only outside your Legislative Assemblies but also inside these Assemblies, now that you have begun to return those who may be truly said to represent you, that you prefer to delay Federation until it can be founded on a natural basis and accomplished through an amicable termination of the relationship now existing between the provinces of Australasia and the parent power. That time is rapidly approaching, at present it is the duty of every patriot to do all that lies in his power to prevent its postponement by any action of those placed in authority.

Black concluded his pamphlet with a poem, which he

John D. Fitzgerald

Now, let us turn to one of George Black's closest friends, his fellow member of parliament in 1891, and fellow republican, John D. Fitzgerald. Though he has been largely eliminated from history books because of his republicanism, Fitz-gerald was a key early leader of the Labor Party. He was a top labour organiser during the maritime strike of 1890, and went to England at his own expense on behalf of the Labor Defence Council, to publicise the cause of the striking unionists. He returned to Sydney in March 1891, just in time to help organise the Labor Electoral League of the Trades and Labor Council. Later, he was a member of the ALP's executive from 1911 to 1916. He was vice president of the party in 1912, and president in 1915-1916. Speaking in his pamphlet, *The Rise of the Australian Labor Party*, written while he was on the ALP executive just on the outbreak of World War One, Fitzgerald will sum up for us the breathtaking ac-

apparently wrote himself.

Australia, dear Australia,
Now joy serene and peace profound
Walk hand in hand thy shores around;
King on thy throne sits, firmly crowned,
Loved Liberty, sweet Liberty!
Still earth breeds tyrants—so beware;
One heedless step may thee ensnare.
Be wary, strong, that none may tear
The cap of freedom from thy hair—
Thy watchword ever—Liberty!
Australia, dear Australia.

Australia, dear Australia,
Let others, who for glory strive,
The car of war o'er myriads drive,
With slain men's spoils to deck the live,
While Liberty, sweet Liberty
Remains your motto. None oppress,
Pure be your record, speech and dress,
Arrayed in national loveliness,
Faithful 'mid fortune and distress
To Liberty, sweet Liberty!
Australia, dear Australia.

Australia, dear Australia,
Bind in one cord, of silken strands,
The sundered children of your lands;
Let State with brother State join hands
In Liberty, sweet Liberty.
Then o'er each headland, ocean-laved,
Shall one broad banner aye be waved—
Beneath, all free, none poor, enslaved,
Oh! land for whom the past has raved,
Whose watchword aye is Liberty—
Australia, dear Australia.

Australia, dear Australia,
Among the nations claim a place
And hold it fast. Oh, favored race,
Shun old-world ills, seek old-world grace,
Thy watchword ever Liberty!
Then, champion of a bloodless field,
A sword defensive only wield,
Pale purity thy stoutest shield,
So shall thy years in honor yield
Thee Liberty, sweet Liberty,

complishments of labour since 1891:

The attainment by the Labor Party of supreme political power in the Commonwealth of Australia, and also in all but one of the component States thereof, is one of the signs and portents of the world's intellectual development today. While to some the fact of Labor's rise is hailed as the dawn of an era of human regeneration, to others it appears as the successful revolt of Spartacus and the Roman slaves must have appeared to a conservative Roman. I have used the words "world's intellectual development" advisedly, because the success of the Labor Party has followed an intellectual upward movement of the masses in Australia. The advent of an "educated proletariat" was the dread of the older conservatives, before Disraeli and the Tory Dames discovered that the English urban and rural workers were alike susceptible to the blandishments of titled condescension, and that in England the swish and frou

frou of a Duchess' silks and satins and the scent of her furs could counter-balance the persuasions of an educated leader of an "uneducated proletariat" after the agricultural laborer had been enfranchised. The Australian movement is a portent, because the educated proletariat leader has disappointed the prophets, and proved himself capable and responsible and yet unsusceptible to blandishments which proved to be the undoing of so many men in England in the past. J.F. Archibald of the *Bulletin* used to have a saying that "It was a poor sort of Democracy that couldn't stand the test of Government House." Our leaders have since then stood the test of palaces, cabinets, and chancellories.

It is said that a Japanese statesman remarked, on the first advent of the Watson Labor Ministry to power in 1904, that "the coolie classes had captured the Government in Australia". Such a statesman, who had probably seen Feudalism in full swing in Japan in his own time, and who had had no experience of an "educated proletariat", would think in the same manner as the Conservative who dreaded the enfranchisement of the agricultural laborer in England or the Roman Senator who beheld the revolt of the slaves under Spartacus....

No real history of the ALP had been written at the time Fitzgerald wrote this pamphlet (and, I might add, no real history of the ALP has been written since). Fitzgerald does, however, identify some of the essential dynamics.

In these pages I am not going to argue the political merits of the change; but propose to accept some things as they are and endeavor to explain from some personal knowledge and observations—as one who might from his industrial origin be regarded from the Japanese statesman's standpoint as an "emancipated coolie"—the rise, in 25 years, of a great party from nothingness to power, and to show how and why men who a few years ago were delving in the mine at the most exhausting and hopeless of manual labor, "snatching" type in a printing office, "supering" in a theatre, or working as artificers in a boiler factory or a joinery, have possessed themselves of the seats of the mighty, have influenced Imperial Cabinets and policies, and have been welcomed by the King as representatives of a sovereign people, have been negotiators in the highest diplomatic circles, have inspired treaties which have checked this or that European chancellory, have made tariffs which directly affect industry all over the world; and last, but not least, have striven to give work to the workless and hope to the hopeless, to check the vagaries of "predatory wealth" to raise humanity, and to achieve social ideals which have been regarded as hopelessly chimerical by older schools of statesman.

So far as I know there has been no published sketch upon this epic theme of the rise of a great party from insignificance to power, from inertia to consciousness and success. My friend Mr. George Black, Member of the Legislative Assembly for New South Wales, has sketched the history of the Party in New South Wales in an opusculum which is too little read even in our own Party. Mr. W.G. Spence has touched upon phases of our growth in his reminiscences. I do not set out to write a history of the movement because, *inter alia*, it would involve a presentation of facts in sequence. All I seek is to give—in this our Jubilee

Year—a bird's eye view of the influence and impulsive forces which brought about the phenomena we are considering—forces which caused men who were down in the depths to lift themselves and their fellows, to educate themselves and their followers, and in the process to educate all other political parties; to broaden their own minds, and in the process to broaden the minds of all other political leaders; to overcome their own deficiencies in knowledge and experience so that they were able to weld heterogeneous forces into a solid phalanx....

The germs of the forces which have risen and gone forth to the conquest of political power in Australia are to be found in the Trade Union Movement. When I was a youth, working as a compositor, there was not much Trades Unionism.... There was, at the time I am speaking of, no shadow cast before of that momentous creation—the Australian Workers' Union—the famous "A.W.U." The founding of this Union is one of the big landmarks of Australian political history, for as it is one of the most powerful and influential of all the Trade Unions of the world, so it is also one of the most remarkable in the scientific manner of its organisation, the application of new forces—widely scattered—in the means it has employed to make itself respected; in its machinery, which includes a press and a ceaseless campaign of organisation, and in the calibre of the men who have led and are now leading it.

In my own union—the printing—there was no Union in New South Wales until 1880. Many told us not to organise. Notwithstanding this advice, we persevered, and the New South Wales Typos became a fine Union and contributed to Australian history (and the world's), the first Labor Prime Minister. I am glad to say that some of the men who opposed the formation of the Union afterwards became and remained staunch and useful members and leaders.

The chief impulsive forces of the seventies and eighties in the Labor Movement were the strikes. They were an important part of the educative movements which drove Labor into the world of politics.... Then again the conditions surrounding employment in indoor trades in Australia were bad. There was little or no attention to the workers' health—not that we are perfect in these days, but there has been a notable advance. Absolute anarchy reigned then. Bad sanitation and drainage, imperfect ventilation, no attention to the comfort or the cleanliness of the employees. This and more soured the lives and injured the health of the workers. The power of the employer to sack instantly, without appeal, was a Damoclean sword over the unorganised worker of that day. Thus one human being could condemn a fellow being, with his wife and children, to idleness, poverty, and misery—and I have known it done in caprice. Russia could show nothing worse. This is the great justification for Trades Unionism....

Most of the great leaders of Trades Unionism have never advocated and have invariably opposed strikes; but when



Labor leader John Fitzgerald

men are determined the leaders must lead....The man who can negotiate an industrial peace is the successful leader. I can well remember the Hon. W. G. Spence, Member of the House of Representatives, flashing out from comparative obscurity about 25 years ago with the settlement of a great shearers' strike in Queensland by negotiation, reasonableness, and superior diplomacy. This gave him a remarkable prestige in the Labor Movement, and this he has used to achieve that marvel of organisation which is a monument to the discipline and loyalty of the Australian bush worker—viz. the A.W.U. now a tower of strength, almost the backbone itself, of the Political Labor Movement in Australia.

And, it was the emergence of the Australian Labor Party in the wake of the 1890 maritime strike, Fitzgerald emphasised, which entirely redefined the politics of the country:

It is now agreed that the second great maritime strike of 1890 gave the final impulse to the idea which had long been revolving in the minds of the leaders of the workers—direct Labor representation in Parliament....The great strike of 1890 changed the face of the political world....In New South Wales, where the more dramatic phases of the movement occurred, the old Unions had—before the great strike—invariably eschewed politics. After the strike they were transformed into political bodies. The Political Labor movement was born of the strike. Thousands of sympathisers outside the Union ranks gave their adhesion to the Labor Political Movement....



Those who wish to read of the tribulations of the first Labor party in New South Wales Parliament must consult Mr. Black's brochure. The first men who blazed the track were a band of amateurs....Meanwhile, as these changes were taking place, the older parties were being hustled by Labor, and were compelled to coalesce. Impoverished of ideas themselves, they begged, borrowed, or stole from the Labor Platform. In due course, coalitions against Labor placed that party in direct opposition in all the States, and in the end, in the Federal parliament, another turn of the wheel, and the Labor Oppositions were transformed into Labor Governments. And so we stand to-day the dominant party in the Commonwealth, and in control of power in the States of New South Wales, Queensland, Tasmania, South Australia, and Westralia....

I am conscious that this sketch of the rise of the Party is incomplete and unsatisfactory, but it may lead others to examine their memories, and to furnish similar sketches which will help the historian of a remarkable movement when he comes to the task of writing the history of the period. I can only say that few great intellectual movements in the world's history are as picturesque as that of the rise of the Australian Labor Party. That men who a few years ago were joiners, schoolmasters, clerks, engineers, miners, boilermakers, should today be capable lawyers, Attorneys-General of great self-governing States, King's Ministers wielding great power, able administrators of huge State undertakings—all this would appear like stories from the Arabian Night entertainments. But it is an actual fact....For the methods by which the Labor Party has

achieved such wonderful industrial and political results in Australia today will, I feel assured, be copied by every proletarian party in the world—even by the coolies—once they are educated up to a standard which will enable them to understand what it means and how to copy it.

The paradox

Now, given that the Australian Labor Movement had achieved all that you just heard from John Fitzgerald, and that numbers of its founders, such as Fitzgerald himself and George Black, were staunch republicans, to the extent that the party took the spelling of its very name, “L-a-b-o-r”, from the American, rather than the British spelling, to signify its aspirations to free itself from British rule, as the Americans had done—what went wrong? Because, a huge amount did go wrong: among other things, Australia lost 600 men fighting for the British in the Anglo-Boer War, it received a constitution in which the Crown was, in fact, still all-powerful, and then lost 60,000 men in World War I fighting for that same Crown.

This Labor cartoon from the time of World War I (right), which caricatured the famous recruiting poster of Lord Kitchener pointing to the viewer saying “Your country needs you”, gives you a sense of the horror that people felt during the war; but, they fought anyway.

This is the classic Hamlet paradox, from Shakespeare, “to be, or not to be”. I do not intend to give you the entire “solution” to this paradox—just as Shakespeare did not specify precisely what Hamlet should do, but I will give you enough so that you have most of the elements you need to solve the paradox, if you think about it carefully.

First of all, the British Round Table crowd had a scheme to “tame” Australian nationalism in the 1880s-1890s, just as they had tamed an earlier upsurge of republicanism, that of the 1850s, with the “responsible government” hoax which was used to stop the work of John Dunmore Lang. This idea of taming republicanism was the theme of an entire book by a Round Table agent named Richard Jebb, called *Colonial Nationalism*.

Jebb traveled down here in the late 1890s, as well as to Canada and to South Africa, to profile the very strong nationalisms in each of these countries, in order to see how to stop them. Jebb's formula was: “Don't antagonise the colonies, or they will do what America did. Give them almost all they want, even tariff protection, strong trade unions, etc.—all with the aim of keeping them onside for what really matters—the connection under the Crown.”

Alfred Deakin, our second prime minister, was a very close friend and correspondent of Jebb. And, when he wasn't talking to ghosts at seances, Deakin was typical of this bastardised form of Australian nationalism, which demanded much from “Mum”, but was terrified to really cut the apron strings. Deakin helped found and lead the Australian Natives Association, which demanded much autonomy under the Crown, but insisted, quite emphatically even, when challenged, in maintaining the Imperial connection.

However, as the great African-American civil rights leader, the Rev. Dr. Martin Luther King, who was also a great mass organiser, emphasised, in a situation where people are oppressed, the real problems are not so much with the oppressors, but in the oppressed themselves, which makes them willingly submit to oppression. Listen

to the following words from William G. Spence, from his book, *Australia's Awakening*, and you will begin to see a reflection of the problem:

The Labor Movement in Australia is a political as well as a propagandist movement. Its leaders realise that before we can have social reform the people must be educated to demand and carry out such reform. The platforms, Federal and State, indicate the practical proposals for which public opinion is considered ripe. The objective and the general platform give an idea of the propagandist side. The first part of the Federal objective declares for "The cultivation of an Australian sentiment based upon the maintenance of racial purity and the development in Australia of an enlightened self-reliant community." The party stands for racial purity and racial efficiency—industrially, mentally, morally, and intellectually. It asks the people to set up a high ideal of national character, and hence it stands strongly against any admixture with the white race. True patriotism should be racial.



Does this sound familiar? Remember the words of the Round Table leader and Anglo-Boer War organiser Lord Alfred Milner, which we heard before. As you listen to Spence's further thoughts on this racial issue, you can see the devastating impact it had against Labor's own aspirations for a republic:

The discussion of constitutional questions evoked by the submission of the Australian Constitution brought us into closer acquaintance with the defects in the American Constitution, and at the same time increased our friendship towards that great people. The practical independence of government granted under the Australian Constitution, with the manifest advantages of being part of a big Empire and under its protection if need arose, together with the growth of a "White Australia" and the broad humanitarianism taught by the Labor Party, have developed a feeling of loyalty to race rather than to government, but have abolished any talk of either republicanism or independence.



This was by no means Spence's private viewpoint, but it was also propagated by the most important working-class newspaper in all of Australia in the 1880s and 1890s, the Sydney-based *Bulletin*. While arguing fiercely against the British, for republicanism, and for independence, the *Bulletin* also fiercely campaigned for a White Australia. Although this cartoon isn't from the *Bulletin*, it appeared in another leading Labor newspaper from the time, the

Above left: Labor Party satirical cartoon showing Lord Kitchener as the monster of World War I, in which 60,000 Australians died. Above right: Round Table agent Richard Jebb, who recommended Britain make whatever concessions necessary to ensure its colonies retained their connection to the Crown. Right: Alfred Deakin, Australia's second Prime Minister and a friend of Jebb who demanded more autonomy for Australia, but insisted on keeping the Imperial connection.



Queensland *Boomerang*, which shows just how deeply the White Australia, anti-Asian racism went at that time.

There were strong reasons, of course, why the unions would advocate a "White Australia", namely that British and British-tied squatters were always trying to bring in Chinese or South Pacific Islanders as virtual slave-labour, in an attempt to undercut a decent, union standard of living. On the other hand, the "White Australia" outlook enshrined as official Labor party policy, represented a collapse in conception from what you heard from Noelene about John Dunmore Lang. The point is not to denounce the ALP for this racist stance, as has become so fashionable and so effortless today, but to solve the paradox: What did the Australian Labor Movement lack, which led it to adopt a policy which defeated its own republican aspirations, and finally, in the end—that is, today—have left it a hair's breadth away from obliteration?

King O'Malley and the fight for a National Bank

Due to its tragic flaw, the Australian Labour Movement in 1901 lost the battle to create a republic. Nonetheless, labour, particularly some of its key leaders, continued their struggle for national sovereignty, albeit on a different plane, in a fight against what labour newspapers called "The Money Power". After all, the Colonial Office had demanded that all legal cases in Australia must ultimately be settled by appeal to Her Majesty's Privy Council, "in order

to guard substantial British investments in Australia,” and the City of London had controlled almost all of Australia’s credit from 1788 on. *The Brisbane Worker* of January 5, 1907, one of the papers owned by W.G. Spence’s AWU, defined the enemy as follows:

The Money Power! It is the greatest power on Earth; and it is arrayed against Labor. No other power that is or ever was can be named with it....It attacks us through the press—a monster with a thousand lying tongues, a beast surpassing in foulness any conceived by the mythology that invented dragons, wehr wolves, harpies, ghouls and vampires. It thunders against us from innumerable platforms and pulpits. The mystic machinery of the churches it turns into an engine of wrath for our destruction.

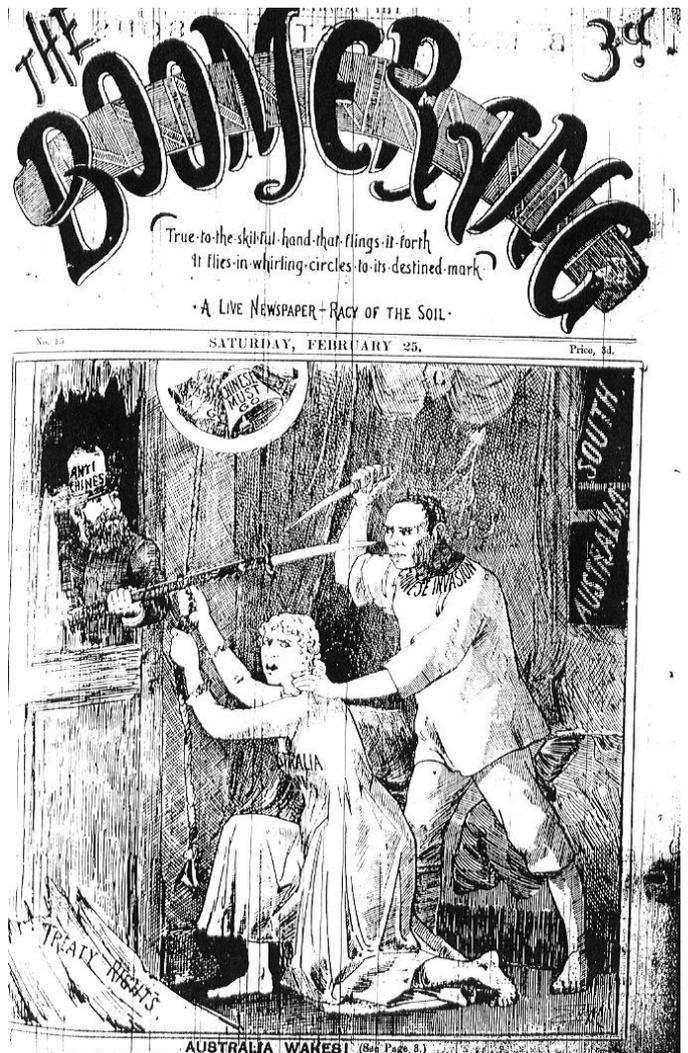
Yes, so far as we are concerned, the headquarters of the money power is Britain. But the money power is not a British institution; it is cosmopolitan. It is of no nationality, but of all nationalities. It dominates the world. The money power has corrupted the faculties of the human soul, and tampered with the sanity of the human intellect....

And that is why Labor men and women should stand religiously to their principles, and refuse the baits of compromise and expediency. The Labor Party represents the one Movement able to cope successfully with the Money Power; the one moral force not vitiated by it; the regenerative agency destined to pull down the crime-stained walls of the Old Order and build up an enduring City of Righteousness.

The crucial figure in the pre-World War I battle against the Money Power, was the flamboyant American immigrant to Australia, King O’Malley, the founder of Australia’s National Bank, the Commonwealth Bank. From the time of his arrival in Australia in the late 1880s, O’Malley



Brisbane Worker cartoon on the “Money Power”.



Queensland Labor newspaper *The Boomerang*, betrays the White Australia racism of the early Labor Movement.

campaigning non-stop, first in the South Australian State Parliament and then in the Federal Parliament after 1902, for the establishment of a national bank modeled on that of the great American nationalist, Alexander Hamilton, the United States’ first Secretary of the Treasury under President George Washington.

After several years of his traveling around Australia to address crowds of thousands at a time on the necessity of such a bank, O’Malley’s detailed banking proposal was accepted as part of the Labor Party’s Fighting Platform—its non-negotiable principles—at the party’s Brisbane conference in 1908. On 30 September 1909, King O’Malley rose to address the Federal Parliament during a crucial debate on how the finances of the new federal Commonwealth, as well as those of the individual States, should be organised. Instead of the disastrous Finance Council proposed by some, which would have crippled the federal government, O’Malley proposed instead the creation of a National Bank, in an extraordinary five-hour address to Parliament. Listen to a few crucial excerpts from that speech:

We are legislating for the countless multitudes of future generations, who may either bless or curse us.... We are in favour of protecting, not only the manufacturer, but also the man who works for him. We wish to protect the oppressed and down-trodden of the earth.... In my opinion, the financial policies of some of the States for the past fifty years have been either dishonest or incompetent. I prefer

to call what has been done bungling incompetence. The methods have paralyzed the public conscience of Australia to such an extent, that if you talk about any system of financial reform, or advocate the adoption of a better method of running the country, people reply "we are too poor;" and yet Australia is the wealthiest country on the face of the earth in proportion to its population....

I propose the institution of a government national bank for managing the finances of the Commonwealth and the States.... Cannot honorable members see how important it is that we should have a national banking system... a system that will put us beyond the possibility of going as beggars to the shareholders of private banking corporations?

The movement of the money volume is the vital monetary problem—the master-key to the financial situation. Through the control of this movement prices may be made to rise or fall or remain substantially steady. This means control of justice or injustice, prosperity or panic, wealth diffusion or wealth congestion. Power to dominate the operation of the money volume is power to do justice or injustice between debtors and creditors, employee and employers, purchasers and sellers, landlords and tenants, money-lenders and borrowers; power to increase the weight and value of every debt—public or private—in the Commonwealth, to regulate industry and determine the distribution of wealth. Such power is an attribute of sovereignty, the prerogative of the King, and ought to belong to none but the sovereign people exercised through His Majesty's Parliament and Government in the interests of the whole people. At present the vicissitudes of mining speculations, management of private banking corporations and the blind chance of monopoly determine the movements of money. The private banking system of the Commonwealth is only a legalised monopoly for the gathering of wealth from the many, and its concentration in the hands of the privileged few....

However great the natural resources of a nation, however genial its climate, fertile its soil, ingenious and enterprising its citizens, or free its institutions, if its money volume is manipulated by private capitalists for selfish ends, its credit shrinks and prices fall. Its producers and business people must be overwhelmed with bankruptcy, its industries will be paralyzed, and destitution and poverty prevail....

However, if Australia implements a national bank, King O'Malley said, a glorious future will open up for it:

In the Commonwealth, the National Banking System will so greatly reduce interest rates that useful productions will increase by leaps and bounds. Wealth, instead of accumulating in the hands of the few, will be distributed among producers. A large proportion employed on relief works, building up cities, will be expanded in cultivating and beautifying the country. National improvements will be made to an extent, and in a perfection unexampled in the history of the world. Agriculture, manufactures, inventions, science, and the arts will flourish in every part of the nation. Those who are now non-producers will naturally become producers. Products will be owned by those who perform the labour, because the standard of distribution will neatly conform to the natural rights of humanity....



King O'Malley, founder of the Commonwealth Bank, Australia's Hamiltonian national bank. Labor shifted emphasis to a fight for economic sovereignty, following the defeat of republicanism.



And finally, O'Malley named the man whose works inspired him to this great project, U.S. Treasury Secretary Alexander Hamilton:

I am the Hamilton of Australia. He was the greatest financial man who ever walked the earth, and his plans have never been improved upon.... The American experience should determine us to establish a national banking system which cannot be attacked....

King O'Malley's own party leadership, including Prime Minister Andrew Fisher and his Anglophile Attorney-General, had made a secret deal with the Melbourne banking establishment *not* to establish a national bank, which had been a platform plank of the Labor Party ever since the New South Wales election of 1891. Therefore, O'Malley took the lead and organised a secret caucus in the Labor Party which he called the "Torpedo Brigade" in order to push through a national bank. Members of his torpedo brigade included the old AWU stalwarts, W.G. Spence and Arthur Rae; James Scullin, who himself would become Prime Minister in late 1929, and a newly-elected parliamentarian from Brunswick, Victoria, Frank Anstey.

After 15 months of secret organising, O'Malley defeated Prime Minister Fisher and Attorney General Billy Hughes in a vote in caucus, and finally established Australia's National Bank in 1911.

Though more limited than the bank of "issue, reserve, exchange and deposit" which he had fought for, because it would be several years before it got the right to issue



Above: Frank Anstey, early Labor stalwart who was a member of O'Malley's "Torpedo Brigade" that won the Commonwealth Bank. Right: First headquarters of the Commonwealth Bank at Martin Place, Sydney.



the national currency or to maintain the private banks' reserves, the new Commonwealth Bank accomplished several crucial things: it stopped a bank crash on the eve of World War I; it financed much of Australia's participation in the war, at much lower interest rates than the country would have otherwise had to pay in London; and it provided capital for infrastructure and other projects in the physical economy, including for Australia's transcon-

tinental railroad, whose construction O'Malley personally directed as Home Minister in Andrew Fisher's cabinet from 1910-1913.

Despite Australia's finally having an American System-style national bank, the British Oligarchy—the Money Power—was by no means defeated, and it would hit back furiously, in an attempt to crush the Bank, crush the Labor Party, and crush the Australian nation-state.

4. The 1930's: The struggle against the City of London's "Money Power"

by Kelvin Heslop

We heard yesterday, that there was an enormous ferment to establish a republic in Australia in the late 1880s, and that the British had countered that possibility with the drive for "Federation under the Crown". New South Wales Premier Sir Henry Parkes was the front man for this effort, beginning with the famous "Tenterfield Oration", which he gave at Tenterfield, New South Wales in 1889, but the real stringpuller for all this was the Queen's governor of New South Wales, Lord Carrington (See page 34), an intimate of the evil Prince of Wales, later King Edward VII. That Lord Carrington was also the great uncle of the Lord Carrington of today, who was High Commissioner here in Australia in the 1950s and who then



Kelvin Heslop

founded the infamous Kissinger Associates consulting firm with Sir Henry Kissinger in the 1980s.

But, as we saw, the problem was not just the Crown. The Labor Movement had a major axiomatic flaw in its thinking—the White Australia policy, which defeated the possibility of establishing a republic, since many trade unionists held the same beliefs about the so-called "white race", as did the British imperialists whom they were ostensibly fighting. But, as we also saw, even with this flaw, the battle for sovereignty did not end when Australia federated under the Crown in 1901, but it took a different form with the struggle to establish a National Bank. The man who first designed the Bank, and then politically organised to make it a reality, was the American immigrant and follower of Alexander Hamilton, King O'Malley.

When O'Malley left parliament near the beginning of World War I, his enduring legacy was the Commonwealth National Bank. He not only founded the bank, but then hand-picked the man to run it for its first decade, Denison Miller. (Top right). O'Malley told Miller, in attempting to recruit him to head the Bank:

You have a chance to make history, Brother Miller. Australian history, which will become world history. Think the matter over deeply. And accept the job. Decide to make history—I'm sure you're the man to do it.



Miller, from the Bank of New South Wales, was one of the country's most senior bankers, and Australia's Anglophile establishment hoped that they had one of their own at the head of the new bank. They were wrong. From 1912 until his death in 1923, Miller directed the Bank for the benefit of the nation, to build its infrastructure and farms and industries, and to finance much of Australia's expenses for World War I. He envisaged the bank as rapidly becoming, "the most powerful in the southern Hemisphere." To appreciate what Miller accomplished, as well as what he was up against, listen to the description by New South Wales Premier Jack Lang (bottom right) in his book, *The Great Bust*, of how the City of London-centred "Money Power" functioned. Jack Lang, like King O'Malley, was a fierce enemy of the "Money Power".



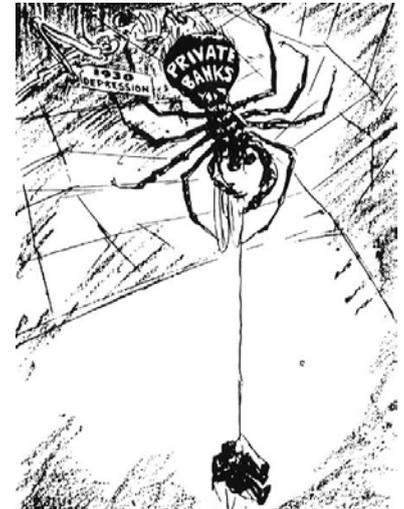
Right: Sir Denison Miller, the banker handpicked by O'Malley to run Commonwealth Bank for its first ten years. Miller directed the Bank for the benefit of the nation, to build its infrastructure, farms and industries. Below: NSW's Labor Premier Jack Lang, a fierce enemy of the City of London "Money Power".



The City of London for more than two hundred years dominated the financial affairs of the world. It had mastered the technique of the management of money. London was the exchange hub of the world. With the Bank of England, Lloyds of London, the great investment brokers, the underwriters, the insurance combine, and its shipping trusts, it was able to gather together all the intricate strands of the world's most efficient money machine. Most countries paid their tribute in the form of dividends, interest and premiums. The sun indeed never set on the far-flung dependencies of the City of London.

From the time I first came into contact with the system, as Treasurer of the then sovereign State of New South Wales, I had many opportunities to study the machine in actual operation. One could not help but admire its expert handling of the smallest details of a deal. At the same time, it was impossible to ignore the inescapable conclusion that it was leech-like in its methods.

It was the City of London that had established what was known as the Mercantile System out of the industrial revolution. The Victorian era had been one of great commercial expansion. With that rare genius for political invention, Gladstone, Disraeli and other British statesmen sought a substitute for the old system of Crown Colonies. They found it in the British Empire. The formula was to hand to the colonies the right to govern themselves providing they



Right and left: Labor cartoons attacking the banking monopoly. Middle: The Bank of England, the power base of the financial dynasty of the British Empire.

did not break the financial nexus with the City of London. forget it.

Lang then described how this great octopus entirely dominated Australia:

The City of London provided all the capital required for the development of the colonies. The City controlled the ships, the wool and wheat exchanges, the insurance houses and all the other machinery of trade and commerce....

The Old Lady of Threadneedle Street, as they called the Bank of England, presided over the financial dynasty of the Empire. It was supported by the Big Five, the major private banks. If a government in the Dominions or the colonies wanted to raise money, it had to go through approved channels. The financial world was divided into zones of influence. The Houses of Nivison, Rothschild, Barings, Morgan and Grenfell, all had their respective rights. If a government in the colonies wanted to raise money, it could only approach one firm. It had to meet a rigidly controlled scale of underwriting fees. It had to accept the conditions and the interest rates dictated by its London representatives. Every Government had its London agents, who were actually agents for the British investors. There was no room for argument. It was a case of taking it or leaving it. It was useless to try another source. The City had its own underground communication system. It was left to the underwriters to divide up the spoil. They simply produced the clearing house.



In addition there were the big mortgage companies, who had invested in colonial estates, handled colonial primary produce and advanced money to colonial settlers. They were closely allied to the banks. They specialised in mortgages. As they invariably reserved the right to handle all the produce as well, they perfected a form of tied business that left no loopholes for the client. Usually the banks and the mortgage companies had interlocking directorates, who specialised in colonial business.

So, in Australia, the graziers, the farmers, as well as most of the import houses, the principal mining companies as well as banks, insurance companies and shipping, all led directly back to the City of London. That had been the complete picture when Australia entered the First World War. All our railways, our power plants, our school buildings and even our police courts and gaols had been built with money supplied by the City of London. We were a debtor nation. The bondholders never permitted us to

However, Lang continued, the outbreak of World War I and the rapid growth of the Commonwealth Bank, together with similar tendencies in such other British dominions as Canada and South Africa, severely threatened London's power.

But during the First World War the centre of gravity changed slightly. War finance is always inflationary. That is the only way it is possible to pay for war. It is a non-productive enterprise. So money is pumped into circulation for which there is no corresponding build-up of assets. When the war is over the debt remains, but there is nothing to show for it on the books. It has been dissipated in cannon fodder, in keeping the army in the field and in paying for the havoc generally. So overseas investments in war are not regarded as a good risk....During the war it had got out of hand. Because war loans were not regarded as a good risk, the City had refused from the outbreak of war to underwrite Dominion loans. The colonies were told that they should finance their own war requirements.

In Australia the war had been financed by the then newly established Commonwealth Bank. It had found all the money to keep the armies abroad, and also to finance the producers at home. It had financed the Commonwealth Shipping Line deal for Hughes. Denison Miller had gone to London after the war had finished and had thrown a great fright into the banking world by calmly telling a big bankers' dinner that the wealth of Australia represented six times the amount of money that had been borrowed, and that the Bank could meet every demand because it had the entire capital of the country behind it. The Bank had found £350 million for war purposes.

A deputation of unemployed waited on him after he arrived back from London at the head office of the Commonwealth Bank in Martin Place, Sydney. He was asked whether his bank would be prepared to raise another £350 million for productive purposes. He replied that not only was his bank able to do it, but would be happy to do it.

Such statements as these caused a near panic in the City of London. If the Dominions were going to become independent of the City of London, then the entire financial structure would collapse. The urgent problem was to find ways and means of re-establishing the financial supremacy that had been lost during the war.

The City was again ready to lend to the overseas dependencies. But it had to meet a changed set of circum-

stances. If London was to meet the monopoly of finance, it had to deal with such upstart competition as that threatened by Denison Miller. Canada, South Africa and other Dominions were causing a similar amount of concern.

The solution to this problem lay in setting up the Bank of England as an early-day International Monetary Fund, and in castrating the Commonwealth Bank.

Basically it was a problem of banking. Some formula had to be devised which would enable such local institutions as the Commonwealth Bank of Australia to be drawn into the City of London's net. The financial experts studied the problem deeply. Out of their deliberations emerged the plan to centralise the control of all banking throughout the Empire by channeling it directly into the supervision of the Bank of England.



A young Frank Anstey, Labor's best known publicist and theoretician in the fight against the "Money Power", pictured in his travels as a union organiser.



The Bank of England was to become the super Bankers' Bank. The Commonwealth Bank of Australia was to be responsible for the local administration of Bank of England policy. It was to be the junior Bankers' Bank. The first step was to take control of the Note Issue Department away from the Treasury and hand it to the Commonwealth Bank, as was the case in Britain. The Commonwealth Bank thus obtained a monopoly over the note issue, and if this could in turn be controlled, the effective currency pool of the country could be operated like a bathroom tap, to be either allowed to run free or turned off entirely.

The Bank of England took up the idea of Empire control most enthusiastically. It was even decided to aim at a World Bank, to be run by the League of Nations, which would direct the credit of the world. The grand idea was that one single Board of Directors would make the decisions which would determine the economic policy of the world. The bankers were to be the supreme rulers. Naturally, the Governor of the Bank of England expected to be at the apex of the system.

If, for example, the Bank of England could control the Commonwealth Bank of Australia there should be no impediment in the way of controlling the Government of the country as well....The death of Miller removed at a critical moment the one man capable of defending the citadel of Australian financial independence.

After King O'Malley left Parliament, the struggle against the City of London was picked up by a member of his old Torpedo Brigade, Frank Anstey. Born in London in 1865, Anstey at age 11 stowed away on a ship bound for Australia. He spent much of the next ten years as a seafarer in Asia and the Pacific, joining the Seamen's Union.

He became a leader in the Labor Movement and helped to found the Tramway Employees' Association in Melbourne, of which he was president for many years. From 1902 to 1910 he was a state parliamentarian from the working-class Melbourne suburb of Brunswick, and then a federal MP from 1910 to 1934. He was the deputy leader of the Labor Party in parliament under Matt Charlton.

Anstey was the editor of the Melbourne newspaper, *Labor Call*, and Labor's best known publicist and theoretician in the fight against the Money Power. He was also the mentor of Australia's greatest Prime Minister, John Curtin. As Curtin said about Anstey, at Anstey's funeral:

I find it very difficult to speak about Frank Anstey. He was a remarkable figure. Very humbly I make the statement

that of all the men who have influenced me, he influenced me most. He introduced me to the Labor Movement. He set my mind going in the direction in which he wished it to go, and in quite a humble way, I sought to play the role of a supporter, and aider and abetter of the cause in which he instructed me, believing it to be the greatest cause in the world.

During World War I, Anstey wrote a series of articles about the causes of the war, and about how the world must be reconstructed afterwards, which were published as a book in 1921 entitled, *Money Power*. There he described the crisis in which the world found itself, in words which will sound very familiar to all of us today:

It is coping with the problems of Finance that the world has got to find its regeneration. All reorganisations of industry, all social projects, and all efforts to climb out of the pit of misery into which the burdens of war surely push the people are dependent upon the first. No mere policy of alleviation will meet the position. Revolution in method, not in words, is the sole alternative to a long period of grinding poverty for the mass.



This impulse, this essential action cannot come from one man, or a few. It will come from the miseries, the dissatisfactions, the passions of the masses. The duty of leaders is to be ready for it, and when it comes guide it along the right channels.

Note the helplessness of governments, their aimless drift on the stream of events, their frenzied efforts to meet the rising tide of their responsibilities by piling debts higher and higher, and making heavier and heavier the burdens on production. "After us the deluge",—that is their unsaid prayer and their public policy—so that Australia in the path of the world's cyclone drifts unruddered to the crisis.

Anstey then outlined what he called "the methodical foundations upon which must rest all policies of effective reconstruction." He identified, once again, the nature of the enemy:

To carry out these vast flotations and speculations in war or in peace, it is necessary to control vast credits. To control credits it is necessary to control the banks. Who-soever controls the banks controls industry. This control is exercised in every country by a small group—the inner circle of great Capitalists.

This group is designated "The Money Power"....In-

dustrial capitalism is observable and understandable. Financial capitalism lurks in vaults and banking chambers, masquerading its operations in language that mystifies or dazzles, and this power that holds the monopoly of the instruments of exchange, is the overlord of every other monopoly.

The key to the power of this group is combination and concentration. It controls banks, trust companies, insurances—the main depositories of the peoples' savings or the reservoir to which they flow. It controls all credit. It advances or withholds credits, builds up or destroys. It controls the daily press; finances the dope propaganda; wields an unseen sceptre over thrones, cabinets and populations; and is the dominant "behind the curtain" power in the government of modern States. Such is the modern "Money Power".

Very much like the LaRouche movement and the CEC today, Anstey named the names of the Money Power. He said that Australia was dominated by three great, interlocking financial combines, which he outlined in great detail. Here, we will listen to him describe just one of those three, the dominant one, which he called "The Overseas Group". As he talks, think, once again, of the old squattocracy which John Dunmore Lang and the republicans of the 1880s and 1890s fought against, and, also, think of minerals giant, Rio Tinto, the Queen's own mining company, the largest in the world. Think again, about how Rio Tinto and the National Farmers Federation are spearheading the attempt to crush all unions in this country, beginning with their assault on the Maritime Union of Australia in 1998. It is not hard to imagine, that we are still living in the world of 1890, the year of the great maritime strike.

The grip of British capitalism upon Australia consists, not only of mortgages upon Australian Governments, not only on the overseas ownership of Australian resources, but upon the control of nearly one-third of the total depository power of the Australian people per medium of the British banks and British insurances trading within Australia.

The English banks are the "Australasian", the "Union", and the "E.S.&A." (Including the absorbed "London"). Their 500 branches are mainly in the States of New South Wales and Victoria. Their headquarters are in Melbourne. They control the English Life, Fire and Marine Insurances trading in Australia. They control English-owned territories in all States. They control a large portion of our coal, meat, and wool resources. They are the dominant factor in the export and import business of this continent.

Around the English banks are gathered the old Imperial Land Grant companies and others of kindred type.... These Imperial Land Grant and associated land and mineral companies cover millions of acres, represent scores of millions in value, and from their coal, meat, and wool resources pour out millions of revenue per year for their overseas owners. Linked up with these are the estates of the "free old English gentry" who squatted upon Australian soil during the early part of the last century.

The descendants of those families are a peculiar caste. Their spiritual home is England, their outlook, their education, their adopted mannerisms, their social and business relations are all English. Like the Anglo-Indian, Australia is to them another India, an accidental birth-place, a place of occasional temporary residence from whence their money flows.



John Curtin and Frank Anstey. Curtin said of Anstey, "Of all the men who have influenced me, he influenced me the most."

Thus all the financial and industrial relations of these men are with English banks and English companies. Thus they are constantly changing from Australia to England and vice versa, and those on the English end of company directorates one year are found on the Australian end the next year, and later on back again. These men seldom enter into the public life of Australia, but the corporations with which they are connected are the heaviest subsidisers of local reactionary propaganda.

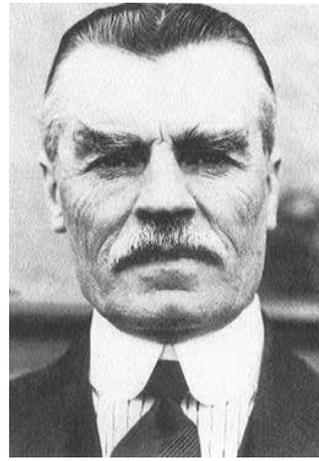
The wool, the meat, the coal resources of Australia controlled by the English group are financed by the English banks, handled by English companies, shipped through and by English companies, insured by English companies, and the directorates of the banks and of these companies are interwoven, interlocked, interchanged. Moreover, as more and more of Australian-founded houses fall into the maws of the English group, so the export and import business of Australia approaches more and more to an absolute monopoly headquartered in London. The old trade names are retained to hide the absorption, but whatever remains unabsorbed is subordinate and subsidiary to the paramount power in Australia's overseas trade.... Australia is a mere appendage of financial London, without distinct economic existence.... London is, so far, the web centre of international finance. In London are assembled the actual chiefs or the representatives of the great financial houses of the world. The Money Power is something more than Capitalism.... These men constitute the Financial Oligarchy. No nation can be really free where this financial oligarchy is permitted to hold dominion, and no "democracy" can be aught but a name that does not shake it from its throne.

Commonwealth Bank head Denison Miller died in 1923. His passing coincided with a change of government, in which the raving Anglophile Stanley Melbourne Bruce came to power. Bruce was notorious for his English mannerisms and spats, and, in 1947, would be anointed Lord Bruce of Melbourne, and become the first-ever Australian to sit in the British House of Lords.

In 1924, right after the election, Bruce was summoned to London. Britain's financial elite, led by Lord Glendyne of the House of Nivison, underwriters of the Australian government debt, told him he had to destroy the Commonwealth Bank. Jack Lang, who was Premier of New South Wales from 1925 to 1927, described what happened next:

On [Bruce's] return from London, he was under an

Left: Stanley Melbourne Bruce, the treacherous Prime Minister who weakened the Commonwealth Bank to place it under the control of the Bank of England. Middle: Labor Opposition leader Matt Charlton. Right: Anglophile Commonwealth Bank Governor Sir Robert Gibson.



obligation to do something about the Commonwealth Bank. The Economic Conference had decided to bring the Dominion banks under the control of the Bank of England. The idea of a world-wide system of central banks was the core of the plan. The British Government had set up a Currency and Exchange Commission to work out the details. It comprised Lord Cunliffe, Governor of the Bank of England, Lord Inchcape, Chairman of the P&O Shipping Line, R.W. Jeans, of the Bank of Australasia, Sir Charles Addis, of the Bank of England, Sir John Cadbury, Secretary to the Treasury, and R.H. Goschen, Chairman of the Bankers' Clearing Committee.



Bruce introduced a bill, *The Commonwealth Bank Act*, which replaced the single Governor of the Bank, with a board of six persons drawn from the so-called "business community", and headed by another fanatical Anglophile, Sir Robert Gibson.

As Anstey's friend, Labor Party leader Matt Charlton, evaluated it, *The Bill was nothing less than an attempt to kill the Bank*. The Commonwealth was soon stripped of its savings bank division, which took away its largest deposit base. Matt Charlton summed up the effect:

It took away the Bank's cash reserve, which enabled it to compete with private banks, terminated its trading operations and reduced it to a bankers' bank, not a reserve bank, because no bank was compelled to keep its reserves there, so that it became neither a trading bank, nor a savings bank, nor reserve bank, but a thing of shreds and patches, at the mercy of private institutions, and which could be destroyed at any time.



A leader in the fight against these attempts to destroy the Commonwealth Bank was Frank Anstey's friend and protégé John Curtin, who was to become the head of the federal Labor Party in the mid-1930s. Curtin had been the head of the Labor Party's anti-conscription campaign during World War I, and was thrown in jail for his organizing.

Curtin endorsed the view of his mentor, Frank Anstey, that: *All wars—all international wars—are the instruments by which iniquities re-establish their crumbling thrones, by dissipating on battlefields the human virility that threatened their existence*. After the war, Curtin moved to Perth, and became the editor of the trade union daily, the *Westralian Worker*. The *Westralian* kept up a steady barrage against the Money Power, educating its base on

the necessity of a sovereign national bank.

By early 1929, prices paid in England for Australia's exports, which were almost entirely agricultural and mineral products, began to plummet, and the nation had great difficulty paying the £55 million in interest payments owed to the City of London, payments which absorbed an astounding 62% of all tax revenues! In October, the Labor Party government under Prime Minister James Scullin, an old member of King O'Malley's Torpedo Brigade, came to power. The City of London cut off much of its credit to Australia, and the now private banker-controlled Commonwealth Bank began to call in all its advances and overdrafts.

Ted Theodore, Scullin's Treasurer, introduced two bills to try and deal with the situation, the *Central Reserve Bank Bill*, to establish a new reserve bank, which would control the paper note issue and the gold reserve, and mandate all other banks to keep 10% of their current accounts and 3% of their reserves with it, and the *Commonwealth Bank Act Amending Bill*, which would have replaced the six-person big business-dominated board, with a single governor, such as it originally had. Both bills were killed in the Anglophile-dominated Senate, and the Bank chairman, Sir Robert Gibson, adamantly refused to issue £18 million in notes for public works, to provide work for men whose families were increasingly starving. Gibson replied:

Mr. Prime Minister and Members of the Cabinet, you ask me to inflate the currency. My answer is that I bloody well won't.

Finally, with unemployment and mass misery growing by the day, and with no way to pay Australia's London creditors, Scullin was forced to "request" that the Bank of England send down an "adviser" to Australia—an early-day IMF delegation. Bank of England head Montagu Norman sent his chief deputy, Sir Otto Niemeyer.



Niemeyer had been knighted for his work as chairman of the Financial Committee of the postwar League of Nations, whose debt-gouging conditionalities the economist John Maynard Keynes had denounced as certain to bring on another World War. Niemeyer was also Britain's director of the Bank for International Settlements, the BIS, which was set up to handle reparations and debt payments. Niemeyer and Norman would soon arrange the financial contributions which would bring the Nazi Party to power in Germany, as documented by historian Anton Chaitkin.

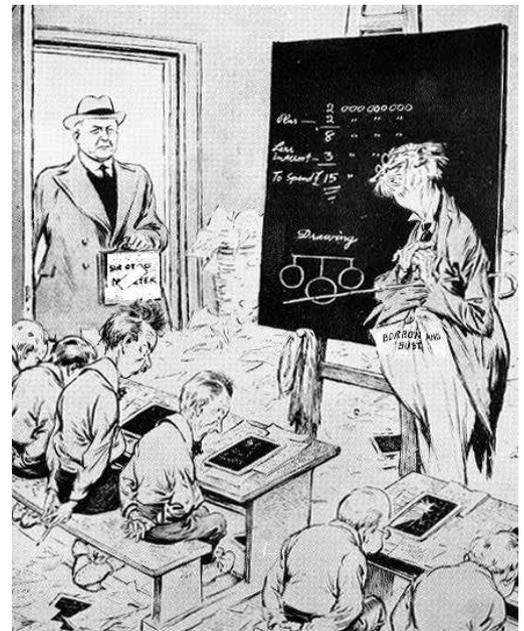
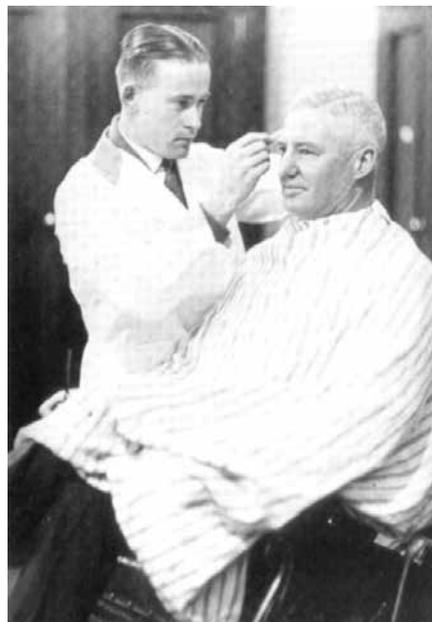
Niemeyer arrived in Australia on July 19, 1930. After a trip around the country playing golf, watching horse



Above: The "bailiff" from the Bank of England, Sir Otto Niemeyer.

Middle: "Red" Ted Theodore, Treasurer under Prime Minister Scullin.

Right: Cartoon depicting Niemeyer as the school master arriving to lecture the federal and state political leaders.



races and dining in swanky private clubs, Niemeyer on August 18 laid down the Bank of England's demands to a meeting of the Federal Deputy Prime Minister and Treasurer, Scullin being sick at the time, and all of the State Premiers. He lectured them like schoolchildren: Australia must slash its living standards, which were too high; it must cut its tariffs, governments must balance their budgets; loans must be cut back, and there would be no borrowing for capital works programmes to absorb the growing army of unemployed. But the main point of his harangue was that Australia's policy of protectionism was encouraging a growing manufacturing base, which was changing Australia's traditional role as a producer of cheap primary commodities for Britain, and that this change would not be tolerated. Said Niemeyer:

Australia must reassure the world as to the direction in which she is going.

On August 21, the Federal Labor government and the State Premiers signed on to Niemeyer's demands, in what later became known as the Premiers' Plan. The same day, however, a "special Conference of Unions and the Australian Labor Party" passed an emergency resolution calling for a five-year moratorium on overseas interest payments, the cancellation of all war debts, and "the mobilisation of the credit of the community to work for sustenance for the unemployed and for the revival of industry." The resolution was authored by Frank Anstey.



Meanwhile, in New South Wales, former State Premier and Labor Party leader Jack Lang made the rejection of what he called "Niemeyerism" the main plank of his election campaign. Lang argued that the needs of the disabled, the widows and orphans, and the growing army of homeless, as unemployment soared toward 28%, must be provided for, before the debt. He charged:

The one God-given, inalienable right of man is the right to live. If man or woman is denied the right to work, they still retain the right to live. The Government that fails to realise that has forfeited the right to exist.



With the help of John Curtin, one of his chief campaign-

ers, Lang swept to an overwhelming victory on October 25. On Nov. 6, 1930, a motion in the federal Labor caucus that a £27 million loan repayment be deferred for 12 months, put forward by Anstey and Curtin, carried on a vote of 22 to 16.

By February 1931, New South Wales Premier Lang specified three points of action, in a proposal which soon became known nationwide as "the Lang Plan":

1. Until Britain agreed to cut interest rates on Australia's foreign debt from 5% to 3%, as the Americans had done for the British, Australia should make no further debt payments to Britain. Australia had incurred enormous war debts, Lang argued, and had lost 60,000 of her finest young men fighting to defend the British Empire, and Britain, having forgiven most of the sizable debts of France and Italy, should acknowledge that moral debt to Australia.
2. All internal government interest rates should be reduced to 3%.
3. The London-rigged gold standard should be replaced with a "goods standard."

Lang stated boldly, that he was taking on:

The City of London [which had] for more than two hundred years dominated the financial affairs of the world.

The federal Labor government split into three factions. The first, grouped around J.A. Lyons, adopted Niemeyerism wholesale.

The second, around Scullin and his Treasurer E.G. Theodore, basically adhered to the Melbourne Agreement, but tried to get a note issue for public works.

The third grouping, led by Anstey, supported the Lang Plan. Anstey told the cabinet:

If I have to make a choice between this government, constantly belly-crawling to the banking power, and John Lang, then give me John Lang.



Anstey was dumped from the federal cabinet. His protégé, John Curtin, wrote a pamphlet entitled, *Australia's Economic Crisis and the £55,000,000 Interest Bill: How the Years of Money Power Extortion Have Brought Misery to the Nation.*



Left: "Honest Joe" Lyons, who split from the Labor Party to embrace Niemeyer. Middle: Prime Minister James Scullin, a former member of O'Malley's Torpedo Brigade, who as Prime Minister was held captive by the Money Power. Right: Future Prime Minister John Curtin, who blasted the takeover of the Commonwealth Bank by the Bank of England.

Curtin concluded his pamphlet with the following words:

The needs of the emergency cannot be resolved by orthodox methods. In this crisis the interests of the nation must rise paramount. The Nation's Bank must be made the Supreme Bank. It should function as the sole operator in the external transactions of the country. It could then issue against general exports internal credits negotiable by cheque or notes. Securities that represent property, marketable products, and national taxable wealth are the real basis of national credit always. They were the foundation on which the financial superstructure was reared for the purposes of war; they constitute in the present era the only basis on which industry can be renewed in Australia. It is today choked up by the consequences of the past....

Australia's problems are grievous. We cannot resolve them by ignoring the incidence of the operations of high finance. Calling on the trades unions to accept reductions in wages, demanding economy in government costs, invoking constitutional changes either for unification or secession, while leaving the exactions of the money power sacrosanct, is to leave the major issue outside the ambit of logical controversy.

As the crisis remained unresolved, a London-Melbourne financial axis moved to break up the Labor government and install Bank of England puppets instead. In Melbourne, this group included the future Prime Minister, Robert Menzies, and his next door neighbour and controller, the financier Staniforth Ricketson. Ricketson, in turn, was directed by Lord Glendyne, chairman of Nivison's, the London firm which had floated most of Australia's loans. This group engineered the resignation of Joe Lyons from the Labor government, and then promoted him as "Honest Joe" Lyons, the man who would stop that demagogue, Jack Lang. The Lyons government came to power on December 19, 1931, with the aid of a propaganda campaign provided by Sir Keith Murdoch, Rupert Murdoch's father. The government's main aim was to stop Jack Lang, who had not only threatened a debt moratorium against the British, but had implemented an *Anti-Eviction Bill* to stop the massive number of evictions underway, and a *Moratorium Act*, to stop bankrupt farmers from being driven from their land.

In March 1932, Lang refused to pay the next payment

due to the British bondholders. As he later explained:

We were spending £3 millions a year from State taxation on relief of distress. If we sent £3 and 1/2 millions overseas to meet interest payments, we would have to stop issuing dole tickets, and put men off public works being maintained for the relief of the unemployed. I had no intention of doing that. So the bond-holders would have to wait their turn. It was simply a question of whether the unemployed would be left to starve or whether the bond-holders went unpaid.



The Lyons government paid New South Wales' debt. Later, after Lang refused to meet a second British loan payment, he was sacked by the Queen's representative in New South Wales, Sir Philip Game.

On June 5th, the largest crowd in the history of Australia, estimated at between 300,000 and 500,000 of Australia's total population of less than seven million, turned out in a rally at Sydney's Moore Park to support Lang. As one historian summed it up: "Lang went from office convinced he was right....Right he may have been in that his action of repudiating debts, if followed at the federal level, would have so alienated Britain and Australia from each other that some form of an Australian Republic could have eventuated."

The chance was there, but many Labor men, including the old Torpedo Brigade member James Scullin, had capitulated to the Money Power.

Though Labor—and Australia—lost that battle, the war continued. In October 1935, John Curtin became the head of the Labor Party.

On September 20, 1937 Curtin gave an official Labor policy speech in Fremantle, outlining the ALP's policy for the coming elections. There, he noted that even the 1936 Royal Commission on Banking, which the Lyons government had appointed, had found that, not only should the Commonwealth Bank have expanded credit, rather than constricting it in the late 1920s and early 1930s, but that, in case of a conflict between the Bank and the government, the "views of the government should prevail." Furthermore, said Curtin:

These findings emphasise the degree in which the Royal Commission on Banking realises that banking is more than mere finance; that it is in fact a great social function

which should be controlled in the permanent interest of the people.

To deal with unemployment and to make that industrial and economic preparedness which is the essence of national defence and security, three related monetary measures are necessary: 1) National control of credit to ensure its adequacy to maintain and increase employment. 2) National control of interest rates, in order to keep to a minimum the monetary and capital costs on production and industry. 3) National direction of investment with the object of assisting in the promotion of a balanced economic development. The Commonwealth Bank is the logical instrument to function for the community in effecting monetary re-adjustment and economic reconstruction. The Labor Government will legislate so that the Commonwealth Bank would be able to competently control: a) Credit for the nation b) Rates of interest c) Direction of general investment d) Currency relations with external markets. The Labor Party points to the planks of its platform and insists that the Commonwealth Bank must have its original charter restored. The policy of the Government must be given effect and the people's an indispensable national service....

In a speech the following month, as the shadows of a coming world war lengthened over Europe, and over Australia, Curtin made clear that the cornerstone of any national defence effort had to be the reconstitution of the Commonwealth Bank:

Let me say a word about defence... The Australian Labor Party exists primarily for the social uplift of the great mass of the people, but, like every other Party, it is confronted with the universal fact of preparedness for war. It cannot ignore it.

From its very inception the Labor Movement has stood for national defence. It supplied the first Australian Government which transformed words into facts. It gave Australia a navy; a well trained army; a national small arms factory; a national woollen mill; a national clothing factory; national munitions works; and behind them all, provided the national note issue and the Commonwealth Bank.... Therefore, in the election policy speech of two campaigns ago, the Labor Party declared that there could be no effective defence, no advancing social benefits, no uplift in the conditions of wage earners, without prior expansion of the ramifications, functions and power of the Commonwealth Bank. It declared that banking reform and use of the national credit were the groundwork for economic expansion....

In 1939, on the very eve of the war for which John Curtin was attempting to prepare his country, King O'Malley raised his voice once again, in his pamphlet, *Big Battle*. There, O'Malley called for the urgent re-establishment of the Commonwealth Bank. He opened his pamphlet with the following words:

To the Sovereign Thinkers of the Commonwealth, Democracy declares certain fundamental principles which are self-evident and indefeasible. That all individuals are created equal, that all are endowed with rights which only the possessors can alienate, and that among these rights are life, liberty and the pursuit of happiness. That Governments are established among people to safeguard these rights, that



(l.) NSW Governor Sir Philip Game, who sacked Jack Lang after he refused to smash living standards to pay British bondholders. (r.) Prime Minister John Curtin.

Governments derive their just powers to govern from the consent of the governed. Upon these democratic, rock-embedded principles must forever rest the foundation of all truly free, responsible government. Democracy is the government of the people, by the people, and for the people.

But, O'Malley argued, such rights could not be guaranteed without sovereign control over credit. He further declared, that the purpose of banking was to facilitate the creation of tangible, physical wealth, as opposed to the sort of private banking speculation, which he called "fog wealth", which inevitably ended in disaster:

Permanent wealth is produced by the slow process of industry, combined with skill and the manipulation of capital. Fog wealth is produced by the rapid process of placing one piece of paper in the possession of a bank as a collateral security for two pieces of paper. Some of the enormous quantity of paper which is being created now will sooner or later collapse. But with the Commonwealth Bank capable of sustaining legitimate credits, there can come no panic which will again destroy the market value of intrinsic values, ruin debtors, deprive workers of work, and produce general distress.

Oh! Would that I possessed the power to arouse the Australian people to the imperative importance of revitalising the Commonwealth Bank! In financial crises they have suffered, but their minds seemed to be possessed with the fatalism of the Turks—it is the will of Allah. But I say it is not the will of God which produces panics, but a want of an intelligent Banking System.... Banking is the fundamental essence of finance, and finance is a governmental function. The banks should be coworkers with the producers and traders. The Commonwealth Bank should possess the capacity to continue exercising the banking functions, and thereby sustaining normal values during the fiercest commercial crisis. A system possessing potential financial power, such a capacity in connection with the talent for production, trade and commerce possessed by the people of Australia and the boundless wealth of its natural resources may make Melbourne instead of London the principal exchange city of the world, and Australia instead of England the creditor nation of the world; without it, never.



5. The economic mobilisation for World War II: Curtin's break with the British and alliance with America

by Robert Barwick

The life and death nature of the struggle of the early Labor Movement was brought home to Australians in 1939, when World War II broke out. Now, in a very real sense, the survival of the Australian nation was at stake. World War II was the greatest test of Australian nationalism, and of its leadership, in the person of John Curtin. The decisions made by the Labor leadership, under Curtin, would determine whether Australia survived as a nation in the face of treachery, not only from the Japanese aggression, but also, and more importantly, from the British financial Money Power which had set Australia up to be crushed.

When war broke out in September 1939, Australia was virtually defenceless. Prime Minister Robert Gordon Menzies made a public broadcast, where he said it was his "melancholy duty" to inform the country that Great Britain was at war, and that, therefore, Australia was at war, and would support Great Britain "to the last man, and to the last shilling". However, this was not merely a repeat of World War I, when Australia had also thrown its support behind Mother England, and had sacrificed 60,000 men at Gallipoli and other faraway places in the name of the Empire. That would be horrible enough. This time, there was a very real threat that Australia itself would be conquered, by the expanding Japanese empire.

Defence was one of the key issues separating Australia's Labor Movement from the forces of the Money Power. Nationalists demanded a strong local defence capacity, while the British loyalist conservatives were content to accept Britain's promises of protection as security enough. Of course, this issue went to the heart of the fight over what the emerging nation of Australia was to be: if Australia was simply to be a British imperial outpost in the Pacific, then, to the exponents of that idea, Britain would defend her interests; if, however, Australia chose to be something radically different, namely, a sovereign, independent nation, then that Australia would have to expect to fend for herself, for Britain wouldn't be able to be relied upon to defend an institution which was anathema to her very existence. As early as 1902, early Labor figures identified Japan, which had then entered into a set of secret imperialist deals with Britain, as the greatest threat to Australia's security.

The two closest friends of King O'Malley, Labor MPs Dr William Maloney and Jimmy Catts (lower right), were foremost in making these warnings. Dr Maloney said, *In this decade or the next....the East [i.e., Japan] will most assuredly insist on what she may regard as her rights; and those rights may include the domination, if not the occupation, of the Eastern hemisphere. How stand we then?* Maloney called for a massive defence build-up and a strategic alliance with the United States.

Despite its public assurances, during World War I, while Australian soldiers were being slaughtered at Gallipoli fighting for Britain in a war between Queen Victoria's grandchildren, Britain laid secret plans to sacrifice Australia in the event of a northern invasion. Since the Anglo-Japanese Alliance in 1902, Britain had maintained an unbroken alliance with Japan that was to last, whether formally or informally, until World War II. Indeed, this alli-



Prime Minister Sir Robert Menzies, right, in his uniform as Warden of the Cinque Ports, the highest honorary British office ever held by an Australian.



Federal Labor MP Jimmy Catts, King O'Malley's close friend who, along with another O'Malley confidant, Dr William Maloney, began warning as early as 1902 about the Japanese threat to Australia, inherent in secret British-Japanese alliances.

ance was recognised by the U.S. as a potential threat, which formulated what was known as War Plan Red-Orange, for the eventuality of a simultaneous war against Japan and Britain. War Plan Red-Orange was on the U.S. military planning books up until World War II.

In 1910, the hero of the Sudan and Anglo-Boer Wars, Lord Kitchener, visited Australia to overhaul its defences, as part of a re-organisation of British imperial forces for the impending world war. In a secret portion of his 1910 memorandum "The Defence of Australia", Kitchener formulated what became known as the Brisbane Line, which



Left: World War I recruitment poster of Lord Kitchener, the designer of the Brisbane Line. Middle: BHP managing director Essington Lewis, a legend of Australian heavy industry whose warnings of the Japanese threat fell on deaf ears. Right: Lewis (right) and Laurence Wackett (centre), the designer of the Wirraway aeroplane, the only aircraft production capacity in Australia at the outbreak of World War II (aircraft pictured not a Wirraway).

was a plan to cede to a potential invader all of Australia north of a line drawn south-westerly from Brisbane down to Adelaide. In 1915, the British government under Prime Minister Herbert Asquith recognised Japan as the potential threat to Australia, and secretly discussed ceding Australia to Japan. As Edwin Montagu, the leading permanent British civil servant to Asquith, cynically remarked, “I would far rather cede Australia to the Japanese, than cede to Australia anything the Japanese want.”

Publicly, however, the British were reassuring Australia, that in the event of a Pacific conflict, they would send a fleet to the British naval base in Singapore, the hub of their empire in Asia. Even throughout the 1930s, when Japan had flexed its muscles by invading Manchuria in 1931, and the shadows of war growing across the globe, Australians were still being asked to accept these British reassurances, and ignore their own defence needs. In 1936, Labor Opposition leader John Curtin blasted the conservative Lyons government for relying on British promises, and neglecting Australia’s defence:

The dependence of Australia on the competence, let alone the readiness, of British statesmen to send forces to our aid is too dangerous a hazard on which to found Australia’s defence policy.



Curtin called for a build-up of an Australian army, and an air force, as naval power would be insufficient to keep an enemy from Australia’s shores.

Officially, Curtin’s calls were ignored by the successive conservative governments of Joseph Lyons, Robert Menzies, and Arthur Fadden, who ruled from 1932 to 1941. However, there was one significant conservative figure in Australia who was on the same wavelength as Curtin and his allies, and that was the general manager of BHP, Essington Lewis. A sign of how treacherous Menzies and Co. were in ignoring Australia’s defence prior to World War II is the passion with which *their* political ally, Essington Lewis, began warning about the danger of impending war, and the need to build up Australia’s defences, following a trip he had taken to Japan in 1934. Lewis returned convinced both of the danger Japan presented, and the urgency for Australia to build its own ships, but more importantly, its own airforce, and aircraft production capacity. His warnings were ignored, so in 1936, BHP and five partner companies

formed the Commonwealth Aircraft Corporation, built a factory at Fishermen’s Bend in Melbourne, and began the production of 40 Wirraway aeroplanes.

This picture above, which isn’t a Wirraway, but a later-model aircraft produced by the same company, shows the men involved in the Wirraway’s production, with Lewis on the right, and its designer, a young engineer named Wackett, in the middle. Although the Wirraways were only trainers and therefore inadequate for war, when it broke out three years later, they represented Australia’s only aircraft production capability, and a base from which to produce better aircraft, thanks to Essington Lewis’ foresight. Lewis and Curtin went on to become the two most significant Australian figures in World War II.

After making his pledge to support Britain “to the last man and the last shilling” following the outbreak of war on September 3, 1939, in the years 1940 and 1941 Menzies stripped Australia of virtually all of its trained manpower, by sending the 6th, 7th and 9th infantry divisions to North Africa and the Middle East. Winston Churchill had repeatedly assured Menzies, that Britain would send a fleet to Singapore if necessary; however, Menzies and Churchill both knew these assurances to be a lie, because as early as 1919, the First Sea Lord of Britain, Lord Jellicoe, had made a formal judgment that a British fleet would not be sent to Singapore to meet a threat in the Pacific, if there were a simultaneous threat in Europe. In the 1930s, it was widely acknowledged that it was precisely a conflict in Europe that would encourage the Japanese to move in the Pacific. In May 1940, the British Chiefs of Staff had determined that no naval force could be sent to Singapore, and this message was conveyed to Menzies in June 1940. Then, in late 1940, a joint Australian, New Zealand and British military conference determined that any defence of Singapore, which had no ships and no air cover, was hopeless. And despite intelligence reports of a large Japanese force massing in south Indo-China in August 1941, the British did nothing to fortify the Malayan peninsula, at the southernmost tip of which was Singapore.

One reason Menzies was so eager to bow to Britain’s demands for Australian troops, was that elements of the British establishment had tantalised him with the possibility that he might succeed Churchill as Britain’s war-time Prime Minister. The vainglorious Menzies, who described himself as “British to his bootstraps”, left for a four-month tour of Britain at the end of January 1941 to pursue that fantasy.

Incidentally, the picture of Menzies on Page 52, shows him in his pompous garb as the Warden of the Cinque Ports in London, the highest British post ever held by an Australian.

At the end of 1941, two years into the war, Australia had no tanks, no aeroplanes except for a few Wirraways, no pilots, and virtually no battle-ready troops to defend the Australian continent. This was the situation facing John Curtin when he was elected Prime Minister in October 1941. Two months later, on December 7, Japan entered the war when it bombed Pearl Harbour.

To us in 1999, the situation facing Curtin at the end of 1941 appears clear-cut: Australia was being threatened by Japan, so bringing back Australian troops from the Middle East and North Africa, and forging alliances with the U.S., all of which Curtin did, was the fairly simple and logical course of action to take. Yet, bear in mind that the conservatives had been in power since 1932 not without public support, and pro-Imperial sentiment of the sort that had led to disastrous Australian losses at Gallipoli and in France during World War I was still very strong in Australia. Even Labor supporters had been sucked into a slavish devotion to the British Empire, which caused the split in Labor in World War I over conscription; Curtin had gone to prison back then because of his opposition to conscription. The person who tried to introduce conscription in World War I, Prime Minister Billy Hughes, who was one of the original founders of the Australian Labor Party, showed how deep this Anglophilia went, when he left Labor to co-found the United Australia Party with Robert Menzies in the 1930s.

The picture of Billy Hughes bowing to Britain's homosexual World War II Field Marshal Bernard Montgomery, toward the end of Hughes' life, is a fitting metaphor of Australian Anglophilia. Also remember that Menzies had first gained national prominence in 1932, when he attacked Jack Lang's debt moratorium, by saying that he would rather see "every Australian die of starvation" than fail to honour contractual debts with Britain. The fact that after Lang was sacked by the Crown he was voted out of office, but Menzies went on to become Prime Minister, is an indictment of the Australian people. So much for public opinion!

Consequently, the choices confronting Curtin were not simple. It is a testament to John Curtin that, unlike Shakespeare's Hamlet, Curtin was willing to do what no Australian leader had done before, and that was, for the sake of Australia's security, to break—decisively—with Britain. On December 27, 1941, after barely two months in office, Curtin made the following statement to the *Melbourne Herald*:

I make it clear that Australia looks to America, free from any pangs about our traditional links of friendship



Left: Former Australian Prime Minister Billy Hughes bowing to British Field Marshal Bernard Montgomery. Hughes had split the Labor Party in World War I, in his enthusiasm to introduce conscription to provide Australian manpower for the British Empire.

Above: British Prime Minister Sir Winston Churchill. He and Menzies both knew that promises to defend Australia were lies.

to Britain.

We know Britain's problems. We know her constant threat of invasion. We know the dangers of dispersing strength—but we know that Australia can go and Britain still hang on.

We are determined that Australia shall not go. We shall exert all our energy towards shaping a plan, with the United States as its keystone, giving our country confidence and ability to hold out until the tide of battle swings against the enemy.

We refuse to accept the dictum that the Pacific struggle is a subordinate segment of the general conflict. The Government regards the Pacific struggle as primarily one in which the United States and Australia should have the fullest say in the direction of the fighting plan.



One way to look at the quality of decision Curtin made here, is to think of it like the first time you decided to go and organise with the CEC. There are plenty of easier decisions that you could make, but there is only one right one.

Following the December 27 declaration, Winston Churchill was furious: Curtin had not only broken with the British, but had broken with the Churchill doctrine of "Germany first", under which the British had intended to hand all of the Pacific to the Japanese. Churchill denounced Curtin, and, in response Curtin accused Churchill, of making Australia a "sacrificial offering" to the Japanese. In January, Curtin demanded the return of some of Australia's battle-hardened divisions from North Africa. In February, Australia's 8th Division was shipped into Singapore, but only days later, on February 15th, Singapore fell to the Japanese. The ease with which Singapore fell was a big shock, especially to the Japanese. Their forces were running extremely short on ammunition and supplies, and the day before Singapore fell, the commanding officer, General Yamashita, visited his troops on the front line, apologised that they had no ammunition, and asked them to use bayonets instead. If the British had taken even minimal moves to defend the Malayan Peninsula, Singapore wouldn't have fallen. As it was, 15,384 members of Australia's 8th Division were taken prisoner, more than a third of whom would die under brutal conditions on the Burma railway or in the notorious

Changi prison camp. Churchill blamed the fall of Singapore on the Australians, who, he said, “came of bad stock”. As a member of the Eugenics Society, Churchill had highly developed theories on race, of a type not dissimilar to Adolf Hitler’s, so he knew all about stock.

Just four days after Singapore fell, on February 19, Australia suffered its worst attack of the war, when the Japanese launched a devastating air strike against Darwin. The airport and port were extensively damaged, eight vessels were sunk, 243 people were killed, and there was a general scene of large-scale panic. As you can imagine, this was the low point of the war, morale-wise. Just think of concerns we felt about the possibility of a conflict in Indonesia today, and then imagine what Australians must have been fearing when they heard that Darwin had been bombed. Curtin tried to put a brave face on it, but the situation was very grave. This was Australia’s darkest hour.

Two days later, Curtin acted decisively again, which act turned the war in Australia’s favour. America’s greatest general, Douglas MacArthur, was stranded on the island of Corregidor outside Manila Bay in the Philippines, under heavy bombardment from the Japanese. Curtin had been in touch with MacArthur by radio, and had determined that MacArthur should be brought to Australia. When Curtin’s request reached President Franklin Roosevelt in the White House, he personally sent MacArthur the message that he was to proceed to Australia. In the words of William Manchester, MacArthur’s biographer, *It is almost certain he would have been left to die on the Rock had Australia not intervened.*

This move forced Churchill’s hand on sending Australian troops home. He had to agree that MacArthur would be given command of the Southwest Pacific theatre from Australia, so he agreed to Curtin’s continuing demands that the Australian 6th and 7th Divisions be sent home, in exchange for the 9th Division remaining in North Africa, where Churchill wanted it for the Battle of El Alamein. However, after Singapore fell, Churchill unilaterally ordered the ships carrying the 6th and 7th Divisions, which were already at sea, to divert course and land at Burma, using the excuse of trying to prevent the fall of Burma to the Japanese, which even his own commanders viewed as hopeless.

When Curtin protested, Churchill tried to intimidate him:

I am quite sure that if you refuse to allow your troops, which are actually passing, to stop this gap, and if, in consequence, the above evils, affecting the whole course of the war, follow, a very great effect will be produced upon the President and the Washington circle, on whom you so largely depend.



Curtin refused to be intimidated and stood his ground, whereupon Churchill re-diverted the troop ships anyway, and cabled this very condescending message to Curtin on February 22:

We could not contemplate that you would refuse our request, and that of the President of the United States, for the diversion of the leading Australian division to save the situation in Burma.... We therefore decided that the convoy should be temporarily diverted to the northward. The



The crucial alliance that won the war in the Pacific: America’s greatest general, Douglas MacArthur, and Australia’s greatest Prime Minister, John Curtin. Curtin’s intervention saved MacArthur’s life and brought him to Australia.

convoy is now too far to the north for some of the ships in it to reach Australia without refuelling.

This was Churchill at his vindictive, manipulative, and oligarchical best; it was the English Lord steamrolling the Aussie commoner. It put Curtin in an extremely difficult position: does he stand his ground, which is his moral right, but put the lives of thousands of Australia’s best soldiers at risk as they travel unescorted through Japanese-infested waters on hulks running low on fuel, or does he acquiesce to world leaders Churchill and Roosevelt, whom Churchill claimed backed this decision? Again, Curtin acted decisively: he cabled the following reply to Churchill:

We feel a primary obligation to save Australia, not only for itself, but as a base for the development of the war against Japan. In the circumstances it is quite impossible to reverse a decision which we made with the utmost care, and which we have affirmed and reaffirmed.



Faced with this steadfastness, Churchill had no choice but to reverse the decision and send the troops home. The following two weeks were hell for Curtin, as the Australian troops were crossing the Indian Ocean without air cover or naval escort, and running low in fuel. Curtin barely slept, and was racked with nightmares when he did. One night after having a nightmare about ships being torpedoed and soldiers dying, Curtin confessed to a journalist, *I’m responsible for every life on those ships. If anything like that happens, it will be because of my decision.* Such is the burden of leadership which Curtin shouldered, and which took a monstrous toll on his health. In the end, however, the troops made it back safely, and, under the command of General MacArthur, went on to fundamentally change



Left: Curtin showing the strain of his responsibilities in World War II. Curtin constantly had to stand up to Churchill, in order to bring back Australian troops to defend Australia. Right: MacArthur and Curtin. MacArthur's comment when briefed on the state of Australia's defences left by Menzies was, "God have mercy on us".

the course of the war in the Pacific.

MacArthur arrived in Australia on March 17, 1942. On March 20, when he caught a train from Alice Springs to Melbourne, he was given a status report on the defences available to Australia: there was less than one American division, virtually no planes, and most of Australia's experienced troops were still abroad. After getting the report, and having seen the devastation in Darwin (and probably wondering why on earth Australia didn't have a railway line all the way to Darwin), MacArthur could only say, *God have mercy on us*. In his biography, MacArthur would later say of the condition of Australia left by Menzies, *It was the greatest shock of the whole war*.

Economic mobilisation

With the arrival of MacArthur in Australia, the triumvirate that was to lead Australia to victory in the war was complete: the other two members being, of course, Prime Minister John Curtin, and BHP's Essington Lewis, who was the Director-General of Munitions. MacArthur was the brilliant military leader, Curtin was the political leader, and Lewis was the business leader. Lewis, who had built BHP into Australia's largest company, would now be in charge of Australia's economic mobilisation for the war effort.

Lewis had been appointed Director-General of Munitions by Menzies in May 1940. Prior to that, apart from his efforts to establish an aircraft industry in Australia, he had been chairman of the Commonwealth Advisory Panel on Industrial Organisation since 1938, which was a panel of businessmen who advised the government on how to mobilise private industry for the war effort. Lewis would go on to do a superhuman job during the war, but he was already a legendary figure at the time he was appointed. He had turned BHP from a mining company into one of the best, if not the best, steel companies in the world. It was certainly the most efficient, selling the cheapest steel in the world by 1939. By the time Japan entered the war in 1941, BHP was producing more steel than the country needed. According to war historian Professor D.P. Mellor in his official record of the war mobilisation, entitled *The Role of Science and Industry: On the whole, the steel industry, the cornerstone of the country's industrial structure, was more nearly ready to meet the shocks and stresses of war than any other*. Since BHP was the steel industry, that was

entirely due to the leadership of Essington Lewis.

Lewis was a central player in a political scandal of the 1930s, and that was the "Pig Iron" Bob saga. Wharfies at Port Kembla in 1938 refused to load pig iron onto a ship going to Japan, in protest of Japan's occupation of Manchuria, and the potential threat it posed to Australia. The pig iron was from BHP. As Attorney General, Menzies introduced draconian laws to discipline the union, and a strike ensued, which wasn't settled until the beginning of 1939, after which the ship was loaded, but that was the last shipment of pig iron to go to Japan until 1960. Menzies became known as "Pig Iron" Bob, and Menzies and BHP have gone down in history together as being unwilling to face the reality of the Japanese threat. While that was true, for Menzies, however, BHP and Lewis had an entirely different motive. Bearing in mind that Lewis was almost singlehandedly using BHP to prepare for the inevitability of war, it is evident that Lewis' attitude was that by selling Japan pig iron and iron ore, his company was making profits which it needed to strengthen Australia's steel industry, and to set up aircraft, munitions and other essential industries, all of which it was doing without any government aid, so any revenue was welcome.

Of course, Lewis was a logical target for unions because, as head of BHP, he was very close to the conservative side of politics, as well as to the financial establishment. He was a personal friend of people like the Governor-General, the British head of Imperial Chemical Industries (ICI), and W.S. Robinson, the founder of Western Mining Corporation. He was also very anti-ALP, believing that government shouldn't meddle in business. He was especially opposed to Jack Lang. Since Lang had fought so hard against the austerity measures that would slash the people's living standards during the depression, New South Wales had a much higher living standard than any other state. For a big steel company like BHP, this meant paying wages for their workers at Newcastle that were 45 per cent higher than in the other states where they operated, like South Australia. Lewis was overjoyed that Lang was removed from office. He told a friend at the time: *On Saturday last, Australia was relieved of one of the greatest, if not the greatest, political incubus with which she has ever been blessed*.

At the onset of the war, it was universally recognised, even by the Menzies government, that Australia was extremely



ill-prepared for war. So, with political leanings such as he had, as well as his awesome business reputation, it's not surprising that Menzies turned to Lewis to lead the mobilisation. At first, Lewis' appointment came under a lot of criticism from some Labor leaders, like H.V. "Doc" Evatt, as being a conflict of interest. He was accused of using his position to give extra business to BHP. This could easily have been the case, because, under the National Security Regulations that governed his appointment, Lewis became known as Australia's "industrial dictator". According to Professor Mellor, this was "the most responsible position of its kind ever allotted to an Australian". As head of the Department of Munitions, of which the Prime Minister himself was the ministerial head, Lewis controlled the production of all ordnance, explosives, ammunition, small arms, aircraft and vehicles, and all the materials used in producing such munitions. Anything he deemed to come under the category of munitions—absolutely anything—was earmarked for the war effort, and put under his personal control. For example, if Lewis decided that beer was munitions, it was munitions. He was given a seat on the Defence Committee and the same access to the war cabinet as the chiefs of staff of the armed services. Unlike the chiefs of staff, however, he was exempt from the rules that regulated all public servants. Under new National Security Regulations, Lewis' directorate was given far-reaching powers. In carrying out his mission, Lewis could acquire factories, machines, tools, inventions or raw materials. He could compulsorily acquire any buildings. He could issue contracts to any firms without calling tenders. He could spend as much as £250,000 on any project without seeking the minister's approval. And he could delegate his power to any subordinate and then revoke that power at will.

The comprehensive and far-reaching nature of the National Security Regulations during the war is reflected in these two humorous cartoons from *The Bulletin* at the time. This first one (top left) shows how stretched the manpower regulators were at the time, and what lengths they had to go to find labour. The second cartoon (above right) shows the same thing, but from the standpoint of the total quandary the rich lady of the house was in when her domestic help was requisitioned into a real job for the war effort.



World War II cartoons showing the humorous side of the comprehensive manpower regulations, that were designed to ensure that all available manpower contributed to the war effort.

With all this power at his disposal, Lewis could very easily have become corrupt, but there is absolutely no evidence of this. In fact, BHP, of which he was still managing director, suffered a fall in profits every year during the war years, although steel demand greatly increased, so there is no evidence of any underhandedness on Lewis' part. Lewis even refused a salary from the government, and continued to be paid by BHP during his entire time as Director-General of Munitions.

The first changes Lewis made were to his own thinking. The abject failure of the conservative governments to prepare for the impending war made him rethink his long-held opposition to government intervention in the economy. In fact, he didn't just modify his views, but became a staunch advocate of active government intervention, even when the war ended. It is a measure of his leadership qualities that, when the circumstances demanded it, he was able to radically revise his own thinking.

In reviewing his mandate, Lewis quickly realised he needed more organising capacity if he was to be successful, so he expanded his directorate by recruiting, from private industry, the most talented industrialists and organisers ever assembled in one Australian team. Lewis' deputy was a chemical engineer named Noel K.S. Brodribb. He appointed the Chairman of the Victorian Railways Committee, Harold W. Clapp, as director of aircraft production; he appointed the managing director of General Motors Holden, L.J. Hartnett, as director of ordnance production; as director of the production of gun ammunition, he appointed W.J. Smith from the diverse manufacturing firm of Australian Consolidated Industries; Sir Colin Fraser of Broken Hill Mining was appointed director of materials supply; a leading Melbourne accountant and businessman, E.V. Nixon, became director of finance; and Colonel Fred Thorpe, a military engineer with wide business experience, became director of machine tools and gauges. New directorates were added later to cover armoured fighting vehicles, radio and signal supplies, locomotives and rolling stock, small craft, and several administrative areas. In the contemporary caricature of the new directors (above) they are depicted sitting on the bullet that represents munitions production. From left to right are Hartnett, Nixon, Brigden, Clapp, Donaldson, Fraser, McBride, and Brodribb. There was one other directorate in the initial team, and that was a director of labour.

As Director of Labour, Lewis appointed former locomotive driver, and Defence Minister, future Prime Minister Ben Chifley. Interestingly, this organisational structure, as well as the personnel to fill the posts, was the idea of John Jensen, the assistant secretary of the Department of Supply who became the secretary of the Munitions Directorate.

Jensen had first proposed this idea to the government in 1939, but it was rejected since, as we have seen, defence organisation wasn't Menzies' highest priority. When Jensen put it to Lewis upon his appointment, he immediately saw its potential. The first meeting of this board of directors was on Tuesday June 25, 1940, and lasted from 8.00 p.m. to midnight. Lewis opened the meeting by reading from a long list of likely demands for arms and ammunition, ranging from 252 anti-aircraft guns to 575 million rounds of small arms ammunition. Most of the weapons on the list had never been made in Australia, and could only be made with special machine tools, skills, and raw materials. That was only one of the problems he handed to his directors at the first meeting. It was these men, and this organisation, who created the economic miracle that was Australia's World War II mobilisation.

Australia's economic mobilisation during World War II was globally impressive not so much for its volume of production, but its variety. The 150,000 men and women in Lewis' munitions department produced 3,500 aircraft of all types—trainers, Beaufort and Lincoln bombers, and Boom-erang and Mustang fighters. They produced a wide variety of munitions, ranging from grenades, land mines, and ammunition for weapons ranging from rifles to anti-aircraft guns. They produced 400,000 .303 rifles, and batches of machine and sub-machine guns including the famous Owen gun that was designed in Port Kembla, a variety of heavy guns ranging from four-inch naval guns for naval and merchant ships to anti-tank guns and anti-aircraft guns. When gun production seemed about to be jeopardised because of a lack of optical instruments, which was a highly sophisticated industry in which Australia had no prior experience. Lewis deployed his department to create an optical industry, and they produced periscopes, bombsights, range finders, and telescopic sights. When tanks couldn't be imported, the department built them; when Australia was short of torpedoes, Lewis made them.

Machine tools

The economic success can best be seen in the machine tool sector, one of the highest priority areas of the economic mobilisation.

At the beginning of World War II, there were only three real machine tool manufacturers in Australia—McPhersons, J.W. Heine and Sons, and W.G. Goetz and Sons. A bigger problem was that the machine tools produced locally were not of munitions quality, and only 15% of the 40,000 machine tools in Australia at the time were of munitions quality, obviously an intolerable situation at the beginning of the war.

What happened next was nothing short of amazing.

The Federal Government set up the Commonwealth Machine Tools Committee in March 1940. This became part of the Department of Munitions, under Lewis. Lewis' appointee as director of Machine Tools and Gauges, Colonel Fred Thorpe, was recognised as the leading authority on machine tools in Australia. He had been advising the



Top: A caricature of the members of the Munitions Directorate, who each held crucial responsibilities under the command of Essington Lewis.

Middle: Lewis (left), and his Director of Labour, future Prime Minister Ben Chifley. The arch-conservative became very close to Labor leaders Curtin and Chifley. Right: John Jensen, secretary of the Munitions Directorate, who devised the leadership structure that ran the economic mobilisation.

government for quite a few years previously, and knew intimately what Australia's capacity was. The Directorate was afforded very wide-ranging powers under the National Security Regulations. Statutory Rule 118, Regulation 59B read:

After the date on which this regulation comes into operation, a person shall not, without the consent of the Minister of State for Munitions, for the purpose of manufacturing or producing any article or a new design, make, at a cost exceeding one hundred pounds, any alteration in or re-adjustment of any machinery, or provide or install at a cost exceeding one hundred pounds any machinery, tools, jigs, dies or fixtures differing from those used by that person prior to that date.

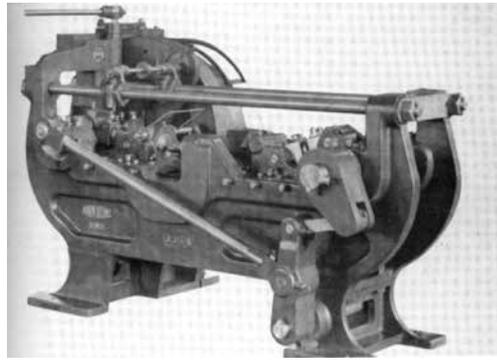
The purpose of this regulation was to ensure that any available machine tool capacity in the country was known about, and deployed to the war effort.

D.P. Mellor, in *The Role of Science and Industry*, recounts the result:

The years 1942 and 1943 witnessed an astonishing increase in the number and variety of locally-made machine tools. There was also a great deal of ingenious improvisation in the use of existing machines. Precision tools of a

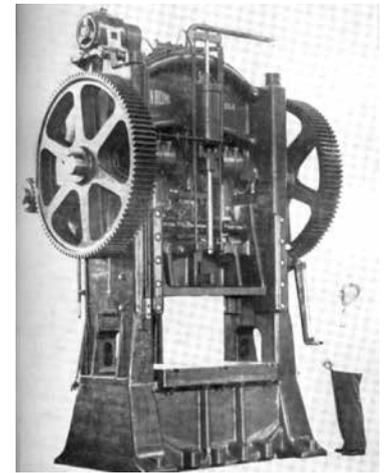


Left: Woman operating a lathe. The machine tool sector was so transformed that it went from Australia's worst weakness to its greatest strength.



Middle: Special press for making cartridges.

Right: A 100-ton shell drawing press designed by J.W. Heine and Sons.



kind whose local manufacture would previously have been regarded as impossible became almost commonplace.

At the peak of production in 1943 some 200 manufacturers employed 12,000 persons for an annual output of 14,000 machine tools. By the middle of 1944 what had been Australia's greatest single technological weakness had become a major source of strength. This remarkable transformation owed much of its momentum to the drive and energy of Colonel Thorpe. Over the whole war period the value of machine tools made in Australia was approximately £23 million. Australia's needs were met and orders were delivered to the British Army in Egypt, to South Africa, New Zealand and India. From making a few machines of medium size Australian manufacturers attained the position of being able to make precision tools of a size and quality that compared favourably with other nations.

Here are some examples of what was done: *In a very short time a large number of firms, from Kalgoorlie in Western Australia to Mackay in Queensland, were busy making machine tools to a precision and on a scale that would scarcely have seemed possible a few months earlier. Forty 1,000-ton power presses, thirty-five 1,500-ton and four 3,000-ton hydraulic presses, rolling mills, bulldozers, excavators, brown coal briquette presses, drop hammers, sheet metal presses, and forging presses were among some of the important machines made. Others included a complex shell-forging machine; a lathe of 36-inch centre by 100-foot bed, costing £55,000—the largest ever made in Australia; lathes with 36- and 48-inch centre with 50 foot between. The first of these was completed at the Ipswich Railway Workshops with the aid of 90 firms from nearly every state of the Commonwealth. It weighed 132 tons and required eight large railway trucks to transport it to Victoria....Some of the machines were built with remarkable speed. A steam, hydraulic, 2,000-ton forging press weighing 80 tons was built and in operation fourteen weeks after its construction was begun. Eight to twelve months would have been a reasonable period to build this machine in time of peace.*

Pictured above are some examples of what was able to be produced. In the centre is a special press for cartridge making, and on the right is a 100-ton shell drawing press designed by J.W. Heine and Sons. By 1943, Colonel Thorpe wrote:

There is, generally speaking, no machine too large or too intricate for the Australian engineer to tackle, if the need is sufficiently urgent....There are now available through the

co-operation of manufacturers, engineering shops, certain garages, instrument makers, tool making establishments and others, more than 180 organisations producing tools and gauges to the extremely fine tolerances demanded by modern engineering practice and munitions manufacture.

In 1944, an Englishman who was visiting Australian factories was surprised to find that of the 52,000 complex machine tools at work, seven out of every ten had been made in Australia.

Within six months of his appointment, Lewis had quadrupled munitions production, but almost all of it was shipped to Europe. This was the case until 1941, when Curtin became Prime Minister. Curtin's break with Britain, and his prioritising of the Pacific theatre, saw more demands placed on Australia's munitions production, but also more effective application of the product. There was some doubt about how well Lewis would work with a Labor government, considering the way certain members like "Doc" Evatt had attacked him. But, Curtin displayed his attitude toward Lewis by, instead of removing him, doubling his responsibility. For some crazy reason, Menzies had removed aircraft production from Lewis' responsibility; upon coming to power, Curtin created a Department of Aircraft Production, and made Lewis the director, with the same powers he had as Director-General of Munitions. Essington Lewis and John Curtin had none of the problems of the baby-boomer generation Lyndon LaRouche has polemicised against so much, in failing to reach objectives because of a preoccupation with "feeling states" and the like. Here is an excerpt from a speech given by Curtin during the war to raise money from the public through loans. If you ever wanted to hear a direct polemic, this is it:

My Lord Mayor, men and women of Australia, for I'm speaking now to everybody in this commonwealth wherever he or she may be.



The full cabinet today, directed the war cabinet to gazette the necessary regulations for the complete mobilisation and the complete ordering of all the resources, human and material, in this commonwealth for the defence of this commonwealth.

That means clearly and specifically, that every human being in this country, is now whether he or she likes it, at the service of the government to work in the defence of Australia. Money, machinery, buildings, men, whatever it may be, when so required to be diverted to purposes of war must on the immediate direction of the government be so diverted

Map 1



The Brisbane Line, which shows just how much of Australia the British were prepared to sacrifice to the Japanese.

to the purposes of war. That's clear cut: that's decisive.

The enemy rests upon a totalitarian basis, he uses everything—this country therefore uses everything in resistance to him.

Lewis was equally forthright, which is probably why he and Curtin got along so well. On a tour of an aircraft factory, such as he made constantly, spending countless hours during the war flying from factory to factory to have a hands-on sense of what was happening, he asked the foreman, whom he knew by name, when a certain project would be completed. When he was told that it would be completed by Christmas, Lewis said to him, *Christmas falls in October this year.* Lewis also hated bean-counters getting in the way of the job. He once said, *Accountants can prove that nothing is possible.* When Chifley was his Director of Labour, Lewis had got along very well with him, and he developed a similarly close relationship with Curtin. He deeply respected John Curtin and Ben Chifley, and they him. In fact, as a sign of how highly Curtin regarded Lewis, Curtin recommended him for a knighthood, something the ALP never did, but which Curtin thought Lewis would appreciate, given his conservative background. However, Lewis rejected it, as, like Labor, he hated pretensions.

Winning the war

Lewis' achievements on the domestic front enabled the war effort to be effective. Under Douglas MacArthur, Australia's returned battle-hardened soldiers and the newly-recruited militias were able to turn the tide against Japan. MacArthur ripped up Kitchener's Brisbane Line strategy within weeks of arriving in Australia, and decided instead to meet the Japanese advance in Papua New Guinea.

Backed by American logistical support, Australian troops carried out some of the toughest fighting of the entire war in the swamps and jungles surrounding the Kokoda Track. In May 1942, American ships stopped the Japanese attempt to take Port Moresby in the Battle of the Coral Sea. At the Battle of Midway in June, the Japanese lost four aircraft carriers, and the momentum of the war began to shift. In August, in ferocious fighting at Milne Bay in P.N.G., the Australian 7th Division stopped another Japanese attempt to take Port Moresby, which was the first time in the war that the Japanese had been defeated on land.



Australian troops on the Kakoda Track in P.N.G. It was Australian troops in P.N.G. who inflicted Japan's first land defeat of the war, and turned the tide of the war in the Pacific.

The war would drag on for three more years, until MacArthur's famous island-hopping finally saw the Japanese defeated. Japanese commanders reported after the war that they had been stunned by the MacArthur-led Australian strike into Papua New Guinea, and that it had disrupted their entire timetable for the war. In retrospect, perhaps it wasn't fair to the Japanese to let them think that all Australian leaders were treacherous royal brown-nosers like Robert Menzies. What is clear, is that they certainly hadn't reckoned on being confronted with the powerful combination of John Curtin, Douglas MacArthur, and Essington Lewis.

John Curtin died suddenly on July 5, 1945, just one month before the Japanese surrendered. MacArthur said of him, *He was one of the greatest of wartime statesmen, and the preservation of Australia from invasion will be his immemorial monument.* It has been said of Curtin many times that "He saved Australia", and undoubtedly, this is true. His decisive actions at critical times during the war, in particular his break with Britain, his request for MacArthur, and his resoluteness against Churchill, were the critical factor in Australia's war-time mobilisation. Yet Curtin's decisiveness wasn't exactly one of his inborn character traits. In fact, before he became Prime Minister he was racked by self-doubt and depression, which saw him grapple with alcoholism for many years. In other words, what Curtin had to do wasn't easy for him, but he did it anyway, because he had a mission. Curtin knew that what he stood for was right, and that, by virtue of this knowledge, he was the person called upon to stand up when it counted, and lead his country through its most trying time. An insight into the philosophy that guided him comes from a speech he made on "Ideals" in the early 1900s, when he was still a young man.

Curtin concluded the speech:

Let your highest ideal be what Christ showed most—an infinite pity for the people and a hatred of injustice. Enthroned this ideal in your hearts and you will find your work. Your voice, perhaps your pen, will smite injustice and tyranny; your truest prayers will be ardent work for others and that trembling, cowardly, introspective gazing into your own soul to find out whether you are the Lord's or whether you are not, will give place to a brave endeavour and a noble and constant self-sacrifice which shall consume your being with enthusiasm and make life really worth living.



6. Labor's grand vision for post-war reconstruction

by Robert Barwick

Last weekend, the Alpine town of Jindabyne hosted the 50th anniversary of the commencement of the Snowy Mountains Scheme. On the following Monday, the Labor Party came to power in Victoria with the support of three independents, one of whom, Craig Ingram, is a greenie who is campaigning to have 28 per cent of the original flow of the Snowy River restored. Most of you have probably seen the signs on the back windows of Melbourne's buses saying "Restore the Snowy's flow". My, how things have been turned around in 50 years! The Snowy Mountains Scheme was only possible because of the impressive infrastructure development programme embarked on after World War II, *by the Labor Party*.

The picture (right) shows the great Labor Prime Minister Ben Chifley officiating at the opening of the Snowy Mountains Scheme in 1949.

Let us look at what happened in the immediate post-war period, which really was crucial in shaping Australia to what it is today. Because, while there were wonderful achievements, like the Snowy, there were also tragedies, which, unfortunately have overshadowed the wonderful achievements, and have had lasting detrimental effects. For example, when Prime Minister John Winston Howard attended last week's Snowy reunion, and paid tribute to the workers who built it, it was nothing but a farcical revision of history. Because everything John Howard stands for politically, like small government, cost-cutting, and the free market, means that under him, a project like the Snowy would never have been built. So, 50 years after it was started, the greenies are trying to drain it, the government doesn't build infrastructure any more, and Australians are left wondering, "What are we going to do?"

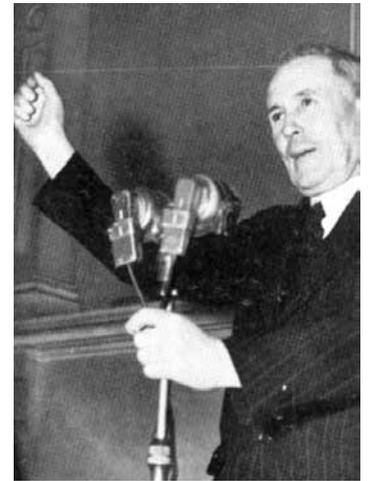
What happened?

Australia at the end of World War II was bursting with potential. The country was an industrial powerhouse, thanks to the war-time mobilisation led by Essington Lewis. For example, in the crucial machine tool industry, there was a lot of optimism about the future. Alan Austin of the machine tool firm Austin and Brackenbury, said at the time: "There was a feeling of confidence in the early post-war years that we would continue to grow and provide our own requirements."

The Labor government, under first Prime Minister John Curtin, and then Prime Minister Ben Chifley, who had been Director of Labour under Essington Lewis at the beginning of the war, knew that the economy could only function properly if it was organised the way it was during the war. The government embarked on an ambitious post-war reconstruction programme to take advantage of the industrial momentum in the war-time economy to develop Australia in a way that had never been attempted before. At the same time, this programme was necessary to absorb the massive numbers of labourers returning from the war. At the end of 1942, already planning for the post-war world, Curtin had set up the Department of Post-War Reconstruction. Curtin's plan to win the peace, so to speak, had three features: 1) plans to change the physical face of the continent through a series of great development projects like the Snowy Mountains Scheme



Above: Prime Minister Ben Chifley standing, left, at the opening of the Snowy Mountains Hydroelectric Scheme in 1949. To achieve Labor's grand vision for post-war reconstruction, Chifley (right) tried to nationalise the banks, and harness control of the nation's credit for the national interest.



and the Bradfield Scheme; 2) plans to populate the entire continent through massive immigration; and 3) plans to reform the banking system, to end the misery caused by private banking once and for all.

The second of these goals was the most successful: between 1945, when Australia's population was 7 million, until 1970, some 2.5 million immigrants settled in Australia. They provided manpower to achieve the first goal of infrastructure development, or the parts of it that were achieved. The Snowy Mountains Scheme was built by people of over 40 different nationalities. However, apart from the Snowy, the goal of massive infrastructure projects to develop Australia was left largely unfulfilled.

The key issue was national credit: like O'Malley, Anstey, and Lang before them, Curtin, Chifley and the war-time Labor Party knew that to achieve their goals, they must harness control of the nation's credit. As Treasurer, in January 1945, Chifley tabled legislation to make wartime controls of banking—which directed credit to the benefit of the national interest, i.e., the war effort—permanent. Chifley said in Parliament:

The intention of this legislation is to ensure that the banking system of this country shall work in the interests of the people as a whole. It has been planned in such a way as to ensure that final authority over the monetary policy of the country, shall rest with the government, which is responsible to the Parliament, and to the people. No longer shall we leave control of the monetary system

of this country in the hands of people with no special training, whose interests are personal and material and are associated with "big business".



The bill became law, but was bitterly opposed by the private banks. In 1947, the Anglophile High Court overturned whole sections of it. Chifley, who was now Prime Minister, hit back, by introducing a new bill providing for the Commonwealth Bank to take over all private banks. From then on, private banking was illegal. The purpose of this bill was to develop the immense resources of Australia. Chifley told Parliament:

Essentially the task of the new [banking] organisation will be to provide a financial mechanism appropriate to the needs of our rapidly growing economy. Australia is destined to see great developments in the coming years and this process, which is already underway, must be promoted by every means possible. There will be a great increase in our population. Industries will expand in all fields, and we must expand our markets abroad. The basic services of transport and communications, water supply, power, housing, health and education, must be enlarged to meet the needs of a larger economy, working at high levels of technique and productivity. The stress everywhere will be upon new forms of enterprise, new methods of production, and new uses of the resources of this country. Finance must cooperate and take the initiative in this process....

The banking system must anticipate these needs and be in the field with the right kinds of facilities to assist and encourage such developments....A banking system created to serve the welfare of the community, can aid industry by the quality of its advice and the incidental services it renders as well as by the financial accommodation it provides. The Government has in view the building up of a highly qualified staff that will enable the Commonwealth Bank to give skilled advice as part of its banking service. Secondary industries, for example, will be able to turn to the bank for the assistance of production engineers and cost accountants....Primary industries will have the aid of agricultural experts....It will be free from the cramping limitations of sectional private ownership which bid the private banks to serve this interest but not that interest, and to judge all business from the narrow standpoint of maximum profits for the smallest outlay. Full public ownership of the banks will ensure control of banking in the public interest.

When this bill was passed, the banks immediately launched an all-out assault on this law in the High Court, led by Sydney Kings Council Garfield Barwick, later known as Sir Garfield. In August 1948 the High Court, as expected, found in favour of the private banks. In 1949, the Privy Council in London also found for the banks. In the 1949 election campaign, Chifley was driven out of office by a campaign run by the banks. This was recorded in an editorial of the Brisbane *Sunday Mail* on July 31. *The decision of the Privy Council against the nationalisation of banking in Australia has touched off an all-out campaign by the banks and by bank officers to "sink Chifley" at the federal elections towards the end of this year.*

For those who attack Chifley's bank nationalisation as "communist", consider this: the Communists in Australia

Sir Garfield Barwick, the Sydney QC who argued at the High Court for the private banks against nationalisation.

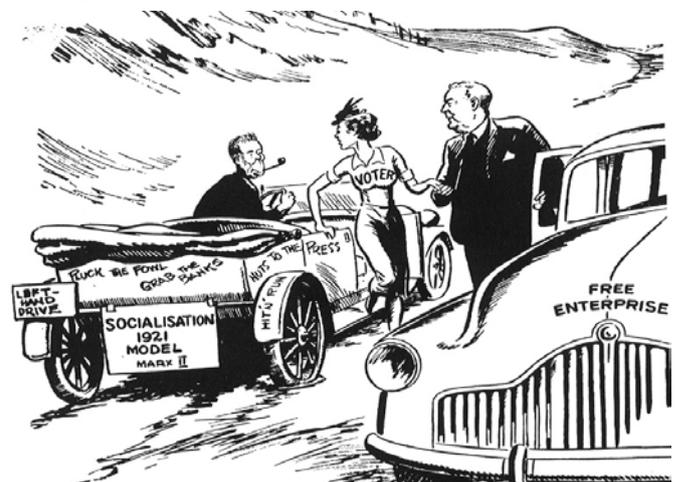


were allies with the bankers against him. Between 1947 and 1949, the years of the fight over nationalisation, communist-controlled trade unions crippled the country through strikes in the coal industry. This not only disrupted the post-war reconstruction plans, but tarred the Labor Party with the brush of domestic chaos. That, combined with Chifley's own weakness in the form of some deference toward British interests, which, among other things, meant he kept war-time rations on much longer than necessary, to "help the British recovery", saw his government voted out of power.

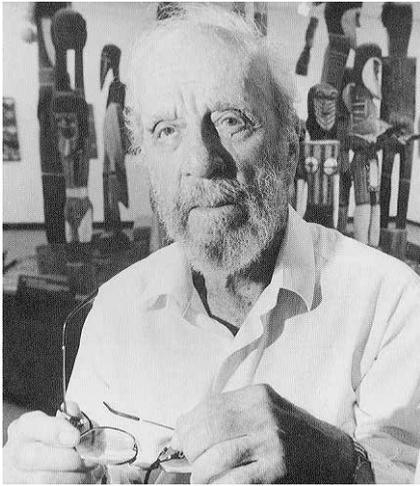
This famous cartoon, below, lists the issues because of which Chifley was seen to have lost power. Menzies smeared Chifley as allied with the Communists even though the latter were also working to oust him from power.

With the loss of government, Labor lost the battle to control Australia's credit. The post-war reconstruction programme was sabotaged from the inside by H.C. "Nugget" Coombs, the London School of Economics-trained public servant who described himself as a member of the "international freemasonry of central bankers". Coombs admitted that he squashed most of Labor's post-war reconstruction ideas, in his capacity as secretary of the Department of Post-War Reconstruction. The only post-war scheme to experience real success was the immigration programme; however, it failed to reach the scale envisioned, and the 1940s dreams of 40-50 million people in Australia by the end of the century have fallen well short.

It is no coincidence that the people and groups who conspired against Labor's post-war reconstruction vision went on to create the Aboriginal land rights movement as a tool to splinter Australia. They were: the British Crown—Prince Philip founded the Australian Conservation Foundation in 1963, as the umbrella group for environmentalist and indigenist movements in Australia; Sir Garfield Barwick, who took over from Prince Philip as ACF president; Nugget Coombs, who became known as the "father of Aboriginal land rights"; and the Communist Party, which as early as 1924 had called for land rights for Aborigines, and ran FCAATSI (the Federal Council for the Advancement of Aboriginal and Torres Strait Islanders), the early form of



Menzies capitalised on the joint bankers/communists campaign against Chifley's government to win power in 1949.



Left: H.C. "Nugget" Coombs, the "father of Aboriginal land rights". Coombs admitted he squashed most of Labor's post-war reconstruction projects.

Middle: American economist Lyndon LaRouche, whose fight for a New Bretton Woods monetary system for the global economy is the same fight that Labor waged against the Money Power for the first half of this century.

the land rights movement. If there is one thing that stands in the way of Australian infrastructure development today, it is Aboriginal land rights.

Today, in October 1999, the world is faced with an impending meltdown of the global financial and monetary system. Globally, speculation is out of control, and turnover is running into the trillions of dollars per day. To solve this problem, American economist Lyndon LaRouche has proposed a new Bretton Woods monetary system, of fixed

currency exchange rates, capital controls, national banking systems, tariff protection for industry, and large-scale infrastructure development projects. This means a return to the best aspects of the scheme established after World War II by U.S. President Franklin Roosevelt. For Australia, this means renewing the fight that characterised the Australian Labor Party for the first fifty years of this century—the fight of King O'Malley, Frank Anstey, Jack Lang, John Curtin, and Ben Chifley for national banking, and for national development. Even more important it demands of each of us that we examine our own consciences and, like Jack Lang, John Curtin, Essington Lewis or other great leaders of the better periods of our nation's history, make whatever decisive changes in our own previous thinking and outlook are required in the face of this great emergency, so that this time, we finally, at long last, decisively defeat the global financial oligarchy.

Appendix A

Australian battle royal over phony "republic"

by Allen Douglas. Reprinted from *EIR.*, Vol. 26 No. 6, Feb 5, 1999

On November 6, Australians will go to the polls for a referendum on whether or not to change the federal constitution, so as to replace the British monarch with an Australian head of state. If the "yes" vote receives a majority nationwide, as well as in at least four of the six states, the new form of government—universally referred to as a "republic"—will be inaugurated on January 1, 2001, precisely 100 years to the day, after the six British colonies on the continent united to form a federal commonwealth.

However, the huge debate which has now ignited on the issue of the "republic", is not, as one might expect, between "republicans" and "monarchists", but among the "republicans" themselves, on whether to vote "yes", or "no". Although polls have repeatedly shown that some two-thirds of Australians favor a republic with a directly elected president, the "republican" model which emerged from the Constitutional Convention held Feb. 2-13, 1998 in Canberra, proposed that the President—who would replace the Queen (and her Australian representative, the governor-general) as head of state—be *appointed by the prime minister*, subject to ratification by two-thirds of parliament; it is this proposal for which Australians will

vote "yes" or "no" in November. This attempt to cheat the population of the ability to directly elect their head of state, to thus maintain a British-style parliamentary system (while calling it a "republic"), has caused a bitter split within the pro-republican camp, with those favoring direct election now campaigning for a "no" vote in the referendum. As former independent member of parliament from Melbourne, Phil Cleary, now a leader of the "Real Republic" movement, put it in early January, "What they are offering is not a republic, it's an oligarchy. I want a real republic, they want a phony republic. Well, bugger 'em!"

Or, as Craig Isherwood, the National Secretary of the Citizens Electoral Council, more precisely analyzed the present pell-mell push for a "republic", "If you look at the history of this referendum, it's 'all the Queen's horses, and all the Queen's men.' And, aside from this phony 'republic', no one but ourselves has raised the other crucial issue—that, even under this new 'republic', Australia will remain as a key member of the new form of the British empire, the Commonwealth. Given the global financial crash now unfolding, Australia, now, more than at any time in its history, desperately requires a truly sovereign republic."

The history of a con job

The history of the present referendum began, at least in the public eye, with a speech given by former Labor prime minister Paul Keating on June 7, 1995, in which he called for the establishment of a "republic" by Jan. 1, 2001, with the precise features (including the method of appointment of the president) which were later adopted by the Constitutional Convention in early 1998. However, the *eminence grise* behind what is still referred to

as the "Keating model", as well as behind all subsequent developments in the "republic" campaign, was the Constitutional Centenary Foundation (CCF) established in 1991, a collection of "all the Queen's horses, and all the Queen's men." The CCF and its personnel dominated the Constitutional Convention, which the CCF, no doubt with a typically sadistic British chuckle, refers to in its printed literature as, the "Con Con".

That Keating would be chosen to initiate the drive for a “republic”, is indicative of this “Con job”: beginning 1983, first as federal treasurer and then as Prime Minister, Keating opened the country to takeover by foreign financial interests, by lifting Australia’s exchange controls, floating the dollar, and dropping tariffs. These, and additional globalization measures produced the worst foreign debt blow-out in the nation’s history, from \$38 billion to \$206 billion, according to even the Keating government’s own, highly understated figures.

The CCF, the guiding hand behind Keating’s push for a “republic”, was established by the cream of Australia’s Anglophile establishment. Its founding chairman, Sir Ninian Stephens, was Her Majesty’s former Governor-General and a member of Her Majesty’s Privy Council, while its four major private financial sponsors are Rio Tinto, the world’s largest mining company, in which the Queen holds a dominant share; the nation’s single largest financial institution, the AMP Society insurance giant; the Commonwealth Bank of Australia, the now-privatized former national bank; and the Big Six accounting firm, Arthur Andersen and Co. Leading board members include John Ralph, the former longtime head of Rio Tinto in Australia, which dominates much of the country’s politics, and Gary Sturgess, one of 12 members of the Mont Pelerin Society, the chief economic warfare unit of the British Crown. The CCF’s vicechairman since 1991, who actually runs the organization day to day, is Cheryl Saunders, a professor of law at Melbourne University. Her own activities demonstrate why the CCF is organizing the “republic” drive: not to establish sovereignty, but to splinter what shards of sovereignty Australia presently maintains.

The CCF, for instance, in its meetings and in statements by its personnel, has called for enshrining “indigenous law”

and “Aboriginal land rights”—for which the Queen’s Rio Tinto has been the chief funder—in a new, rewritten constitution, paving the way for the creation of “independent Aboriginal states”.

And, Ms. Saunders’ own scholarship is typical of the frauds perpetrated by the white-run “Aboriginal lobby”, which was founded by Prince Philip himself, through the Australian Conservation Foundation, a branch of his World Wildlife Fund which he set up in 1963, and which has led the charge for “land rights”. On the basis of Saunders’ report that Hindmarsh Island in South Australia was a “sacred site” for aboriginal women, the government banned the construction of a bridge to the island. An uproar ensued, during which it emerged that the “secret aboriginal women’s business”, as it was called, had in fact been cooked up wholesale by white anthropologists. In related attacks against other shards of Australian sovereignty, other CCF spokesmen emphasize that the constitution must be rewritten, to “update it economically”, to enshrine a “balanced budget” and “globalization”.



Paul Keating, initiator of the drive for a phony “Republic”. He opened up Australia to be wrecked by foreign takeovers and oversaw the ballooning of the acknowledged national debt to \$206 billion (in reality, it’s much higher), thus shredding whatever sovereignty Australia might have had.
Photo: HWT

Kerry Packer’s republic?

The chief public front for the CCF’s “republic” drive, is the Australian Republican Movement (ARM), which officially organized the Feb. 2-13, 1998 “Con Con”, which was chaired by longtime MP Ian Sinclair—Her Majesty’s ranking Privy Councillor in Australia. Virtually all of the ARM’s key personnel, including the man whom Keating appointed as its founding chairman, Malcolm Turnbull, are present or former employees of multi-billionaire press magnate, Kerry Packer, a key figure in the British American Canadian (BAC) cabal originally established around press baron Lord Beaverbrook during World War II. This cabal included Kerry’s father, Sir Frank Packer, a notorious toady of the British Crown, and Sir Keith Murdoch, the father of Packer’s fellow BAC press baron Rupert Murdoch. And the old royal ties have continued: Kerry Packer is seen from time to time in Her Majesty’s box at the Ascot races, and is business partners with several of the Queen’s favorite financiers, including Lord Jacob Rothschild and the now-deceased Sir Jimmy Goldsmith, while World Bank head James Wolfensohn and de facto United Nations chief Maurice Strong sat on the board of Packer companies for many years. Her Majesty keeps some strange company: in the early 1980s, the Costigan royal commission investigated Packer for possible involvement in pornography, tax evasion, drugs, corporate fraud, money laundering and murder, before that commission was abruptly wound up by the incoming Labor government of self-professed Packer-admirer, Prime Minister Bob

Hawke, and Treasurer Paul Keating in 1983.

Note the Packer pedigree of the following high profile ARM personnel: ARM’s founder and present chairman, is international merchant banker Malcolm Turnbull, who defended Packer before the Costigan royal commission, and who was his in-house lawyer for years, in addition to establishing *Playboy* magazine’s Australian subsidiary; Turnbull’s deputy at the ARM is former New South Wales Premier Neville Wran, also a Packer intimate; while ARM head in the key state of Victoria is Eddie Maguire, a highly paid sports commentator for Packer’s Channel 9 TV.

Then, when the “Real Republic” movement led by former independent MP Phil Cleary and others, emerged strongly in early January to lead a republican “vote no” movement, and opinion polls showed that the November referendum might fail, a new group suddenly popped up to attack Cleary et al.: “Conservatives for an Australian Head of State”. This silver spoon outfit includes a



Kerry Packer

number of the country's top business executives, including Charles Goode, chairman of ANZ Bank, the ver-r-ry British bank, which was headquartered in London until 1977. And who is leading this grass roots movement of bankers and bigshots for a republic? None other than former Liberal party federal director Andrew Robb, now a senior figure in the Packer organization! A member of this new group, academic Greg Craven, expressed the panic in establishment circles, of what a failure in the

The great preamble scam

Besides the nominal change of substituting an Australian oligarch for the British Crown, as head of state, Packer's February 2-13, 1998 "Con Con" also recommended that a new preamble be written for Australia's constitution, nominally because the 1901 act of the British Parliament which contained the constitution, and which established the Commonwealth of Australia, does have a preamble, but the constitution itself does not. Among the things which a new preamble should include, said the Con Con, are: "gender equality" (homosexual rights); "acknowledgement of the original occupancy and custodianship of Australia by Aboriginal and Torres Strait Islanders" (i.e. land rights); and "affirmation of respect for our unique land and the environment" (as specified by Prince Philip's Australian Conservation Foundation). Since constitutional preambles are used to help determine the meaning of the body of the constitution itself, inserting a seemingly minor preamble such as that above, has extremely far-reaching implications. Even the largely hand-picked convention delegates at the Con Con recognized this, and apparently revolted, demanding that Section III of the constitution be changed, so as to specifically state that the new preamble would *not* be so used.

The CCF, meanwhile, through the "working draft" on the constitution which it issued in January 1999, has launched a nationwide "Preamble Quest", to brainwash the population to both include such a preamble in the November election—and to accept that it be used to interpret the document as a whole. Compare the grab-bag of indigenist, homosexual, "culturally diverse" clauses which the CCF

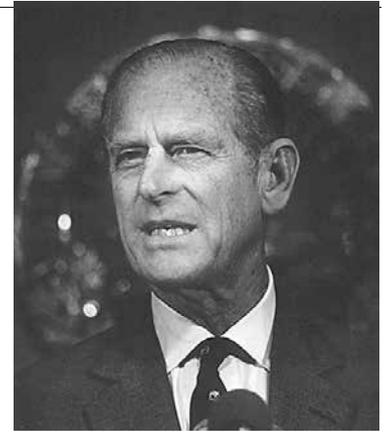
The battle for a true republic

Indeed, the example of the U.S. pre-ample is extraordinarily relevant to the republic debate raging in Australia today. As CEC National Secretary Craig Isherwood emphasized on January 28, "It is totally lawful that almost two-thirds of Australians favor a directly elected President, on the U.S. model, because we have a proud and deep tradition of republicanism which goes back to at least the mid-Nineteenth Century. Our organisation has documented this history—which has been covered up, and which is therefore unknown to most Australians—in our groundbreaking work, 'The Rise and Fall of Australia: The British Crown's assault against the Commonwealth,' which we wrote a few years ago, and just recently re-issued in our pamphlet, *Stop the British Crown Plot to Crush Australia's Unions*. The fight of our forefathers, many of whom were fierce republicans from Ireland and Scotland who were shipped here as political prisoners, and who organized the labor movement, continues today against the exact same enemy whom they fought then—the British Crown."

As that CEC pamphlet documents, in the 1890s the Crown sent out its personal representative, Lord Charles Robert Carrington, Marquis of Lincolnshire, one of the closest friends of the degenerate Prince of Wales (later

November referendum might lead to, "If this fails, then the logic of Australian constitutionality is that we will end up with a direct election for a president, which would be an unmitigated disaster." Meanwhile, ARM head Turnbull claimed, in the *Sydney Morning Herald* of December 30 1998, that "There is virtually no support for a U.S.-style system"—a blatant lie, according to virtually every poll ever taken over the past several years, which repeatedly show a majority in favor of direct election.

champions—which are clearly designed to splinter the Australian nation-state—with the natural law-derived eloquence of the preamble to the Constitution of the United States. This latter reads, in its entirety: "We the people of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America." As the American statesman Lyndon LaRouche has emphasized, this "general welfare" clause, rooted in concern for the physical and spiritual well-being of all Americans, both today, and of generations yet unborn, is the bedrock upon which the Constitution is anchored in "Temporal Eternity". Such a natural-law concept of sovereign nation-hood, is fundamentally opposed to the passing whims of "special interests", whims, such as "land rights", which are usually whipped up by the oligarchy.



Prince Philip himself, through the Australian Conservation Foundation, a branch of his World Wildlife Fund which he set up in 1963, has led the charge for "land rights".

Edward VII), and great-uncle of today's Lord Peter Carrington (a former High Commissioner to Australia, and former chairman of ANZ Bank), precisely to head off attempts to establish an American-modelled republic. Carrington worked through a front man, the slavishly Anglophile Premier of New South Wales, Sir Henry Parkes—the so-called "Father of Federation"—to establish a British parliamentary system with the Crown as head of state. As Parkes put it, "There are disruptive organizations here in favor of pure republicanism...to those who think most loosely, the lodestar is the United States." Trade unionists, meanwhile, regularly denounced the Parkes-Carrington version of a "commonwealth" as a "British imperial plot." Written by fanatical Australian Anglophiles such as Sir Samuel Griffiths, a favorite of the Colonial Office, the constitution was secretly sent back to London to be rewritten to, as one Colonial Office official put it, "remove any residual American tendencies."

Almost one hundred years later, the issue of a republic has again taken center stage. But, will Her Majesty's servants, once again, dominate the outcome? Given the global financial crash, in which western civilization faces its greatest peril in centuries, Craig Isherwood concluded, "This time, we better do it right."

The great postwar projects

The postwar reconstruction of Australia

1. The Snowy Mountains Hydroelectric Scheme

This was the centrepiece of the government's reconstruction program. Begun in 1949 and completed 10 years ahead of schedule in 1974, it was the greatest project ever undertaken by Australia.

It comprises a complex series of 16 dams, 7 power stations and numerous pumping stations, connected by 160 km of mountain tunnels and 130 km of high mountain aqueducts. It supplies electricity for Victoria and New South Wales, and water from its dams irrigate over one million hectares throughout the Murray and Murrumbidgee River basins.

One hundred thousand people were employed to build the project, many of them returned veterans. Seven thousand were immigrants whom the Ministry of Post-War Reconstruction had recruited through its offices in capital cities all over the world.

The skilled manpower and immense expertise acquired during the construction of the Snowy are today embodied in the state-owned Snowy Mountains Engineering Corporation. Many expected that, after completion of the Snowy, the Snowy Corporation would just move north and begin work on the Bradfield scheme (see below).

2. Yass-Jervis Bay Regional Co-Development Plan

This project is exemplary of dozens of smaller regional projects planned for all over Australia. It proposed to link the cities of Yass and Canberra with a rail line east to a new port at Jervis Bay. Agricultural villages were planned along its route.

3. The Clarence River Hydroelectric Scheme

In 1947 Country Party leader Dr. Earle Page proposed to "harness the wasting waters" of the Clarence River, to construct a system of multiple purpose dams for hydro-power, navigation and flood control. With 300,000 million cubic feet of water storage and 300,000 hydroelectric horsepower, the project was to be a smaller-scale version of the Tennessee Valley Authority in the southern United States. It would link the great coal producing centre of Newcastle in New South Wales, with Brisbane in Queensland. New industries adjacent to their raw materials sources would be powered through the project. Prime Minister Ben Chifley urged that it go ahead.

The project's centrepiece was to be a dam at Clarence Gorge with an accompanying hydro-electric power station; the newly created lake would be 100 miles long. As demands for new power arose, a further series of dams were to be built on the streams of the tableland headwaters of the Clarence, taking advantage of the huge falls in these streams as they flow toward the coast.

In 1995, the Queensland National Party called for its adoption at long last.

4. The Dawson Valley Irrigation Scheme

The region has very arable soil on both sides of the river and could support a variety of rural and industrial activities, the latter including coal mining and natural gas extraction. The Dawson was to be dammed at Nathan Gorge, downstream from the Upper Dawson catchment, and the captured waters run into a smaller series of dams and canals.

Today, five small dams have been built on the Dawson, a fraction of its potential.

5. The Bradfield Scheme

Dr. J.J.C. Bradfield, the designer of the famous Sydney Harbour Bridge, proposed to irrigate one-third of drought

ridden Queensland, and much of central Australia through this plan, which he presented to the Queensland state government in 1938.

It called for the diversion of the Tully, Herbert, and Burdekin Rivers, which otherwise pour their vast volumes of water unused into the Pacific Ocean, west across the Great Dividing Range, to open up huge tracts of inland Australia for agriculture, cattle grazing, and population growth.

Through the Diamantina River and Coopers Creek, the water would eventually flow into the usually-dry Lake Eyre in South Australia. The extensive new areas under crop, together with the creation of some 20,000 square miles of water surfaces, would significantly change the temperature and the weather patterns of as much as 10% of the continent.

In 1949 the Chifley federal government and the Queensland state Labor government agreed to establish a small portion of the scheme Bradfield envisioned by setting up the Burdekin River Authority, modelled on the Snowy Mountains Hydro-electric Authority. "The Burdekin basin is the largest undeveloped river basin in Australia close to well-developed infrastructure," as Gough Whitlam later appraised it. Menzies scrapped the plan when he came to power in 1949.

Finally, the Burdekin Dam was completed in 1987, but included no plans to transfer water west over the Great Dividing Range.

In 1981, Bob Katter Jnr, the MP for the Kennedy electorate, began a campaign to revive the Bradfield Scheme. Further feasibility studies were conducted and Queensland's Department of Northern Development assessed the project optimistically.

In July 1993, many shire councils of North and Central Queensland joined together to form the Northern Australia Water Development Council to finally make the scheme a reality.

In early 1995, following perhaps the worst drought in Australia's history, seven federal and state MPs from various parties, including Katter, formed a coalition to push for the construction of a National Water Distribution Scheme, to include the Bradfield and Clarence projects.

6. The Reid Scheme

L.B.S. Reid, an engineer from Brisbane, proposed a series of dams, canals and tunnels to channel the floodwaters of the Walsh, Tate, Lynd, Einasleigh, Etheridge, and Gilbert Rivers, which flow west from the Great Dividing Range, into the Diamantina River, in order to irrigate the Flinders Valley and provide water for the inland via the Diamantina. Extensive new areas would be opened for agro-industrial activity.

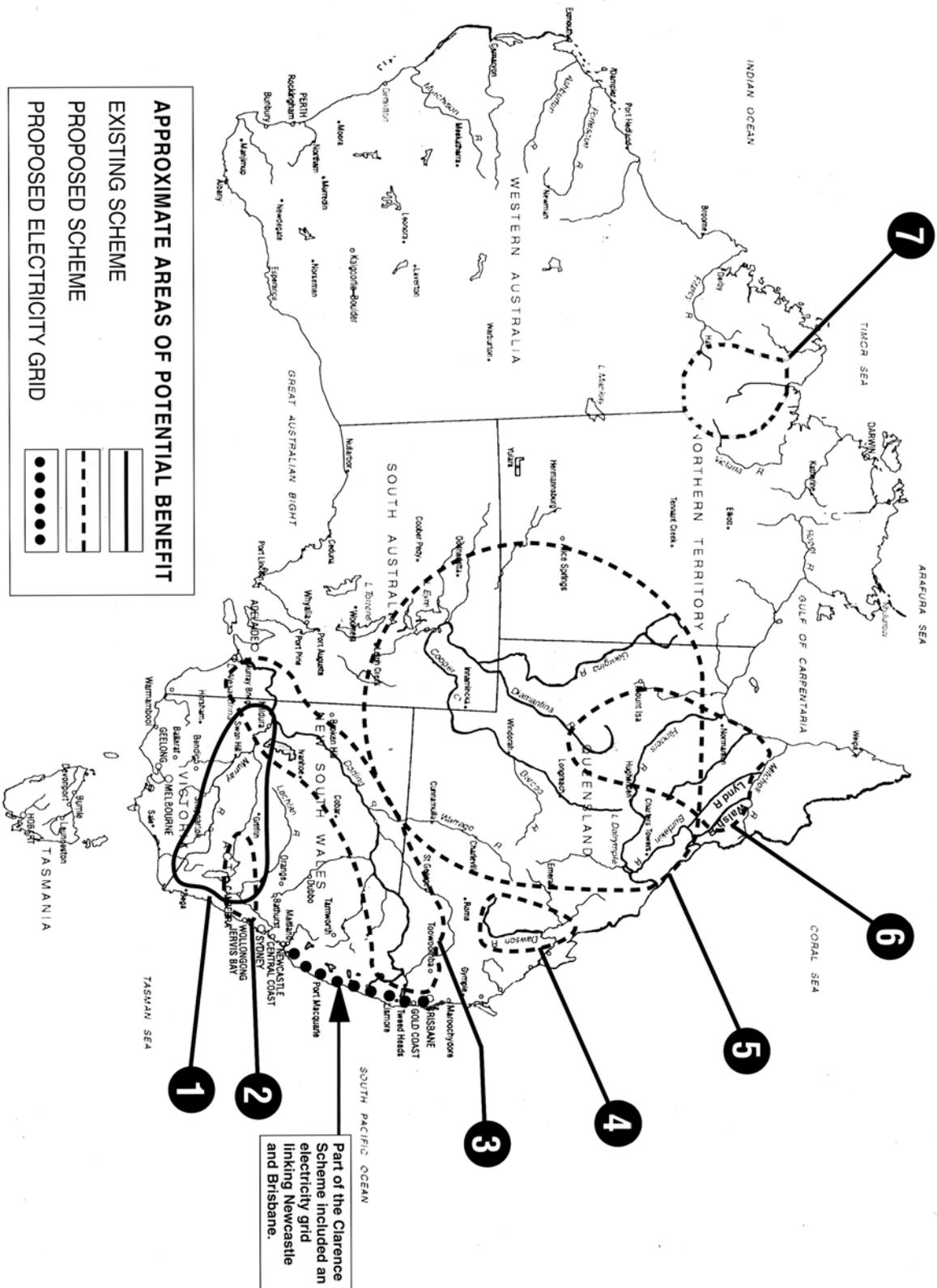
7. The Ord River Scheme

The Department of Post-War Reconstruction saw this project as crucial to help populate, and thus secure, the northern parts of Australia which the British planned to cede to any potential occupier under the Brisbane Line concept.

A main dam with hydroelectric power generation and a diversion dam along the long fast flowing Ord River would provide the necessary power and irrigation capability to cultivate the rich soils of the region.

In 1960, a small portion of the original project was undertaken, resulting in 14,000 hectares now under irrigation. In 1997, the Western Australian and Northern Territory governments agreed to develop Stage II of the scheme. This will open up another 64,000 hectares of land for irrigated agricultural production—a fivefold increase.

POST WORLD WAR II RECONSTRUCTION PROJECTS



The Melbourne to Darwin railroad

This proposal has been called the “Asian Express” by its designer, Professor Lance Endersbee, AO, Emeritus Professor of Engineering at Monash University. The recipient of numerous medals and professional awards, Prof. Endersbee began his distinguished career on the Snowy Mountains Scheme, worked for many years with the Hydro-Electric Commission of Tasmania, and with the United Nations in Southeast Asia as an expert on dam design and hydropower development. In 1976 he was appointed by invitation as Dean of the Faculty of Engineering at Monash University, and was President of the Institution of Engineers, Australia in 1980-81.

Prof. Endersbee designed the Asian Express as a new fast freight system to service the growing trade between Australia and East and Southeast Asia, with seven key objectives he specified as “national in scope”:

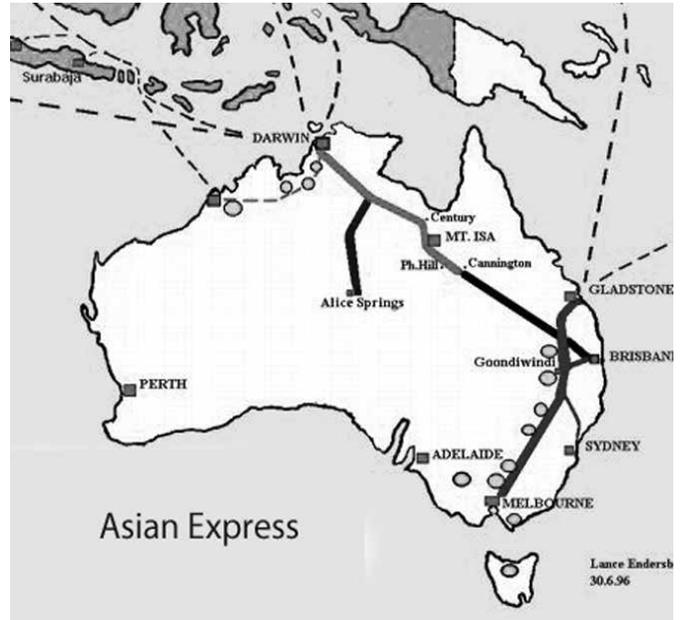
- * Access by Australian traders to the busy Asian maritime network;
- * Access by Australian rural industries to Asian markets and supermarkets through regular, fast deliveries to major Asian centres;
- * Quicker deliveries by Australian manufacturers to Asian industries and markets;
- * Rail access to the large oil and gas resources of the Timor Sea;
- * Rail connections to assist the development of metal smelting and refining;
- * The continuing development of northern Australia, with national benefits overall;
- * National integration of economic activity.

In a speech to the semi-annual conference of the Citizens Electoral Council in Melbourne on Nov. 23, 1997, Professor Endersbee elaborated some of the above, including the access to the huge Asian markets, and the revolution in transport involved:

I want to talk about infrastructure for national development.

Some 30 odd years ago I was an United Nations advisor up in this (Thailand) part of the world and as I will show you later, I have been monitoring the growth and development in Asia for some time and one of the projects I want to describe to you today, is this project here, which is a fast rail system linking a major part of Australia through to Darwin and then fast shipping. The idea includes a high speed rail freight system, say 250km per hour, and that is not too bad; its fairly modest. In Europe their fast trains, the TGV and others are travelling at 350 kph, the German Intercity Express is running at 250kph so this is the same as the German Intercity Express which is a freight and passenger system and the idea is that we will be able to have fast shipping between Darwin and Singapore and all these other places.

Let me give you a clue as to the nature of the markets. There are four ports on the north coast of Java. Those four ports are now moving as many containers per annum as Rotterdam, which is the major port of Europe. And that is two days sailing from Darwin. So we have a port with the capacity of Rotterdam, just there, two days



sailing from Darwin. Of course Singapore is the largest port in the world. The second largest port in the world is Hongkong and third largest port is Kaohsiung in Taiwan and so Darwin is within a few days sailing of, the three and effectively if you count Java as a port, the four largest ports in the world.

The distance from Darwin to Singapore is the same distance as the length of the Mediterranean. The sea state is mostly fairly flat. In other words it is calm seas most of the time so that means we can contemplate fast ferries servicing these areas, and so we can have daily ferry services from Darwin to Java, Darwin to Singapore and so on.

That means we can be from Melbourne through to Darwin in less than a day, two days sailing, three days total. We have got a market of a hundred million people and other markets there in Singapore in five days. So we can guarantee deliveries from Australia, to what is effectively about close to 4 billion people, within about one week.

Our present system of shipping involves what are still effectively, “ tramp steamers”, that go through several ports. So in Australia at the moment because of the nature of our ports, our shipping system is still essentially a tramp-type system. If you have a look at the time tables of all the ships that come to Australia, you find that when ships come, they visit three or four ports in our waters and effectively circumnavigate the continent. Of course, as you will see later, the state based system favours the idea of state-based ports, state-based rail systems. This new system would cut right through that, with a total new transport system. It is not just a railway line. It’s a new transport system.

Because of the fact that these ships have to call at several ports in Australia their total turn around time is about six weeks.

So it very often means that Australian shippers, have uncertain delivery time into Asia. It’s a month plus and it is very difficult to do anything other than that, because very often they are waiting for a ship here [Melbourne] and then that same ship calls into Sydney or Brisbane and so on.

So this [Asian Express] is a total transport system...

Because there is no commitment by the federal government to national infrastructure projects, the Melbourne

to Darwin rail line has had to go “private”: it is being promoted by the Australian Transport and Energy Corridor (ATEC) company, which says that it can raise the estimated \$10 billion required privately. Under conditions of a global financial crash, the project will never happen, as a private sector initiative alone.

Such a great railroad, as in the case of the Eurasian Land-Bridge, should by no means be a transport artery alone, but a “development corridor” of rail, highways, communications, and energy transport which would unify and develop Australia’s vast interior and northern reaches, as Lyndon LaRouche and his associates have stressed for vast territories traversed by the Eurasian Land-Bridge. Indeed, Prof. Endersbee has stressed the “development corridor” idea in his proposal, and included gas pipeline along the route, so that natural gas from the rich Timor shelf can be piped back to power industry. He has also emphasised that the Clarence River Scheme and a similar scheme for the Fitzroy River in northwestern Australia, would be integral parts of such an “Asian Express”, because of the rapid access of agricultural projects to Asian markets. As he noted for the Fitzroy, “The Fitzroy River region and other regions in the north have high potential for production of a wide

range of tropical and semi-tropical crops and processed food products, virtually on a huge scale. The potential market for these foods is also huge, with almost two billion people within seven days sailing time from Broome, Derby and Wyndham.” Indeed, as WA Liberal Senator Alan Eggleston elaborated in a speech in the Senate in 1997, “The catchment area of the Fitzroy is bigger than Victoria and, in full flood, the volume of water from the Fitzroy is second only to the Amazon. In fact, it would fill Sydney Harbour in three and a half hours.” Sen. Eggleston, after reviewing the preliminary studies which have already been made of the project, concluded, “The West Kimberley has the prospect of becoming Australia’s food and fibre powerhouse, and the proposed damming of the Fitzroy River is a very positive step in this direction.”

As Prof. Endersbee noted, “One of the major constraints to governmental planning of projects like this is the assumption that such large public funds would not be available. This is then used as a reason for doing nothing.” The question of financing gets right to the nub of the matter, which we will return to after examining the essential “driver” of any modern industrial economy—the machine tool sector.

Dr. J.J.C. Bradfield: “Australia needs vision”

Dr. J.J.C. Bradfield, the engineer who designed the Sydney Harbour Bridge and the Bradfield Scheme, exemplified the nation-building optimism of Australian patriots during the war. Compare Bradfield’s bold vision of Australia’s future—and its freedom from domination by the City of London—from *Rydge’s Magazine* of 1 October, 1941 (p. 586), to what has happened to our nation since.

“To populate and develop Australia, we must spend money to make money. The money spent would all be for labour and materials of Australian origin. Australia has 2,000 million acres of land of which under 10 percent are alienated. An expenditure of 5 shillings per acre or 500 million pounds, in well thought out schemes throughout Australia during the next 40 years would greatly increase the value of our heritage, and add the population we need to hold what we have. To do this we should endeavour to have a population of 40 millions say 50 years hence. We must plan how to get these millions; closer settlement and common sense in developing our primary and secondary industries will induce people to come here. Australia eventually should easily accommodate 90 million people, 30 per square mile.

“Europe has a population of 121 people per square mile, Belgium has 698 per square mile, the United Kingdom 506, Italy 339, Germany 352 and Russia 58 per square mile. Asia has a population of 73 per square mile, Japan 398 per square mile, China and India 200. Africa’s population is 13 per square mile, North and Central America 21, South America 13 and Australia 2.3 per square mile...

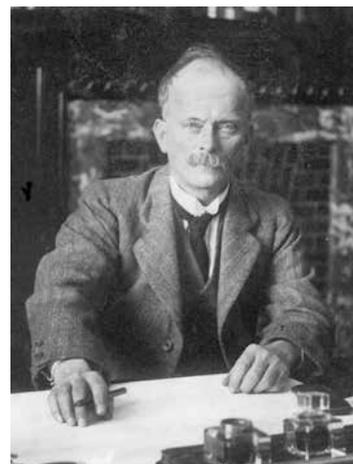
“Australia needs to adopt a long range constructive policy to develop, populate and defend itself.

“Australia must control her own economic independence, not London. A rejuvenated inland, creating employment and settling a population in comfortable circumstances would be one part of such a long range policy.

“The nation without vision perishes, but the heart and mind of any vigorous people responds to the dream of its national destiny and will endeavor to make full

use of its heritage. We can hold the Commonwealth only by effective occupation.

“We must make no mean plans for our future development, for mean plans have no magic to stir any man’s blood or awaken enthusiasm in any one. The cost of the major works should be financed by the Commonwealth without interest, as Australia would be spending money to increase its wealth...



Dr. J.J.C. Bradfield. A highly skilled engineer, Dr Bradfield was one of the great visionaries of Australian history.

“WHITHER AWAY AUSTRALIA?: By a bold progressive policy of national development rejuvenate our arid lands; provide hydro-electric power for industrial purposes; open up our vast territory by highways, aviation ways and railways; house our people in healthy surroundings; manufacture our primary products into the goods we require; populate, develop and defend Australia; be a free and vigorous people keeping our place in the sun by our individualism?

“WITHER AWAY AUSTRALIA: Let matters drift, do nothing, depend on other countries and nations, watch our fertile soil be eroded by the wind, and our arid inland become more arid, and probably become 50 years hence or less maybe, the helots of nations who now are made to subordinate themselves body and soul to an all devouring State because we cannot defend ourselves?”

Photo Credits

Page 12	King George III, www.arttoday.com Decalration of Independence. www.arttoday.com
Page 13	Alexander Hamilton, Lincoln, www.arttoday.com
Page 14	Thomas Muir, Mitchell Library Collection "Scottish Martyrs" Dixon Collection held by the Mitchell Library Battle of Vinegar Hill, Rex Nankivell Collection NLA
Page 17	Benjamin Franklin, www.arttoday.com
Page 19	Caricature of Earl Grey, Vanity Fair May 8, 1869 Ship bearing immigrants, State Library of NSW
Page 24	Charles Harpur, Dixon Collection held by the Mitchell Library
Page 25	Daniel Deniehy, Private collection b y Adelaide Ironside
Page 26	W.C. Wentworth, www.arttoday.com
Page 27	W.G.Spence, Australia's Awakening
Page 28	Group portrait of Shearers' Union, Oxley Library
Page 30	Shearer's strike camp, Oxley Library
Page 32	Photos, www.arttoday.com
Page 33	George Black Portrait of George Black ANZAC Areopagus Lawson's Mitchell Library John D Fitzgerald, NLA Record No 13113 Sir Henry Parkes, NLA Lord Carrington, State Library of New South Wales
Page 34	Comparison Table from Why I am a Republican by George Black
Page 38	Still Hungry Four Our Best, Labor Call April 6, 1916
Page 41	Frank Anstey, NLA
Page 42	Jack Lang, Fairfax Photo Library
Page 44	Young Frank Anstey, NLA
Page 45	Frank Anstey and John Curtin, NLA
Page 47	Sir Otto Niemeyer, NLA Ted Theodore, NLA
Page 49	Sir Philip Game, State Library of New South Wales
Page 50	Sir Robert Menzies, Bettman Library
Page 59	Ben Chifley Opening Snowy, Dept Foreign Affairs and Trade
Page 60	Sir Garfield Barwick, News Ltd
Page 61	H.C. "Nugget" Coombs, Courtesy of Northern territory News.

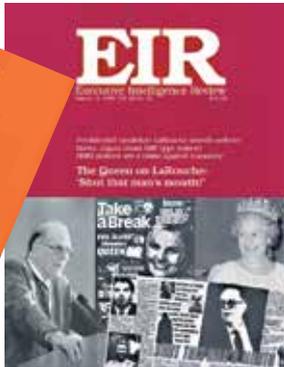
Notes:

Notes:

Arm yourself with ideas

The publications advertised below are entirely unique in Australia. They have consistently been on the mark in their analysis of the issues that are determining the future of Australia and the world, including the crash of the global financial system.

Send the coupon & payment to :



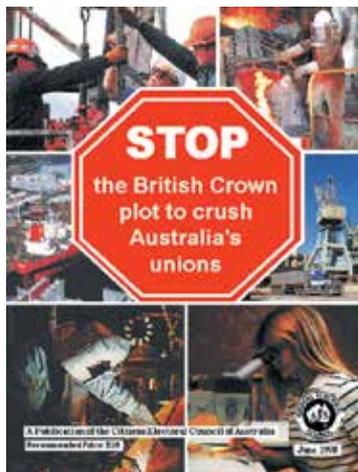
Subscribe to:

Executive Intelligence Review magazine

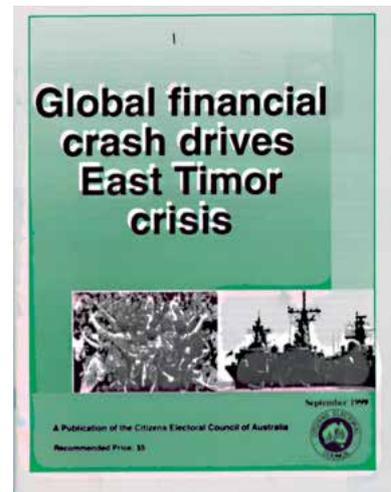
1 Year, 50 editions \$695
 6 mths 26 editions \$385
 3 mths 13 editions \$225
 (inc GST)



The New Citizen newspaper
 \$5 each



96 page pamphlet
 Available for \$10 ea



48 page pamphlet
 Available for \$ 5 ea

CEC Australia
PO Box 376
Coburg, Vic 3058.

OR

Please send me a sample copy of the following publications indicated :

Please Tick Boxes

- Executive Intelligence Review magazine
- New Citizen newspaper
- Global financial crash drives East Timor crisis
- Stop the British Crown plot to crush Australian's union

Name: _____ Tel: _____

Address: _____

City: _____ State: _____ P/code: _____

Telephone: Toll Free 1-800-636-432

What's behind all the hysteria against China?

China wants to buy *trillions of dollars* worth of capital goods and other products, for the great infrastructure project of the 21st century, the Eurasian Land-Bridge. But the British-led financier oligarchy, determined to prevent such collaboration at any cost, has unleashed its mad dogs in the U.S. Congress, and elsewhere, to wreck President Clinton's efforts to forge a mutually beneficial partnership with China.

The Eurasian Land-Bridge

The 'New Silk Road'—locomotive for worldwide economic development

including studies of:

- High-technology infrastructure development corridors
- China and Europe as Eurasia's development poles
- Crucial infrastructure projects in China
- The Eurasian Land-Bridge and development around the great ocean basins
- Financing an economic miracle: Hamiltonian credit generation
- The Eurasian Land-Bridge and the economic reconstruction of the United States



Helga Zepp-LaRouche (right), known as "the Silk Road Lady," has played a major role in organising worldwide support for the Eurasian Land-Bridge. She is shown here with Schiller Institute associates at Lianyungang Port in China, October 1998.



A special report
from
**Executive
Intelligence
Review**

260 pages **\$200**

Citizens Electoral Council of Australia
P O Box 376 Coburg Victoria 3058 Phone (toll free): 1 800 636 432