



Humphrey McQueen

| A NEW BRITANNIA

*An argument concerning the social
origins of Australian radicalism
and nationalism*

Revised edition
With drawings by Keith Looby

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For my mother and father

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| PREFACE TO THE THIRD EDITION

An opportunity to revise *A New Britannia* occurred in 1975 when a second reprint became necessary. That edition corrected a few more errors and provided a new 'Introduction' which stressed that the book had been conceived as an account of the Australian Labor Party. Changes to the text were marginal. When, by 1985, Penguin Books needed a further reprint, they decided on an illustrated edition, which required resetting the type. Again, any temptation to rewrite has been resisted. *A New Britannia* deserves to be read as a statement of its time – the late 1960s – when the mood had been established by the Great Proletarian Cultural Revolution in China, the Tet offensive in Vietnam, the May Days in France, the Prague Spring and the O'Shea strike.

This third edition has not tampered with the substance of the original argument. Almost all the nearly one thousand adjustments have been stylistic, made with the aim of clarifying views held in 1970. Footnoted material has been incorporated into the text.

Rather than reshape the argument, an 'Afterword' has been added, sketching my present understanding of Laborism and racism. (The references for this 'Afterword' partially update the Bibliography.) Although people chairing meetings sometimes introduce me as the author of 'A New Britannica', I know too much now to write *A New Britannia*, yet still not enough to be able to rewrite it. In proposing a research strategy, rather than conclusions, the 'Afterword' remains faithful to the argumentative spirit, if not the descriptive tone of the original. One substantial alteration to the text has been additions to the chap-

ters on 'Japs', 'Socialists', and 'Laborites'. This extra material was written around the same time as *A New Britannia* and published in 1971 as part of an essay in *Australian Capitalism*. Its inclusion here strengthens the initial intention of investigating the Labor Party.

Debts from 1970 remain to Darce Cassidy, Manning Clark (who volunteered a new 'Foreword'), Eric Fry, John Hooker, Michael Hyde, Albert Langer, Henry Mayer, Bruce McFarlane, Judy McQueen and John Playford. This illustrated edition thanks Sarah Brennan, Peter Cochran, Rob Darby, Keith Looby, Stephen McDonald, Clare O'Brien, Gail Reekie and Kosmas Tsokhas.

Humphrey McQueen
Canberra
26 June 1986.

| HISTORIANS

I do not believe that this re-writing will come from the Universities, though they will greatly assist the work of the creative writer. It will not come from the Universities, because they, instead of being the fiercest critics of the bankrupt liberal ideal, are its most persistent defenders. Then too they have been made afraid by the angry men of today with their talk about 'corrupters of youth'.

C. M. H. Clark. 1956

The Australian legend consists of two inextricably interwoven themes: radicalism and nationalism. In the minds of their devotees these concepts are projected into 'socialism' and 'anti-imperialism'. Nineteenth-century Australia is seen as a vast spawning ground for all that is politically democratic, socially egalitarian and economically non-competitive whilst our nationalism is anti-imperial and anti-militarist. There is an arch of Australian rebelliousness stretching from the convicts to the anti-conscription victories of 1916-17, buttressed at strategic points by the Eureka stockade and the Baraldine shearers.

The legends include Russel Ward, Geoffrey Serle, Ian Turner, and to a lesser extent Robin Gollan and the late Brian Fitzpatrick. None of these historians would object to being described as socialist; indeed, some have welcomed the title Marxist. As I do. The difference between us is that for them socialism is a thing of the past; something to lament, and lamenting, paint in lurid rose ere the pall of death become too apparent. Their tale is a sad one. A tale of decline, of a once radical people corrupted by their own victories. In essence, they picture radicalism, and with it socialism, as chances gone for ever. There is nothing to look

| AFTERWORD

The argument in *A New Britannia* went like this: from the convicts of the 1780s through to the unionists of the 1890s, there had been a mounting experience in Australia of individual advancement and racial hatred. Those social forces combined in the Labor Party which, therefore, could never be a socialist organisation. In short, a hundred years of history had set the nature of the new body before its birth.

This method of explanation descended from the Italian communist, Antonio Gramsci (1891–1937), plus his erstwhile English disciples, Perry Anderson and Tom Nairn. Gramsci had proposed that the history of a political party be conceived as part of the history of a class, indeed, of an entire society, including its international connections. In *Towards Socialism* (1965), Anderson's essay on the 'Origins of the Present Crisis', traced British class structures back to the revolutions of the seventeenth century; Nairn's companion piece, 'The Nature of the Labour Party', brought Anderson's analysis forward from Labour's roots in turn-of-the-century liberalism. These British studies suggested a framework for explaining the ALP.

Whatever the theoretical sources for *A New Britannia*, its impetus came from the war against Vietnam. The book started life in 1967 as a paper on 'Which party for socialists?'. In the aftermath of Labor's 1966 electoral disaster, it became necessary to ask why the anti-conscription victories of 1916 and 1917 had not been repeated fifty years later. What had happened to Australia's radical anti-imperialism? *A New Britannia's* answer was to say that nothing had changed, and that what needed to change was our

understanding of the past. The legend of a once radical and nationalistic people was misleading because it misrepresented the substance of that radicalism and nationalism, which had been individualistic and racist.

Russel Ward's *The Australian Legend* (1958) offered a sitting target for an attack on the earlier view of our past. Ward not only gloried in much of the social development of nineteenth century Australia, he also assumed that the new organisations of unionism and parliamentary Labor could be explained by following their cultural links back to the convicts. Irrespective of the merits of our books, mine remained a mirror image of Wards. We shared notions about the past determining the present. For both of us, the Labor Party was the inevitable outcome of a hundred years of Australian experience.

CLASS ANALYSIS

The crucial weakness in *A New Britannia* was its understanding of historical processes. For a Marxist, there could be no more telling flaw. It is not enough to know a lot about the past; not sufficient to recognise that 'The tradition of all the dead generations weighs like a nightmare on the brain of the living'. The present has to be understood as more than an accumulation of previous events evolving into a variation of themselves. New things happen. What is revolutionary about Marxism is its understanding of how societies are remade.

The task for historical materialists is double-headed: how to acknowledge the uncertainties that surrounded the making of events, while simultaneously recognising the intractable forces around which those events were decided. The first requires a commitment to the idea that people make history. The second demands a conceptualisation of how societies operate.

To write a history of the Labor Party it is necessary to follow Gramsci's maxim and present the history of a class and of an entire society - including their international connections. Yet those histories do not stretch back, flat and straight, to the formation of the Labor party around 1890, or further still to the foundations

of European Australia in 1788. The writing of history need not take us very far into the past. More telling than any time scale is the understanding of how organisations change as classes and societies are transformed.

Another influence on *A New Britannia* was the idea of 'true' and 'false' consciousnesses presented by Georg Lukacs in *History and Class Consciousness* (1923). Marx had given a materialist version:

It is not a matter of what this or that proletarian, or even the entire proletariat, envisages as the goal at any particular time. It is a question of what the proletariat is and of what it will have to do historically, judged by the conditions of its existence.

Marx also stressed that an economic grouping did not constitute a class until it became aware of itself as such. Lenin put labels on two kinds of working class thinking when he divided 'trade union from revolutionary consciousness. The former is concerned with economic issues of wages and conditions; the other aims at the establishment of a different kind of social system through the overthrow of the state.

A New Britannia drew heavily on these ideas of Marx, Lenin and Lukacs. I argued that instead of a revolutionary socialist consciousness, nineteenth-century Australia had produced the false consciousnesses of racism, chauvinism and dreams of escape into landed proprietorship. The Labor Party gave organised expression to these propositions.

Some fancy footwork was needed to explain how the false had triumphed over the true. My answer was to deny that there had been a proletariat in nineteenth-century Australia at all; if there were no proletariat, then there could be no true consciousness. That explanation might be of interest to an historian of ideas. As an account of what had happened, it is ridiculous. What remains crucial is the problem I thought I was answering whilst, in fact, avoiding it. That problem was to specify the class relationships that had been made during the first century of European occupation.

In 1970, I explained the non-socialist and non-revolutionary

nature of the Labor Party by referring to Australia's labouring people as a peculiar kind of *petit-bourgeoisie*. Peculiar was the right word for my definition which combined rising aspirations with the bountifulness of material conditions. Those aspirations were much as I described them; living conditions were harsher, with recurrent depressions bearing down on segments of chronic poverty.

I underpinned the optimism and the living standards of this supposed *petit-bourgeoisie* with allusions in wool and gold, both of which allegedly provided a natural source of capital, and hence relieved the pressure of exploitation on the labouring classes. Without entering into the several wrongs of that argument, it is still necessary to ask: what was the class structure of European Australia between 1788 and 1915? Since a class is always a relationship, it is not possible to answer that question by concentrating on the labouring people. Analysis has to start by determining what modes of production existed across Australia.

Since most historians write as if capitalism has never existed, it has been easy for them to ignore its internal transformations. The same oversight can blight would-be Marxists – the author of *A New Britannia*, for example. Surveys of European Australia should acknowledge three of the overlapping phases of capitalism:

- 1 mercantilism, built upon state-based monopolies;
- 2 free trade, during which price competition prevailed and British manufacturing led the world;
- 3 monopolising capitals, at first dominated by Britain and later by the USA.

A recasting of *A New Britannia* would begin by considering how the introduction of wage-labour benefited or injured convicts and free labourers, as well as their respective employers. In short, it would ask why and when European Australia became capitalist.

To the extent that capitalism evolves – and it does mostly evolve – the models employed by Anderson or Ward retain significance. More will be required to deal with the internal transformations of capitalism. Such a shift occurred at the same time as the Labor Party was being established. In the closing decades of the nineteenth century, capitalism entered its

monopolising phase. *A New Britannia* attempted to explain the appearance of the Labor Party without acknowledging that the whole system was also being reshaped. If the Labor Party had emerged around 1870, it would have been permissible to trace its nature back through the social forces of the preceding forty or so years, because both causes and effect would have occurred within the same stage of capitalist development, namely, that of free trade. The fact is that the Labor Party did not arise until the 1890s, or after. The option of tracing its social and cultural origins backwards through an uninterrupted past is, therefore, not available. To explain the new political organisation, it is essential to introduce the altered element in capitalism, that is, its monopolising stage. *A New Britannia* fell down because it failed to recognise that such a change had taken place. What follows is a broad and brief sketch of how that failure might be redressed.

MONOPOLISING CAPITALS

The stage of capitalist development that began in the late nineteenth century will be called here 'monopolising capitals'. This terminology indicates a continuing process where competition persists, albeit in revised and intensified forms. (Lenin designated this era of capitalism as 'imperialism', a term too readily confused with colonialism which grew as a consequence, and was never the core of imperialism. Other writers have referred to 'monopoly capital', a phrase which implies that the competitive processes have stopped, and that a single force has taken over. Some authors prefer the exacting vocabulary of oligopolies, duopolies and monopolies. Around 1900, people generally talked about these economic giants as trusts, or combines.)

Because the Labor party has never before been considered as a response to monopolising capitals, some clearing away of previous forms of thinking about the party's origins and nature is needed. A first move will be to step back from its links with the labouring classes in order to recognise its parallels with other changes in the social system. The Labor Party emerged around the same time as compulsory education, compulsory military

training, arbitration, Federation, universal suffrage and tariff protection. These new structures were aspects of a more powerful state. These political changes inside Australia were being tossed in the wake of a second industrial revolution of internal combustion engines, metal alloys, petro-chemicals, electricity and instant communications. These productive forces became tied to assembly-line techniques that accelerated over-production and, in turn, gave rise to mass marketing with its mass amusements – a culture epitomised by media paid for largely out of advertising.

The omission of monopolising capitals from my account of the Labor Party's origins cannot be rectified by the addition of another body of information. It is not as if the private diaries of the co-ordinator of the 1890 strike, W.G. Spence, had turned up, or as if a major union had been overlooked. Monopolising capitals reshaped the circumstances in which the events took place. Hence, its inclusion of its progress requires the recasting of the whole argument in which all the data have to be understood.

How different is the era of monopolising capitals from the capitalism of the preceding four centuries? If 16th century money-lenders are contrasted with 20th century mass manufacturers, then the gulf is gigantic. More relevant to our inquiry are the differences and similarities that appear when a Sydney iron master from 1840, Russell Bros, is compared with a steel combine in 1920, BHP. The crucial element that Russell Bros and BHP had in common was the nature of their relationship with their work forces. The mechanism for exploitation did not alter. The labour power expropriated from the working class still had to be realised in the market. This process had long ago distinguished capitalism from feudalism and slavery. What altered with monopolising capitals, was not the mode of production but the means of production and, most significantly, the nature of the market, plus the powers that the state need to secure those returns to capital. The market associated with monopolising capitals replaced price competition with restraints on trade, product differentiation and an intensified sales effort, while the state increasingly got involved with organising the whole society for war-making.

Australia's position as a trading nation means that local

developments must be understood as, in part, a response to pressures from monopolising capitals elsewhere in the world. Support for the 1889 London dock strike came from employers who needed the waterfront modernised so that Australian goods could enter Britain more quickly and more cheaply; they saw union action as a means of ending inefficient arrangements. Federating the Australian colonies was, in part, a response to rivalries – economic as well as military – between Britain and Germany; Federation was a way of strengthening the Empire, not of breaking away from it.

Australian developments could not parallel those overseas. An advance in one area will produce conditions for a delay somewhere else. Britain underwent a prolonged depression during the period when Australia experienced its long boom, from the 1870s to the early 1890s, during which period capital was exported to the Argentine as well as to Australasia. The 'colonialism' by Britain's monopolising capitals was never limited to the formal boundaries of the expanding British Empire. A long recession in Britain had cleared away many smaller manufacturers before the threatened collapse, in September 1890, of a leading London finance house, Baring Brothers, led to a concentration of banking and to more watchdog powers for the Bank of England. British capital had started to find more profitable investments than those in Australia even before the collapse of 1891, after which Britain was helped out of its long trough by the expansion of capital that flowed from the South African gold mines. To regain its attractiveness to investors, Australia's financial markets had to become more secure: bank failures led to a consolidation of domestic financial houses; section 105 of the Commonwealth Constitution offered to underwrite public debts.

Important as interventions in Australia from the USA were in forcing the pace of monopolisation, American sales and productive techniques were not directly transferable to the smaller and distant market of Australia. Trusts and combines aimed at international standardisation in order to reduce unit costs; that aim and its achievement can never be one and the same, as salesmen for American firms found when they began here in the 1880s. The threat of American trusts to Australian manufacturing brought

together working-class concerns about job protection and the local bourgeoisie's desire to protect its own kind, whilst upholding Empire trade against the pushy Yanks. An Australian Industries Preservation Act was introduced into the Federal Parliament in 1905 to defend H. V. McKay's agricultural implement-making business against dumping by the International Harvester Company, after the breakdown of a worldwide price-fixing arrangement. The production of combine-harvestors in Australia after 1885 had itself been an indication of the concentration of agriculture.

Where local capitals were themselves monopolising, they tended to be connected with the major export industries, minerals and wool. The mining companies that developed out of Mt Morgan, Broken Hill, Mt Lyell and Kalgoorlie mark the start of moves away from the speculation which had marked previous flotations, and towards longer-term accumulation, with Mt Morgan financing Anglo-Persian Oil, and Mt Lyell joining the Collins House group.

The pastoral industry remained in the hands of hundreds of wool growers, despite a concentration of holdings. Sharper monopolising pressures also came through the financial and marketing side, via mortgagees and brokers. Shipping competition increased with the entry of French and German companies into the Australian run after 1880, highlighting how monopolising tendencies inside metropolitan nation-states could intensify competition abroad. In the Queensland sugar industry, small farms replaced the large plantations. This spread of ownership was accompanied by the growth of Colonial Sugar Refining Co. Ltd which took charge of the milling and marketing. The new kind of slavery based on indentured labour was displaced, not by free trade, but at the start of capitalism's monopolising stage.

The examples in the preceding paragraphs illustrate that shifting modes and means of production are attained through broken rhythms that show up differently for each region and industry.

That monopolising tendencies were matters of public concern is evident from Deakin's 1903 policy speech which promised to make legislation to deal with trusts and rings the main new measure of his government. A 1914 Royal Commission investigated the role of the American beef trust, reporting that the nucleus of

a monopoly existed here. By 1914, an Australian engineer, H.L. Wilkinson, had collected enough material to publish a 260 page book on *The Trust Movement in Australia*. He devoted chapters to the principal trusts which had taken a considerable part in Australia's industrial life since about 1900. These combinations were in sugar, tobacco, interstate shipping, coal, manufacturing and food. He also drew attention to the role of the state in supporting these monopolisers through tariffs, centralised wage fixing and the nationalised industries. Like many of his fellow Progressivists, Wilkinson wanted the increased productive efficiency that combination brought, but rejected the combines whose productive techniques were making that efficiency both necessary and possible.

LABOUR MARKETS

Such changes established the grounds for a regrouping within the labouring people. Monopolising capitals could not produce a Labor Party directly. That outcome had to be achieved at the reformation of labour markets and an extension of state activities.

At the base of monopolising capitals is the drive to lower unit costs of production. This need results in the introduction of new techniques and rearrangements of the workplace. If new machines often did away with old skills, they also could require new ones in workers previously considered unskilled, or semi-skilled. Rather than concentrate on the de-skilling effects of monopolising capitals, it is more helpful to consider the reskilling of the entire work force – some up, some down, others sideways. This reskilling procedure was not a once only event but became a continuous process.

Responses by skilled workers were far from straightforward. Some tried to exclude competition, whether from less skilled males, females or immigrants, European as well as coloured. Coal lumpers in Sydney used their union principally to ward off migrant workers by striking a five guinea admission charge. If competitors could not be kept out of the labour market, a second tactic was to organise the intruders into a union that would keep

them subordinate. Shearing conditions were challenged by pastoralists aided by two means for reducing labour costs, namely, mechanical shears and the safety bicycle. The Shearers Union moved to defend its standards by creating a General Labourers Union for shed hands who, left to their own devices, might have undercut the shearers' award. Craft unions had excluded poorly paid workers who would have been a drain on the welfare benefits accumulated by the trade societies. After 1880, the objective became, not the protection of relief funds, but the preservation of certain divisions of labour. Melbourne's Trades Hall Council performed this function within the entire metropolitan workforce.

By introducing new technologies and establishing larger employers, the later stages of capitalism encouraged a realignment of traditional trades. This change stimulated wider associations of workers and of employers, linking the rise of monopolising capitals with appearance of the new unionism. The re-alignments within the labour market also connected new unions back to the labour aristocracy: shearers, for instance, carried over several of the exclusivist practices associated with the old trade societies.

The positioning of women within the labour movement also shifted, although traditional female occupations from governessing to prostitution, remained available. The amount of outwork increased, as did the number of women in industry. Factory employment allowed young women to avoid the longer and demeaning hours of domestic service. In the early 1880s, employers tried to use their unorganised female labourers to depress wages generally. One response by the male unionists towards women workers was to treat them as honorary Chinese, and try to exclude them entirely. The NSW Typographical Association refused to admit women and tried to force Louisa Lawson to sack the female operatives whom she employed on her feminist paper, the *Dawn*.

Alternatively, the men organised the women into semi-skilled unions thereby reinforcing a segmentation of the labour market. The Melbourne Trades Hall Council (THC) formed the Tailoresses Union in December 1882 at the instigation of the Tailors Union; the THC executive acted as office-bearers for the new body, and conducted the negotiations on behalf of the women, despite their

militancy. The situation was different by 1891 when male tailors in Sydney lost their thirteen-week strike over piece rates and David Jones replaced them with women operating the recently invented sewing-machines.

Monopolising capitals did more than draw extra single women into the labour market. As the overproduction of capitalism intensified, and the sales effort was particularised through brand labels and department stores, women became the targets of the emerging consumptionist culture. These patterns of containment were reproduced inside the Labor Party where women did much of the fund-raising and routine organising, but were given only a limited voice in policy-making and denied parliamentary berths.

Reordering of the labour market was the dynamic that obliged the working people to remodel their organisations. The consequent development of the new unions and of the Labor parties required the intervention of activists who manoeuvred around the expanding machinery of the state.

LABORISM

Monopolisers did not set out to subordinate the working class by inventing the Labor Party; nor did working-class activists understand the deeper connections between the changes in capitalism and their own endeavours. Laborites saw themselves as struggling for nobler ends or narrower goals, for universal mate-ship or municipal suffrage. Far from being a deliberate device created by the ruling strata, the Labor parties came into existence to oppose the interests of monopolisers. The initial burst of political activism, around 1889-93, was a reaction by diverse smaller interests against a variety of capitalist combinations, but was especially roused by the linking of banks with pastoral companies, a tendency which became more menacing during the next decade. Instead of isolating the emerging Labor parties from these simultaneous developments, the ALP needs to be analysed as yet another outcome of the rearrangements brought on by a growth of the mass market state. The entire Labor movement consoli-

dated itself around that state: the party with the establishment of Federation, the unions through the arbitration systems.

The Labor parties did not appear at a single moment, or arrive fully formed; they almost disappeared in the later 1890s, only to regroup during the first decade of the twentieth century. In those colonies where a Labor grouping had been formed during the early 1890s, it is often more accurate to refer to them as parliamentary factions than as political parties. Labor's unstable existence before 1901 meant that it was not in advance of all other aspects of monopolising capitals but, like them, experienced periods of reversal and difficulty. Discussions about the origins of the Labor Party could be recast to ask if Federation, and not the 1890 strike, precipitated its formation. Federation not only brought the colonial bodies together in one continental force, it also obliged the more advanced States to help the other branches to keep going. Moreover, Federation accelerated the ending of alliances between the Liberals and the Labor factions, and resolved the wrangle over tariff policy in favour of the protectionists.

It seems unlikely that the New South Wales Trades and Labour Council ever have entertained a motion for the working classes to respond to the emergence of a new stage in capitalism by forming a parliamentary wing. The Council minutes could be re-read with an eye for the felt experience of monopolisation upon everyday life. Unionists, poets and editors may not have conceptualised the transformation of capitalism, but they often were alert to the particular changes that it brought, and from those complaints, a revised account of working-class demands can emerge.

At the centre of labour's case against capital were the twin monopolies over finance and land. In those days, wealth was tied to the quantity of gold in the world's vaults and in circulation. Production was fettered by this artificial constraint which benefited the banks more than anyone. Conflicts between the 'money power' and the manufacturers were starting to be reshaped. Working-class opposition to the 'money power' captured a key element in monopolising capitals since banking and producers were joining together to form finance capital. The author of this tirade was exaggerating and premature:

The greatest monopoly on earth is the monopoly of money for it includes all the others . . . In New South Wales proprietary Banks . . . own our gold, coal and silver mines. They own the lands, the cattle, the sheep, and the farms and the vineyards. They control the steam and sailing fleets. Every Department of Commerce, Trade and Production is systematically exploited by the Joint Stock Shylocks and Exchange.

Campaigners against the 'money power' rarely appreciated the substance of the changes to which they were objecting. Their solutions could be as inept as their analyses: anti-semitism misdirected the blame; a state bank-of-note issue facilitated the interests of the bankers, and of their major clients. That the 'money power' became so great an enemy indicates a certain recognition of changes in the social order.

A telling aspect of the attack on the 'money power' was its frequent linking to the land monopoly. W.G. Spence demanded that Labour never rest until it had 'destroyed usury and land monopoly'. Only part of this connection derived from the urban land boom in the 1880s. More important were the agrarian populists who wanted to settle the urban working classes on small holdings, and who perceived the financial houses as the major purchasers of station properties. This hatred intensified during the 1890s when the 'money power' foreclosed on mortgages. Most of the striking shearers between 1890 and 1893 were either from small-holdings, or aspired to own them. A concentration of pastoral properties, plus a more mechanised agriculture, was proletarianising the rural workforce. Much of the Labor Party's campaigning against the trusts featured rural industries. Manufacturing combines were more likely to become targets if they processed agricultural produce – sugar or meat. Combines involved in financing, transporting or marketing rural products were similarly attacked. Because Australia's railways were government-owned, there were not the objections here to the octopus of railroad companies which dominated the grain belts in the United States. Much more significant here were the coastal shipping companies which launched their first all-embracing agreement, the 'Collins pool', in 1902.

MASS-MARKET STATE

A body of radical political literature before the Great War concerned itself with the rise of the trusts and combines. Labour's solution called for the state to take over the monopolies:

The Labor Party views with equanimity the development of the Trust, regarding it as a necessary stage in social evolution, and preparing the way for a more complete systematization of production and distribution by socialism for the benefit of the whole people.

Monopolising capitals arose from the chaos of capitalist production in an attempt to stabilise that system. By defining socialism as expanded state activities, Labor governments eased the processes of monopolisation.

The emergence of anarchism in the 1880s signalled another response to the rise of monopolising capitals with their enhanced role for the state, in economic life, and as a war machine. Although theirs was a small voice, the early anarchists correctly claimed that the policies of the Labor Party would bind the working classes to the machinery of the capitalist state.

The issue between the anarchists and the Labor parties was at the heart of the matter: would socialism rearrange the state along more efficient lines, or would socialism create liberating forms of social organisation? That dispute was reproduced in a battle between two widely-read political books of the 1890s, Edward Bellamy's *Looking Backwards* (1888) and William Morris's *News from Nowhere* (1890). Bellamy predicted that 'The industry and commerce of the country . . . [would be] entrusted to a single syndicate representing the people . . . The epoch of trusts . . . ended in The Great Trust'. His future society was a centralised consumer's paradise – a universal provider – complete with credit cards and muzak. Reacting against this 'State socialism', Morris depicted his utopia as a localised system of communes, where production was for use, rather than for sale.

By 1878, Engels had already noted the inter-relationship between the growth of the joint-stock company and an expansion of economic activity by the state:

The modern state . . . is an essentially capitalist machine . . . The more productive forces it takes over as its property, the more it becomes the real collective body of all capitalists . . . The capitalist relationship is not abolished; it is rather pushed to an extreme.

Engels scorned 'a certain spurious socialism . . . which declares that all taking over by the state . . . is in itself socialistic. If that were true, he added, Napoleon and Bismark 'would rank among the founders of socialism'.

Much of Labor's critique of capitalism centred on its inefficiency. Over-production was a misallocation of resources, physical and human. If industry were run by the state, this waste would be abolished. Labour's Federal Attorney-General, Billy Hughes, said in 1909 that his 'complaint against the [coal] Vend is not that it regulates prices, nor that it regulates output, but that it does neither effectively'. Trade union negotiators favoured combinations of employers because they were more easily policed than were scores of smaller bosses. In Federal Parliament, Labor MPs were embarrassed by attacks on shipping and tobacco combines. Labour was drawn further into the web of the mass market-state through a promised trade-off between arbitration and tariff protection: workers would get a basic wage and manufacturers were guaranteed the local sales.

Conflicts increased as Labor tried to realise the competing needs of various sections of the working people – higher returns for small farmers versus lower food prices for urban workers. Through its round of splits and divisions, the Labor Party remained a site for opposing interests. Between 1903 and 1909, the visiting British union leader, Tom Mann, organised to shift the socialist movement away from chauvinism and governmentism. Overlapping his endeavours came the Industrial Workers of the World who relied on direct action to defeat production speed-ups, and who headed the fight against conscription once monopolising competition had erupted into war in 1914. After 1920, the Communist Party attempted to lead militant trade unions while directing the working class away from Labor's collaboration with the capitalist state. These radical challenges were rebuffed, though not without their passing triumphs.

RACISM

In 1970, *A New Britannia* tried to separate the fear of economic competition from other sources of racism in order to acknowledge the existence of non-economic prejudices, including sexual ones. Despite the quantity of information detailed by subsequent authors, the substance of Australian racism around the turn of the century still has not been confronted. For the power of racism in Australia to be comprehended, we will need the audacity to accept that 'White Australia' expressed a code of civic morality. In general, 'White Australia' was a doctrine full of affirmative values, offering much more than a negative rejection of other peoples. Racism also stated the ethical aspirations of individual racists, contributing to the formation of their personal esteem. By exalting the white man, Australian males promoted a desirable social type which individuals could emulate. For example, the Queensland working class opposed the employment of Pacific islanders in the sugar industry partly because indentured labourers of any race were unable to join trade unions, an interdiction which impeded the establishment of their unions' ideal of a free and equal society. The founding editor of the *Bulletin*, J. F. Archibald, linked his anti-Chinese views to three other things which he opposed – the British Empire, the convict system and capital punishment. He saw Britain's attempts to impose coolie labourers on Australia as a continuation of its frustration of democracy through the maintenance of a legal system that had been devised for convicts.

Other champions of the coming Australian race worried lest the convict stock had not been bred out. Fear of producing a mongrel race of crossbreeds was underpinned by their concern that the Australian race had been flawed at birth by its criminal forebears. Added to these alarms were debates about the degeneration of British stock in the harsher climates of mainland Australia. The excitement whenever Australia beat England at cricket, and again when Australian troops 'proved' themselves at Gallipoli, was increased by the delight that such fears were being disproved.

A further part of racism's appeal came from the easy answers it offered to a web of social problems. The mixing of biology with

sociology, known as eugenics, demanded compulsory sterilisations and the breeding out of the unfit, a category that could extend from habitual criminals to the unemployed. Although positive eugenicists also wanted to improve the breeding stock, they employed a programme of social regeneration, advocating the elimination of ignorance and of the physical conditions where diseases such as TB spread. Before Hitler gave eugenics a bad name, improvement in the racial stock had been linked to the cause of social reform. Better diet, improved housing, maternity benefits, town planning, family planning and the elimination of contagious diseases tied eugenics to state socialism.

The era of monopolising capitals brought changes to the ideology of Australian racism, especially the Empire-wide concern with efficiency, economic and human, in the face of heightened international rivalries. The drive to become more efficient renovated several of the arguments that had been linked with racial thinking. The analysis of character and personality in terms of the size and shape of the cranium lost some of its support to eugenics which, in turn, strengthened the concern with masculine debility, an advertiser's term for the evils of masturbation. Contraception and abortion either were condemned as racial suicide or defended as a rational allocation of resources in planned parenthood, producing fewer but stronger children. The passion to prevent miscegenation and to limit contagious diseases helps to explain why Aborigines were locked away on reserves, and why their mixed-race children were stolen from them by the white authorities. Even as a racial programme, the White Australia policy could not be confined to immigration. A complete account of Australian racism would range far beyond even this catalogue of seemingly unconnected issues.

'White Australia' became much more than a programme of restrictive immigration based on fears of economic competition or inter-marriage. 'White Australia' was the name that the more liberal elements in the bourgeoisie gave to the range of policies that were known in the United States as 'Progressivism', and in Britain as 'National Efficiency'. F.W. Eggleston, politician and social theorist, defended the 'White Australia' policy in 1924

as desirable and necessary if the ideals and methods of life which we at present cherish are to be maintained. . . . The White Australia policy is indeed the formula which the Australian people have framed as the only solution of a number of very complex problems which affect their security and welfare.

A 1920 basic wage judgement in South Australia restated the race question as a call for 'an efficient, patriotic and broad-minded Australian manhood'. A year later, Vance Palmer wrote:

I do not believe that sacrifice of the White Australia ideal would be a good thing. I believe it would be the betrayal of a fine purpose, either through fear, false sentiment, or mere lack of will. The fact that Australia has held to this ideal for over a generation, in spite of economic and even military pressure, shows that there is something more than foolish prejudice at the back of it. It is, in fact, our chief assertion of character, and, if it passes, Australia will be a mere Tom Tiddler's ground.

This opinion elaborated the first clause of the Labor Party's first Federal objective in 1905 which had called for 'the cultivation of a national sentiment based on the maintenance of racial purity and the development in Australia of an enlightened and self-reliant community'. The fact that such sentiments can now strike us as repulsive, rather than idealistic, should not blind us to how they were seen by almost all Australians, as recently as forty years ago. What needs to be understood is that 'racial purity' was the pivot of an ideal which embraced 'an enlightened and self-reliant community'.

A fuller understanding of Australian racism requires a knowledge of what people have meant by a 'race'. Around the turn of this century, a race referred to any cultural-linguistic grouping. Hence, there could be an Irish race, or the Celtic race, or the Anglo-Celtic race - depending on the politics and location of the speaker; Eggleston wrote of '[t]he two most gifted races in Europe - Anglo-Saxon and Celt'. This definition of race was connected to a belief that food transmitted elements from the soil into the blood which thus contained a race's shared spiritual characteristics. As Goethe said: 'Blood is a quite special juice'. Dur-

ing the inter-war period, thinking about races became more in line with contemporary scientific wisdom. The number of races was reduced, with Caucasian, Negroid, Mongoloid, Australoid becoming the most frequently used classifications. The rise of genetics created further difficulties for theories of racism that employed blood as the mechanism of inheritance, although popular rhetoric has remained largely unaffected by these scientific advances. In his campaign against Vietnamese migrants, Geoffrey Blainey was still writing about 'blood ties', well after the entire existence of race as a meaningful category had been rejected by biologists.

If *A New Britannia* was wrong to link the Labor parties back to the convicts, thereby ignoring the emergence of monopolising capitals, it is equally misleading to trace an unbroken history for racism or the Labor party from around 1890 up to the present day.

Support for Blainey's campaign, for example, cannot be explained by chronicling previous eruptions of prejudice. Changes in the ideological basis for racism have been matched by shifts in its material sources. Loathing of the Japanese declined after the first Pacific war until they can are being held up as victims of the Aborigines whose land-rights claims are preventing mining. A survey of the past must be supplemented by an analysis of whose interests have been served by Blainey's recent crusade. The long-term beneficiaries were the mining corporations, whose cause Blainey has so often championed. The mining companies got land-rights legislation watered down at a time when the Hawke government had been knocked off balance by Blainey's defence of another aspect of Anglo-Celtic dominance.

Comparable changes have overtaken the Labor Party. At least two different forms of political life have operated under the same banner. The Labor Party that emerged around 1900 remained in place until the later 1960s when it was replaced by a technocratic laborism, whose heroes were Whitlam and Dunstan. Their leadership coincided with the emergence of the global corporation and with a third phase in the industrial revolution, one built around computers. Hawke's 1969 election to the presidency of the ACTU

helped to consolidate this new leadership. As Prime Minister, he has had to cope with the collapse of the economic expansion that, by the late 1960s, had wrenched the Labor Party out of its turn-of-the-century origins. Keating's deregulation of the financial sector in 1985 cannot be explained in terms of some heritage going back to Jack Lang; on the contrary, Lang's outlook was highly suspicious of the banks, and especially of their international behaviour. Keating's Labor represents what Lang feared as the 'money power'. It is one thing to say that the ALP has never been socialist, and another to explain why it has not been so at each period in its existence.

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Shearers' Record, Melbourne, 1888-91
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Tocsin, Melbourne, 1897-1906
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Newspapers and parliamentary debates were checked for particular points, for example, the Melbourne *Argus* for conscription in 1916-17.

The remainder of the bibliography is divided into two. The first part contains works which were of general interest or do not refer specifically to a single chapter. The second part is a series of chapter sources and reading guides. Both parts remain selective.

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