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Chapter 2

1. Lee, *Search for Security*, pp. 49, 70, 71, 163; Pamela Andre and Sue Langford (eds), *Australia and the Postwar World, Documents 1948-49*, Canberra, 1998, pp. 74, 93-6.
2. *Ibid.*, pp. 241-281.
3. Percy Spender, *Politics and a Man*, 1972, pp. 307-329.
4. Australian Archives [AA] ACT, CRS A9787/2 item 113; Pamela Andre and Sue Langford, *op. cit.*, pp. 213-222; David Lowe, *Menzies and the 'Great World Struggle'*, pp. 59-62.
5. *Ibid.*, p. 62.
6. *Ibid.*, pp. 50-52, 60-62, 181.
7. Spender, *Politics and a Man*, pp. 281-285; Alan Watt, *Australian Diplomat*, 1972, pp. 173-6; AA CRS A462/7 item 443/1/9.
8. See the response by Att. Gen. Spicer to the questions put by Judge Berne in the hearing of the appeal against his conviction for sedition by the publisher of *Tribune*, *SMH*, 14, 15 November 1950.
9. The Sec. of Att. Gen. Dept (Bailey) conducted a fruitless search for evidence, AA CRS A1838/1 item 88/1/12.
10. *CPD*, 27 April 1950, p. 1995.
11. Louis Fisher, *Presidential War Powers*, University Press of Kansas, 1995, pp. 86, 87.
12. Robert O'Neill, *Australia in the Korean War*, vol. 1, Canberra, 1981, p. 73.
13. Lowe, *op. cit.*, p. 90 and Chapter 4 below.
14. *Ibid.*, p. 71.
15. For an analysis of the recruiting propaganda, see Murphy, *Imagining the Fifties*, pp. 37-40.
16. *SMH*, 29 August, 21, 23, 26 September 1950. With Aitlee and Truman also making radio broadcasts, there were obvious links between the spread of radio ownership, technology and ideology.
17. *The Report of the Royal Commission into British Nuclear Tests in Australia*, 1985, Conclusion 1; *ibid.*, vol. 2, pp. 458, 464 and 513 (1959); AA CRS A6456/3 item R096/013.
18. *SMH*, 13, 17 October 1950. Increases in pay for the armed forces had to be met. Subsidies intended to check the rising cost of living had been increased, with that given to dairy production rising by 40 per cent. Guns and butter were being provided, but at a price.
19. The *SMH*, 27 September 1950, spoke of "internecine war".
20. *SMH*, 7 October 1950; Schedvin, *In Reserve*, p. 172.
21. As Sheddin, who had been directly involved, put it, the provision of the forces "had facilitated the consideration of Australia's request for a dollar loan" (Lee, *op. cit.*, p. 145).
22. *SMH*, 29 August, 26 September, 7 October, 15 October 1950. In introducing the National Service Bill on 21 November, Holt linked it with defence planning, but made no mention of any emergency and stressed the objective of improving physical fitness (*SMH*, 22 November 1950).
23. Copland and Barback, *op. cit.*, pp. 157-163. The Board was also "to establish a panel of women consultants to advise the Board on all aspects of its work of interest to women", but this was not done.

NOTES

Introduction

1. David Lowe, *Menzies and the 'Great World Struggle'*, Sydney, 1999; A.W. Martin, *Robert Menzies*, vol. 2, Melbourne, 1999; Wayne Reynolds, *Australia's Bid for the Atomic Bomb*, Melbourne, 2000; David Lee, *Search for Security*, Canberra, 1995; John Murphy, *Imagining the Fifties*, Sydney, 2000.
2. For a discussion of the concept and a detailed account of the US experience, see Michael J. Hogan, *A Cross of Iron. Harry S. Truman and the Origins of the National Security State, 1945-1954*, 1998.
3. For an exposition of the concept, see Eric Hobsbawm, *Age of Extremes*, London, 1994.
4. For example, Reynolds, *Australia's Bid for the Atomic Bomb*.
5. As David Lee, *Search for Security* (p. 7) argues, "Australia was torn between the United Kingdom's attempt to reconstruct a British Commonwealth economic bloc and the United States' policy of building a single global economic order."

Chapter 1

1. D.B. Copland, *Inflation and Expansion*, Melbourne, 1951. Useful studies of the economy include: D.B. Copland and R.H. Barback (eds), *The Conflict of Expansion and Stability, Documents Relating to Australian Economic Policy 1945-52*, Melbourne, 1957; A. Waterman, *Economic Fluctuations in Australia*, Canberra, 1973; C.B. Schedvin, *In Reserve, Central Banking in Australia, 1945-75*, Allen & Unwin, 1992.
2. Copland and Barback, *op. cit.*, p. 211 *et seq.* See also the policy of the National Farmers' Union, *ibid.* p. 575 *et seq.*

Chapter 3

1. *SMH*, 14 January 1951.
2. Schedvin, *In Reserve*, p.172.
3. Martin, *op.cit.*, p.182; *SMH*, 3 March 1951. As Keith Officer (External Affairs) informed his colleague (Peter Heydon), on 13 February 1951, Menzies "is going back to an ugly situation in Australia", NLA MS 2629 Series I Box 3. The attacks on the Government's defence policy as totally inadequate by the government whip (Gullett), who was a renowned returned soldier, were a continuing embarrassment (*SMH*, 7 December 1950). The RSL also constantly goaded the Government for a greater defence effort.
4. In discussions with the author.
5. *SMH*, 14, 15 February 1951. At Fremantle, he also enthused about the coming royal tour.
6. AA CRS A4638 XMI.
7. *SMH*, 3 March, 4 March 1951; AA CRS A462/16 item 429/8.
8. *SMH*, 6 March 1951.
9. *CPD*, vol.212, p.78.
10. Michael J. Hogan, *A Cross of Iron. Harry S. Truman and the Origins of the National Security State, 1945-1954*, p.301.
11. J.L. Warhurst, 'The "Communist Bogey": Communism as an Election Issue in Australian Federal Politics, 1949 to 1964', PhD Thesis, Flinders University.
12. Following the failure of the referendum in 1948, price controls were taken over by the States and subsidised by the Commonwealth.
13. See below.
14. *CPD*, vol.212, p.366; *SMH*, 14 March, 15 March 1951.
15. *SMH*, 29 March 1951.
16. AA CRS A571/150 item 1951/1504.
17. *SMH*, 9 December 1950, 2 February, 14 February 1951, 13 September 1952; Copland and Barback, *op.cit.*, pp.321 *et seq.*
18. AA CRS A571/150 item 1951/1504; AA CRS A462/18 item 428/8 (the *Christian Science Monitor*, 14 July 1951, like many critics of the Bill, claimed it was aimed primarily at domestic inflation), item 428/9; AA CRS A4940/1 item C340; AA CRS A432/80 item 1957/1060.
19. *CPD*, vol.213, p.1119.
20. *SMH*, 14 May, 13 September 1952. Although Treasury officials argued for its extension, the Act was allowed to lapse at the end of 1953, AA CRS A571/150 item 1951/1504.
21. There was a shortage of butter (*SMH*, 2 August 1951), and Melbourne suburban shopkeepers rationed sales of sheets and pillowslips (*Aragua*, 6 June 1951).
22. *SMH*, 17, 19, 20 July 1951.
23. AA CRS A462/18 item 429/4.
24. AA CRS A462/16 item 429/8; Copland and Barback, *op.cit.*, pp.163, 164; AA CRS A5954/69 item 97/1.
25. *SMH*, 31 July, 1 August 1951.
26. *SMH*, 18 August 1951.

Chapter 4

27. Schedvin, *op.cit.*, pp.187, 189, 190. In September, the 13th Security Loan was under-subscribed with consequences for the Loan Council's programs.
 28. *SMH*, 28 September 1951. Employers warned of "political suicide".
 29. *SMH*, 3 October, 5 October, 12 October 1951; Waterman, *Economic Fluctuations in Australia*, pp.86-8, 96.
 30. *SMH*, 3 October, 31 October 1951; AA CRS A4940/1 item C398, item C399.
 31. Greg Whitwell, 'Economic Policy' in Scott Prasser, *et al* (eds), *The Menzies Era*, 1995, p.174.
 32. AA CRS A462/4 item 29/30/1 Part 1 and Part 2. The order of dismissals was to be, temporary employees, married women, those over retiring age, and single women and widows.
 33. Waterman, *op.cit.*, pp.89, 90.
 34. AA CRS A462/20 item 845/25.
 35. *SMH*, 8, 9, 10, 11 March 1952; Copland and Barback, *op.cit.*, pp.467 *et seq.*
 36. AA CRS A1209/23 items 57/5929 Part 1, 57/5919 Part 2 (note papers by the Treasury Department, J. Crawford and other officials), 57/5919 Attachment. When in 1952 Australia was desperate to secure its second dollar loan from the International Bank in order to import necessary capital goods and equipment, it was required to give an undertaking for "a stable financial situation". As it was not possible to give this assurance, Spender devised the formula, "The Australian Government is determined to do everything possible to reach and maintain a stable financial situation" (AA CRS A462/20 item 421/8).
- Spender was remarkably prescient in his awareness of the shifts in political economy that would affect the relationships between the US, the UK and Australia (see his letter to Menzies on 29 April 1952, AA CRS M2576/1 item 3).
1. David Lee provides an account of the preparations for war in 'The National Security Planning and Defence Preparations of the Menzies Government, 1950-1953', *War and Society*, October 1992.
 2. AA CRS A816/73 item 35/302/234; National Security Regulations were also drafted.
 3. See Cabinet Committee on Defence Preparations Submissions and Minutes, AA CRS A4933/XMI vols 6, 7 and 8.
 4. AA CRS A 5954/69 item 1879/1. The NSRB was modelled on its US counterpart, with which it was expected to establish contacts.
 5. *Ibid.*; Ronald Mendelsohn, 'The Allocation of Resources as an Administrative Problem', *Public Administration*, September 1958, pp.183-5, 190.
 6. AA CRS A694 item B589; A816/1 item 11/301/656; A1604 item 51/16; A5954/69 item 1913/25 (note pressure for British equipment), items 1671/16 and 1682/7 (coordination of planning; UK and Australia), item 1794/32. The JWPC hoped to achieve maximum "self-sufficiency in the production of defence requirements in selected field". (Minute 7/1951).
 7. AA CRS A4933/XMI vol.8.
 8. AA (Vic) MP959/57 item 280/C/236.

9. H.C. Coombs, *Trial Balance*, Macmillan, 1981; Peter Groenewegen and Bruce McFarlane, *A History of Australian Economic Thought*, Routledge, 1990.
10. See Chapter 5 below, and Tom Sheridan, 'Regulator *Par Excellence* Sir Henry Bland and Industrial Relations 1950-1967', *The Journal of Industrial Relations*, June 1999; David Horner, *Defence Supreme, Sir Frederick Shedden...*, Allen and Unwin, 2000.
11. AA CRS A5954/69 items 1863/14, 1485/7, 1485/6; A694 item B589.
12. AA CRS A4933/XMI vol.6 (note report of Interdepartmental Committee); A5954/69 item 1865/1.
13. AA CRS A5954/69 item 1913/51. A manpower allocation committee (Myers Committee) was also established to advise on the use and distribution of engineers and technicians in an emergency (*ibid.*, item 2115/4).
14. AA CRS A462/4 item 29/30/1 Part 1.
15. See work of Australian Agricultural Council and assistance to farmers.
16. The Army vocabulary alone covered between 2000 and 3000 items of equipment.
17. Submission No.78, AA CRS A4905/XMI vol.4. This was adopted by Cabinet on 20 August 1951 (as Decision No.123).
18. AA CRS A4940/1 item C411.
19. AA CRS A4909/XMI vol.2. The JWPC foresaw difficulties in carrying out this decision (A5799/15 item 284/1951).
20. AA (Vic) MP1896/1/0 items S20/101/14, 46/103/1130, 46/303/5. MP729/8/0 items 2/431/91, 2/431/155, 2/431/159, 37/431/173, 2/7/52, 37/432/75.
21. See Chapter 8 below.
22. AA CRS A5954/69 item 2291/4; A4940/1 item C477.
23. AA CRS A462/11 item 439/1/17.
24. *Ibid.*; AA CRS A5954/69 item 2291/4.

Chapter 5

1. 6842 in 1953 (CRS A1209/23 item 57/4753); A6122/25 item 922; see also ASIO Monthly Summaries (CRS M1508/1 item NN).
2. AA CRS M1509/1 item 10.
3. *Ibid.* In late 1950, naval commands were directed to take precautions against alleged communist plans for sabotage at dockyards (AA (Vic) MP1049/6 items 5221/1/1A, 5221/13/7, 5221/21/1).
4. Anti-communists invariably referred to Russia and not to the Soviet Union. The term British Empire was also common. Anti-communist 'pimping' was prevalent (AA CRS A462/1 items 2111/2/9 Parts 1, 2 and 3). In one extreme case, a father of Greek origin appealed to the Prime Minister to have his son deported because he was a communist (AA CRS A462/1 item 211/2/1).
5. The deputy leader of the Liberal Party (Harrison) warned of the "millions of Asiatic communists" who threatened "our way of life" (*SMH*, 28 April 1951).
6. Eric Hobbsbawm, *Age of Extremes*, Part 2.
7. Tom Sheridan, *Division of Labour*, Melbourne, 1989.
8. Paul Ormonde (ed), *Santamaria. The Politics of Fear*, Melbourne, 2000; Bruce Duncan, *Crusade or Conspiracy?* Sydney, 2001; Terry Monagle, 'Bob Santamaria', *Overland* 151, 1998.

The Movement and Groupers pushed the Coalition and the ALP towards extreme positions. With moderates obliged to make concessions, Evatt's policy has been described as "a series of attempts to outbid the Government in the intensity of its anti-communist policy" (Warrhurst, *op.cit.*, p.353). While tempered by union industrial needs, anti-communism also prevailed in the ACTU.

9. H. Basten, *Report on the Turn-Round of Ships in Australian Ports*, 1952; Tait Committee, *Committee of Inquiry into the Stevedoring Industry 1954-1956, Annual Reports of the Australian Stevedoring Industry Board* (e.g. Report for Year ended 30th June 1950, pp.10, 37, 42, 50); The Dept of Labour and National Service, Bland/Holt report, AA MP275/1 item 53/672; memo to Crown Solicitor 12 September 1952, AA CRS A432/1 item 52/1505; P. Bentley, 'Communist Trade Union Leadership and Strike Incidence - with Specific Reference to Waterside Workers' Federation, 1950-67', *The Journal of Industrial Relations*, March 1970. See also series of articles by Tom Sheridan in *JIR* since late 1990s.
10. Sir Charles Lowe, *Report of Royal Commission...*, 1950, p.219.
11. L.L. Sharkey, *The Trade Unions*, Sydney, 1959, p.30.
12. AA CRS A6119/XRI No.151, p.140. In spite of the pressures of the Cold War and the campaign to get rid of him, Healy increased his vote significantly at the 1952 union elections (V. Williams, *The Years of Big Jim*, 1975, pp.99-100).
13. David McKnight, *Australia's Spies and their Secrets*, Allen & Unwin, 1994. In agreeing to ASIO, Chifley and Evatt had insisted that it be headed by a judge.
14. For a case study, see Phillip Deery, 'Science, Security and the Cold War: an Australian Dimension', *War and Society*, May 1999.
15. AA CRS A 5954/1 items 847/1-10, 1795/1-3; A5954/66 items 1677/1-10.
16. Desmond Ball and David Horner, *Breaking the Codes*, Allen & Unwin, 1998, pp.273, 348.
17. Laurence W. Maher, 'Downunder McCarthyism: The Struggle against Australian Communism 1945-1960', Parts 1 and 2, *Anglo-American Law Review*, vol.27, No.4, 1998.
18. A.W. Martin, *op.cit.*, p.149. As Menzies' conscientious, temperate biographer, Martin is provoked to comment, "This was, surely, the nadir of the illiberal position to which the obsession with security was finally driving him" (*op.cit.*, p.171).
19. *CPD*, vol.207, pp.1395-6. In March 1950, when Cabinet was discussing the Bill, Holt put a case against the dismissal of union leaders (AA CRS 4940/1 item C66).
20. AA CRS M1509/1 items 7 and 11; *CPD*, vol.207, p.2242. The errors were probably inherited from the Commonwealth Investigation Service.
21. AA CRS A6122/25 item 922. Over 100 were identified in Victoria, including twenty-two in the Tramways Union. For the ninety-nine page case assembled for the declaration of Jim Healy, AA CRS A6619/1 item 149, vol.1; and for other officials on the list, M1509/1 item 36.
22. AA CRS A6122/17 item 977. Some offices had anticipated the raids and provided rubbish.
23. *The Age*, 10 March 1951.
24. See Martin's valiant but ultimately inconclusive attempt to explain Menzies' *volte face* (*op.cit.*, pp.171, 178, 191).
25. AA CRS A4940/1 item C57; M1505/1 item 355.

26. Minutes of Meetings of Cabinet AA CRS A4638.
27. Laurence W. Maher, 'Dissent, Disloyalty and Disaffection: Australia's Last Cold War Sedition Case', *Adelaide Law Review*, 16(1) 1994. The Government and Spy were also frustrated and embarrassed by their inability to prosecute and eradicate the communist campaign against court-controlled ballots and their attacks on ASIO for ballot rigging. Newsletter Printery had published the pamphlet 'Ballot Riggers at Work', AA CRS A432/58 item 53/2304, A432/73 item 53/763, M1505/1 item 38 (letter 21 July 1953 Spicer to Bailey).
28. AA CRS A6119/XRI item 73, vol.3.
29. AA CRS A4638/1, vol.1; A432/1 item 50/777. Section 30J was used again in early 1951 to coerce the WWF (A432/1 item 51/1275).
30. AA CRS A4907/XMI vol.1; A432/1 items 51/295, 51/294 Parts 1 and 2, 51/297. Spy complained that ASIO had not been involved in the raids (M1505/1 item 93).
31. AA CRS A432/1 items 52/1444, 52/1505, 52/215.
32. AA CRS A432/1 items 51/11, 51/1334.
33. AA CRS M1505/1 item 354; AA CRS A4940/1 item C517.
34. Cabinet decision 6 December 1951 (AA CRS A4909/XMI vol.3; CRS M1505/1 item 431).
35. AA CRS M1505/1 item 292; AA CRS A462/1 item 211/1/23.
36. AA CRS M1505/1 item 223; CRS A6201 items 442 and 445; McKnight, *Australia's Spies*, pp. 75, 76.
37. AA CRS A4940/1 item C688; *CPD*, vol.221, pp.812, 868, 874; American Embassy Canberra to Department of State Washington, Dispatch No.453, 23 March 1953, File No.743.001/3-2353.
38. AA CRS M1509/1 item 12.
39. *Ibid.*, item 6.
40. For a detailed account of the Bill see L.J. Louis, 'Communism as a Hanging Offence in the Cold War in Australia, 1950-1953', *Journal of Australian Studies*, September 1995.
41. There were provisions (clauses 18-23) for the search without warrant of premises and persons, and new powers of arrest. The established legal norm was reversed in clause 25, so that persons would be required to give information about suspected offences, or face two years' imprisonment. Another new provision (clause 31) enabled courts to sit in camera and prohibit publication of any report of proceedings. Clause 32 was substantially the same as the highly contentious onus of proof S78(2) in the Crimes Act.
42. Louis, *op.cit.*
43. *Ibid.*
44. AA CRS M1509/1 item 10. Thirty-eight folios have been removed from this file which is common when ASIO is involved.
45. AA CRS A4940/1 items C643, C2429; M1509/1 items 10, 35.
46. AA CRS M1509/1 item 35; M1505/1 item 1287; Confidential Opinions 2 and 3 (AA CRS A3170/1 Box 1); R. Throssell, *My Father's Son*, Melbourne, 1989.
47. Louis, *op.cit.*
48. *Ibid.*
49. For a detailed study see L.J. Louis, "Operation Alien" and the Cold War in Australia, 1950-53', *Labour History*, May 1992.
50. David McKnight, *Australia's Spies and their Secrets*, Allen & Unwin, 1994; Frank Cain, *The Australian Security Intelligence Organisation: An Unofficial History*, Spectrum Publications, 1994; L.J. Louis, 'Communism as a Hanging Offence in the Cold War in Australia, 1950-1953', *Journal of Australian Studies*, September 1995; Fiona Capp, *Writers Defiled*, McPhee Gribble, 1993; Laurence W. Maher, 'Downunder McCarthyism: The Struggle against Australian Communism 1945-1960', Parts 1 and 2, *Anglo-American Law Review*, vol.27, No. 4, 1998. ASIO expenditure rose from £114,000 in 1949-50 to £330,000 in 1952-53, and for the CIS from £64,769 in 1949-50 to £104,728 in 1954-55 (AA CRS A1209/134 item 1972/10048). Chifley had made the futile gesture of including in ASIO's charter a safeguard: 'It is essential that the Security Service should be kept absolutely free from any political bias or influence'. In conditions of extraordinary secrecy, the Australian Secret Service (later ASIS) was established in 1950. Headed by Alfred Deakin Brookes it was initially within the Defence Dept and later transferred to External Affairs (AA CRS A5954/66 item 865/5, A7133/1 items 1-5).
51. L.J. Louis, 'Pig Iron Bob finds a further use for Scrap Iron: Barbed Wire for his Cold War Concentration Camps', *The Hummer*, No.35, Jan/June 1993; David McKnight, *Australia's Spies and their Secrets*, Allen & Unwin, 1994, pp.117-122; also see AA MP1139/1/1 item 53/38/1064 and drafts of Commonwealth War Book, Part 1, Chapter VI.
52. AA CRS A518/2 item HF 16/2/1.
53. AA CRS A4940/1 item C460; A4909/XMI vol.5.
54. AA CRS A4940/1 item C489.
55. Laurence W. Maher, 'National Security and Mass Media Self-censorship: The Origins, Disclosure, Decline and Revival of the Australian D Notice System', *Australian Journal of Legal History* (3) 1997.
56. For a detailed study, see L.J. Louis, 'The RSL and the Cold War 1946-50', *Labour History*, May 1998.
57. *Ibid.* and Andrew Moore, 'Fascism Revived? The Association Stands Guard, 1947-52'.

Chapter 6

1. *SMH*, 4 May 1952.
2. AA CRS A4940/1 item C2387.
3. *Ibid.*
4. *SMH*, 4 May 1952.
5. See Chapter 4 above.
6. Martin, *op.cit.*, p.203.
7. *SMH*, 4 July 1952; AA CRS A571/140 item 52/1421.
8. *SMH*, 13 June 1952; see Chapter 8 below.
9. Martin, *op.cit.*, p.210; *SMH*, 3 August 1952.
10. *SMH*, 8 July 1952.

11. *SMH*, 16 May 1952.
12. AA CRS A571/135 item 52/1768; A571/140 item 52/1421; A4940/1 items C727, C660; A4933/XMI vol.8. The original estimate for defence had been £367/m. Expenditure on maintenance, including commitments in Korea, Malaya and the Middle East, was running at approx. £125m p.a.
13. AA CRS A4940/1 item C649; A4933/XMI vol.8.
14. AA CRS A5954/69 item 1865/1.
15. See footnote 13 above, and AA CRS A1308/1 item 742/1/313.
16. AA CRS A5799/15 item 126/1953.
17. *SMH*, 1 May 1952.
18. The defeat at the Flinders by-election was especially significant. SA retained the only non-Labor government.
19. Murphy, *op. cit.*, p.119.
20. AA (Vic) MP1049/6 item 5066/3/24.
21. AA CRS A4933/XMI vol.9.

Chapter 7

1. NLA Storey Papers MS 8050 Box 29. See also his campaign to establish an Australian National Preparedness Association (*ibid.*, Box 27).
2. AA CRS A462/20 item 429/18.
3. AA (Vic) MP1049/6 item 5157/6/1. (See this file for shipbuilding policy, and also AA CRS A4905/1, vol.1 (18).)
4. AA (Vic) MP729/8 item 64/432/33.
5. AA CRS A571/140 item 1950/3482 Part 1. The Navy had placed local orders worth £11.7m for vessels. Some local companies were foreign owned (e.g. Ford which had large contracts, *The Herald* (Melb.) 1 September 1954).
6. There was a shortage of tyres, and contracts worth £52,000 under the stock-piling program were offered (*SMH*, 16 February 1951). Some taxis had to be taken off the road (*SMH*, 4 March 1951), and the Melbourne office of Hume Pipe Co. (Aust. Ltd) reported on 28 June 1951 that it had the "utmost difficulty in keeping our motor trucks and cars properly shod" (Butlin Archives, ANU, Z167).
7. AA CRS A1308/1 item 739/1/57.
8. See opposition to Defence Preparations Act (Associated Chambers of Manufactures, *Canberra Letter*, issues of July and August, e.g. 15 August, 1951).
9. See the protests of Bavington and Sons AA (Vic) MP742/1/0 item 61/9/192.
10. AA (Vic) MP1049/6 item 5201/11/9.
11. Report Interdepartmental Committee on Preference (AA, Vic, MP1922/7 item 7044/1/53, Part 1; MP1843/1 item 1044/1/14 Part 1).
12. AA CRS A571/140 item 1950/3842 Part 1.
13. AA (Vic) MP1049/6 item 5137/11/82.
14. AA (Vic) MP729/8 item 57/432/7; MP1049/6 item 5216/14/1.
15. *Canberra Letter*, 20 June 1952.
16. AA CRS A4933/XMI vol.6; A5954/69 item 2291/4.
17. AA CRS A5954/69 item 1953/1; AA CRS A1308/1 item 739/1/57.

18. AA CRS A705/2 item 9/90/16. The project to build the CA23 fighter was also abandoned. A705/2 item 9/3/143 Part 1.
19. Ninety-eight Meteor jet fighters were imported from the UK and twelve Lockheed Neptune patrol aircraft from the US.
20. This description of the industry is compiled from, AA CRS A4933/XMI vol.6 (Review of industry); A4940/1 item C1613; A5954/69 item 1400/1. Much material is contained in AA (Vic) MP1472/13 H.P. Breen Papers.
21. AA CRS A1196/6 item 1/502/36 Part 5. The *SMH* ran a series of articles and editorials (11, 12, 13 August 1953, 3 September 1953).
22. Report on production and costs, AA CRS A4933/XMI vol.9.
23. *SMH*, 3 September 1953.
24. AA CRS A1196/6 item 1/502/36 Part 6. The cost to import was £50,000 as against £82,000. The original order had been placed overseas because of the poor delivery record of de Havilland.
25. AA (Vic) MP1049/6 items 5121/19/16, 5119/26/4.
26. It was to receive further orders for Sabres and produced 111 by 1961.
27. AA (Vic) MP1472/13 item 51. The failure of the English parent company (Hawker) to meet its commitments to the P1080 fighter project, provoked the manager of CAC (Wackett) on 24 March 1950 to observe, "it was exactly this attitude which drove us to take up American licences when trying to found the industry in 1936" (AA CRS A705/2 item 9/90/16).

Chapter 8

1. AA (Vic) MP1748/1 item GW/P/3 Part 1.
2. *Ibid.*
3. AA (Vic) MP1748/1 item GW/A/6.
4. AA CRS A4933/XMI vol.6, DPC 51/20 (which also gives a history of the Project).
5. AA CRS A816/1 item 14/301/599.
6. AA (Vic) MP1748/1 item GW/P/3 Parts 1, 2.
7. Peter Morton, *Five Across the Desert*, Canberra 1989, p.222; *SMH*, 15 December 1952.
8. See below.
9. AA (Vic) MP1748/1 item GW/E/19.
10. AA (Vic) MP1748/1 items GW/S/8 Parts 1, 2, 3, GW/S/12C Parts 1, 2.
11. Morton, *op. cit.*, p.30.
12. *SMH*, 10 September 1953.
13. AA CRS A816 item 3/302/113.
14. Reynolds, *op. cit.*, p.198.
15. AA CRS A1209/23 item 1957/4067.
16. AA CRS A1068/7 item DL47/1/10; A1209/134 item 1968/9509 Part 1.
17. *The Report of the Royal Commission into British Nuclear Tests in Australia*, vol.2, Canberra 1985, p.450.
18. AA CRS A5954/69 item 1376/4.
19. Reynolds, *op. cit.*, p.142. (There were also thirty-one graduates engaged on AAE-

- sponsored research). Reynolds, 'Defence Science Research, Higher Education and the Australian Quest for the Atomic Bomb, 1945-60', *History of Education*, vol.26, No.2, 1997.
20. *The Report of the Royal Commission...*, Conclusion No.49.
21. AA CRS A4940/1 item C1790.
22. AA CRS A5954/1 item 1385/3.
23. AA CRS A4940/1 item C721; Report by Chairman of Atomic Energy Commission (Baxter) on construction of an atomic reactor at Mt Isa, January 1958 (AA CRS A571/162 item 1958/677); see also arguments to extend Lucas Heights (A4940/1 items C1289, C1730 Part 1).
24. AA CRS A4940/1 item C721.
25. AA CRS A5954/1 item 1385/7.
26. *Ibid*.
27. AA CRS A5461/3 item 138/14.
28. *Ibid*; A5462 item 138/5; A4940/1 item C1077.
29. AA CRS A5462 item 138/5.
30. AA CRS A1838/276 item TS720/5/2 Part 1.
31. AA CRS A4940/1 item C1077.
32. Reynolds, *Australia's Bid for the Atomic Bomb*, p.145.
33. AA CRS A1209/23 item 1957/4067.
34. *The Report of the Royal Commission...*, vol.2, p.474.
35. *Ibid*, p.457.
36. AA CRS A1308 item 714/1/209. The cost to Australia of the first test at Monte Bello was £201,662 which did not include normal expenditure such as pay and maintenance (A6456/3 item R096/013).
37. J.L. Symonds, *A History of British Atomic Tests in Australia*, Canberra, 1985, p.286; AA CRS A4940/1 item C1589.
38. *The Report of the Royal Commission...*, p.499.
39. Wayne Reynolds, *Australia's Bid for the Atomic Bomb*, and his series of articles, and 'Menzies and the Proposal for Atomic Weapons' in Frank Cain (ed.), *Menzies in War and Peace*, Canberra, 1997.
40. Reynolds, *Australia's Bid...*, pp.159, 179.
41. AA CRS A 5954/1 item 1400/15; A1209/23 item 1957/4067. In seeking the opinion of Casey (External Affairs), McBride (Defence) pointed out that SEATO's strategic concept for defence of SE Asia against communist aggression was based on use of nuclear weapons.
42. See results of discussions by Menzies and Ministers with Macmillan in February 1958 (*ibid*; AA CRS A571/162 item 1958/677). The most that Macmillan could offer was that the RAF and RAAF could examine "the technical facilities side of using nuclear weapons in South East Asian area".
43. *The Report of the Royal Commission...*, vol.2, p.405.
44. *Ibid*, p.414. For a discussion of secrecy and the Cold War edited by Peter Love and Paul Strangio, Melbourne 2001. There had been a rehearsal in 1947 in the confrontation between the Secretary of the Department of External Affairs (Burton) and

Secretary of Defence (Shedden) and the 'gnomes of Melbourne'. Burton had refused to be inducted into a select circle of senior public servants and Service chiefs who, having "taken special oaths of secrecy", had access to top-secret intelligence information which they would deny to their ministers in the name of national security (AA CRS A5954/17 item 2359/3; M1505/1 item 189).

Chapter 9

1. NLA Storey Papers MS 8050 Box 84.
2. NLA MS 4936 Box 44.
3. Ian Hancock, *National and Permanent? The Federal Organisation of the Liberal Party of Australia 1944-1965*, MUP, 2000, pp.120, 128, 129.
4. *CPD*, vol.123, p.1561.
5. See issues of *Canberra Letter* (Ass. Chambers of Manufacturers of Aust.) Butlin Archives, Z187. On 6 July 1951, it warned that the Bill would prejudice a Yes vote at the referendum to ban the Communist Party. This alienation of the industrial middle class and a possible link with the outcome of the referendum would be worth exploring.
6. *SMH*, 5 April 1951.
7. W.S. Robinson Collection, University of Melbourne Archives. There is the same omission in E.H. Cox's insider reports on federal Parliament to Murdoch (Cox Papers, NLA MS 4554). Even more revealing are the Personal Diaries of R.G. Casey (NLA MS 6150). Entries show Cabinet in early 1951 preoccupied with economic difficulties (including the need to cut public works to enable increased defence expenditure). He records the proceedings of the Cabinet meeting on 15 February 1951 when Menzies reported on his overseas trip, and it was agreed that there was no evidence that Russia would precipitate war. On 2 March, he had preliminary discussions about reorganising his Department for war, but the Diaries then and later make no mention of war in three years.
8. Murphy, *op.cit.*, p.6.
9. 'Apathy' from the other class perspective. There was also some resistance from traditional liberal opinion. Sir Douglas Copland (Vice Chancellor of the ANU) demurred when Spry persuaded a somewhat reluctant Menzies that ASIO should vet staff appointments at the University (AA CRS A1209/23 item 57/4264).
10. *CPD*, vol.213, pp.1610, 1611.
11. Robin Gollan, *Revolutionaries and Reformists*, Canberra, 1975, p.287. But note their advanced views on Aboriginal rights, and opposition to White Australia.
12. For the US complex, Fred J. Cook, *The Warfare State*, Macmillan, 1962.
13. AA CRS M2576/1 item 37.
14. AA CRS A4933/XMI vol.8; A571/140 item 1952/2497; A4940/1 item C649.
15. *SMH*, 7 May, 11 June 1952, 20 January 1953. Some firms hit by the recession applied pressure for defence orders (e.g. Radio and Electrical Manufacturers Ass., *SMH*, 4 March, 7 June 1952).
16. Directors' Report March 1952. Prior to the recession, reports indicated there was no capacity for large defence orders (Butlin Archives, ANU, 90/2/3). Cf. Reports of

Lincoln Mills, 2 May 1952 (loss of defence contracts of "no importance") and 16 January 1953 (no capacity for large contracts), Butlin Archives 71/6/1.

17. For details, see Report of NSRB (AA CRS A5954/69 item 2033/14). Defence expenditures in the UK and US were much higher than in Australia, but it is difficult to construct a meaningful comparative table. An official UK estimate put its defence spending in 1952-53 at 12.3 per cent of real national resources (AA CRS A1604/1 NSR 51/1 Part 1). Hogan (*op cit.*, p.473) gives the figure in the US as 18 per cent of GNP. For Australia, 5.1 per cent of GNP in 1952-53 is generally accepted. According to the 1952-53 Budget which set the £200m limit:

Expenditure per head of population (£.s.d.)

	1950-51	1951-52	1952-53 est.
Defence Services	17 16 6	19 17 0	22 16 6
Total Expenditure	101 5 8	119 1 7	115 2 2

(AA CRS A5954/69 item 1953/1 p.16)

18. SMH, 8 August 1952.
19. AA CRS A5954/69 item 2033/14.
20. Waterman, *Economic Fluctuations in Australia*, p.99.
21. *Ibid.*, pp.153, 154.



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L. J. (LES) LOUIS was born in 1929 of working-class parents in remote Northern Queensland. After leaving school early and working at a variety of jobs, he completed university studies and commenced an academic career in 1966. He pioneered research on the Great Depression in Australia, and since his retirement in 1993 as Associate Professor of History at the University of Canberra, he has been researching and publishing articles on the Cold War in Australia as an Honorary Visiting Scholar. He also distributes a personal newsletter *The Cold War Dossier*. He joined the Communist Party in 1952 and did his bit as a foot slogger. Links became increasingly strained after 1956 but were not dissolved until 1968. He did not join the anti-communist camp and remains an avowed 'Marxist'.