

CHAPTER FOUR

AUSTRALIAN HISTORY AND CATHOLIC SOCIAL TEACHING

Introduction

The European experience of liberal democracy, as outlined in the previous chapter, alienated the Church because it wished to replace the authority of the Church with secular authority. Indeed, the Church denunciation of liberal democracy suggested an affinity between Catholicism and authoritarianism (Sigmund, 1994: 225-226), an affinity that was subsequently reinforced by the Church's response to socialism. The Roman attitude to the world in turn influenced, but did not swamp, the Australian Church. Indeed, the Australian Church reached an accommodation with liberalism, and expressed support for socialism, but not the doctrinaire socialism rejected by Rome. Nevertheless, the Australian Church was hierarchical and authoritarian in nature. This created the impression that the Catholic Church was opposed to the liberties enjoyed by Australian society, and thus opposed to a free society. Although it was prepared to ignore Roman thinking 'prejudicial to ... the liberal democratic tradition' (Duncan, 1991: v-vi), Rome's insistence on tradition and orthodoxy nevertheless produced an atmosphere of caution and intimidation within the Australian Church. This reinforced an already existent pragmatism and anti-intellectualism that inclined the Australian Church to develop distinctive features. This included active engagement in Australian public affairs (Murtagh, 1969: xix-xx; Henderson, 1983: 3; Hogan, 1993: 10). This engagement, however, especially the activity of the anti-communist 'Movement' in the nineteen fifties, caused considerable tension both within and outside the Australian Catholic Church. Indeed, it marked relations with Labor during the periods covered by this study, which ultimately impacted upon policies developed by the ALP. This chapter extends the examination commenced in the previous chapter by explaining the local influences that shaped Australian Church resistance to national universal health insurance in the 1940s and 1970s, before proceeding to a theoretical examination of the 'Catholic world of welfare' in Chapter Five. It should be noted, however, that writing on the local influences that shaped Australian Church resistance to national universal health insurance in the 1940s and 1970s from a Catholic perspective is not prolific. Consequently the review may be challenged by future research. Nevertheless, the

work of Murtagh (1969); Brennan (1972); O'Farrell (1969 and 1977); Henderson (1983); Hogan (1987); Duncan (1991 and 2001); Molony (1991); Beilharz, P., Considine, M. & Watts, R. (1992); Breward (1993); Hogan (1993); Carey (1996); Matthews (1999); O'Brien (1999); Ormonde (2000) and Smyth (2003) does provide some perspective on Church history during the period under study. The discussion in this chapter draws upon these sources.

White settlement of Australia accorded with a belief in the self-sufficiency of man, the supremacy of science and reason, the worship of progress, and the privatisation of morality. In effect it replaced Church authority with individual and state authority, which Catholic leaders regarded as apostasy. Consequently the Australian Catholic Church developed its own establishments, including hospitals, to protect the faithful from contagion against Protestantism and the influence of liberalism (Murtagh, 1969: xi-xviii; Hogan, 1987: 9). The social and economic isolation of the colony, however, meant Australians, contrary to experience in Europe, looked to the state for assistance in the provision of social services, including health services (Rennison, 1970; Dickey, 1977; Sax, 1984: 3-7). This was not, however, a consequence of socialism. Rather, as Tulloch notes, it was informed in the first instance by need, and then by acceptance of the ruling class values of 'individualism, competition, individual freedoms and inequality, ... (which) combined with an acceptance of a minor role for government in protection for the "really needy"' (1983: 255). Consequently, a residual view of welfare that reinforced, rather than challenged, the *status quo* informed the development of Australian social policies (Beilharz, Considine & Watts, 1992). Crucially this view was also consistent with the view of the preconciliar Australian Church.

As in Europe the Australian Church's response to the world was marked by rejection, competition, and then partnership. During the period of rejection, 1788-1878, Australia conformed to two of Leyburn's frontier types – a 'plantation' and 'camp' frontier society (Murtagh, 1969: xii-xiv). The former, which is characterised by permanent settlement based upon forced labour, was evident in the large sheep holdings staffed by convicts. Based in New South Wales it was largely aristocratic and conservative in outlook. The latter, characterised by temporary settlement, arose out of the camps on the Victorian gold fields. It fostered democratic social attitudes

and radicalism. Murtagh argues the relationship between the two ‘lies at the root of Australia’s social struggles’ (1969: xiii), and thus holds the key to Australia’s development. The failure of many to ‘strike it rich’ and their inability to break up the large pastoral holdings consolidated during the gold rushes saw the former diggers migrate to the cities where they depended on their labour for survival. Influenced by the radicalism of the goldfields they formed trade unions to advocate for services and benefits to support workers. This was supported by working class Catholics and approved by Cardinal Moran, the then leader of the Church in Australia. Whilst initially successful, the progress of the labour movement was checked during the 1890s by organised capital. Thus lines, which have persisted to the present day, were drawn between organised capital and organised labour, the traditional political home of Catholics.

Relations between the world and the Australian Church during the 1940s and the 1970s were characterised by competition with the world. Moreover, they were marked by considerable industrial and political unrest arising from the threat of communism, two World Wars, the Great Depression, and the split in the ALP. As traditional values disintegrated and the hold of religion over the masses declined the Church addressed the social question from a Catholic perspective, namely ‘Catholic Action’ (Murtagh, 1969: xviii-xix). Its role in Australia, however, proved contentious not the least because it contributed to the ‘Split’, an event that is discussed later in the chapter. For the present it is sufficient to say that the deterioration in relations between Labor and the Church leading up to, and as a consequence of, the ‘Split’, helps explain the resistance of Catholic authorities to the introduction of national universal health insurance in the 1970s. This was exacerbated by the fact that the moves towards engagement with the world initiated by Vatican II were slow to permeate the thinking and practice of the Australian Church. Thus the attitude of resistance adopted by the Australian Church to Labor’s national health scheme in the 1940s also marked the Church’s response in the 1970s. In other words, the Australian Church opted for a ‘welfare society’ in preference to a ‘welfare state’, an approach that is consistent with the existence of a distinctive ‘Catholic world of welfare’ in Europe as identified by Esping-Andersen, Castles, and van Kersbergen, and supported by Smyth in relation to Australia. This chapter seeks to explain that orientation by exploring the social and political determinants of Australian Catholic welfare policy.

The Australian Church's rejection of the world

Social cleavage along religious lines in Australia dates from the time of white settlement. Indeed, there were three main religious traditions, which overlapped structures of class and ethnicity – ‘the establishment faith of Anglicans and Presbyterians, the evangelical faith of Methodists, Congregationalists and some Anglicans, and the Catholic faith’ (Carey, 1996: xvi). Although Catholic convicts were in the main irreligious, the imposition of the rites of the Church of England was construed as persecution, as they came mainly from Ireland where the Church of England was identified as the source of their oppression. Whilst the claim of persecution has been challenged (Waldersee, 1974), Catholic convicts were in fact denied the freedom to exercise their religion, and to that extent they suffered discrimination. Certainly the authorities, members of the ‘established’ churches, used their position to control Catholic convicts by manipulating access to their clergy and forcing them to attend Protestant services, but they were ‘identified as a distinct group, held in low esteem and often (not always unjustly) regarded as a source of sedition and a challenge to public order’ (Hogan, 1987: 28). Their distinctiveness, however, owed more to their Irish and class origins, of which their religion was an expression (Murtagh, 1969: 8-11; Brennan, 1972: 2; O’Farrell, 1977: 54-55; Henderson, 1983: 3; Hogan, 1987: 7-29; Breward, 1993: 13; Hogan, 1993: 1; Carey, 1996: 1-25).

Catholic expansion

Despite its somewhat inauspicious beginning, Catholicism grew along with the colony. The increase in transportation, the beginnings of the push into the bush and the establishment of large pastoral holdings heralded a new era in which the economic life of the colony was governed by liberal principles that sought to modify government ownership and control. The Church of England’s claim to establishment, in practice if not in law, coupled with its bitter anti-Catholicism ensured Catholics would opt for the principles of liberty and equality, ironically a position somewhat at odds with the then current papal views. Their support for democratic reform, popular government, and ownership of land, however, was not a radical call. Rather it was an expression of a deep-seated conservatism that sought the establishment of ‘a peasant proprietary’ based upon land reform. Thus Catholics, especially rural Catholics, were

anti-squatter and pro-small farmer, a view that persisted well into the twentieth century (O'Farrell, 1977: 130-131). Whilst these views alone made Catholics suspect in the eyes of the Protestant majority, that suspicion was further strengthened by Catholic support for the cessation of transportation, a practice that provided landowners with cheap labour. Moreover, Catholics faced increasing hostility from sections within the Church of England, and the Presbyterian Church, who believed Catholics were intent on allying themselves with liberalism in order to achieve political dominance. The 1843 NSW elections, however, revealed the fallacy of this belief, as Catholics did not present a united political front. Rather they voted on local issues in accordance with their own political interest, a practice repeated on many subsequent occasions. Nevertheless, some Catholics did argue that the interest of the Church and Catholics could only be assured by a united political front, which confirmed the view of many Protestants that Catholics were selfish and a menace to good order (Murtagh, 1969: 43-55; O'Farrell, 1977: 51-62). Unlike Europe, then, the Australian Church was regarded as radical, not reactionary, a view compounded by events surrounding the discovery of gold.

The Discovery of Gold

The gold rushes of the 1850s heralded the emergence of the camp frontier in which Catholics were important players. They invoked arguments in defence of liberty and equality, which whilst being expounded by European Catholics such as Lamennais, were condemned by the papacy. The defence of liberal values, however, was born of necessity rather than principle, as colonial Catholics had no other course of action if they were to assure their place in a colony dominated by a Church of England that deemed Catholics rebellious and therefore suspect (Murtagh, 1969: 67, 71-74; O'Farrell, 1977: 51-52, 85-88). Indeed, a key feature of the struggle at the Eureka Stockade was the division between Catholicism and Protestantism in which Catholics who subscribed to the Chartist ideas of the camp frontier aligned themselves against the mainly Protestant ruling class, which identified with the exclusivist ideas of the plantation frontier.

Division, however, also became evident within the fledgling Australian Church. Australian Catholics, especially the Irish Catholics, who were immersed in the democratic and anti-authoritarian ideas of the camp frontier, challenged the authority

of the hierarchy of the colonial Church. The challenge, however, was levelled not against the authority of the Church *per se*, but against the authority of the English Benedictine hierarchy. Following the establishment of an Irish hierarchy, the Church in Australia, assumed an equally hierarchical and authoritarian, albeit Irish, structure. Indeed, the “Irishisation” of the Australian Church had far reaching ramifications for relations between the Church and the Australian polity, but the experience differed in the two senior colonies (O’Farrell, 1977: 48-49). The Irish in Victoria, unlike their NSW colleagues, had arrived largely as free men and women, a significant number belonged to the middle class, and they were not necessarily Catholic. Moreover, there was a degree of religious harmony within the Victorian colony, at least up until the 1840s, which was in contrast to the animus and factionalism that marked relations in New South Wales. By the end of the 1850s, however, O’Farrell argues ‘the Victorian Catholic church had acquired enduring characteristics – exclusivist coherence, expressed in a spirit of self-reliant, indeed isolationist independence, a pugnacious suspicion of any criticism or hint of discrimination, a refusal to consider compromise, or concede any ground’ (O’Farrell, 1977: 110-111). Whilst this was also true of NSW Catholicism, the response of the NSW Church was more pragmatic than its Victorian counterpart, which adopted an assertive, doctrinaire, and confrontational approach. The Australian Church, then, from this time exhibited two broad approaches to the world – one pragmatic and the other confrontational – that helps explain the resistance of the Church to national health insurance in the 1970s. Resistance, however, was also in accord with the Roman Church’s approach to the ‘social question’.

Engagement with the ‘social question’

Hales argues that the most interesting thing about the Church in Australia was its engagement with the ‘social question’, and the labour movement, which it helped to preserve from communism (1958: 262-263). A key aspect of that engagement was Cardinal Moran’s support for workers during the strikes of the 1890s, and his defence of the Australian Labour Party against charges of socialism (Murtagh, 1969: vxii; O’Farrell, 1977: 291). Despite arguments to the contrary his support was not radical, but rather pragmatic arising as it did from Moran’s ‘discernment that a major source of social disharmony was society’s failure to recognise labour’s just rights’ (O’Farrell, 1977: 285). In accordance with *Rerum Novarum* he set out the Christian principles for the creation of a harmonious society, which included a worker’s entitlement to a

family wage, a share in an industry's profit, and the right to organise in support of just claims. His support for labour and the moderately socialist Labor Party, the party of the poor, then, was a practical response to the condition of labour that drew upon Catholic social teaching, not socialism (Murtagh, 1969: 126-130; O'Farrell, 1977: 235-236; 285-297; Henderson, 1983: 3). Nevertheless, it aroused suspicion and alarm among the wealthy and landed class for whom 'trade unionism was ... synonymous with socialism' (Murtagh, 1969: 117). Consequently, a feature of the hostility between employers and employees related to Catholic support for labour.

The Church in the twentieth century

In the opening years of the twentieth century the newly formed Labor Party held the balance of power, which enabled it initiate a series of social and economic experiments that placed Australia at the forefront of social progress. The growing strength of Labor and the increasing intervention of the state, however, alarmed employers and their political associates, who declared that the new social legislation was socialist. The Catholic Church, however, generally welcomed it, as it reflected the principles outlined in the encyclical *Rerum Novarum*. Whilst it believed the pervasive social ills could only be remedied by the return of 'the Christian life and Christian institutions', the Australian Church concluded that the increased role of the Australian state was not antithetical to the principles of Christian morality. Moreover, as Moran noted in 1906, the formation of the Labor Party owed its origins to trade unions, which embraced a broad cross section of a working population, the majority of whom were intensely individualist, but united 'in regarding the State as collective power to be used for the common welfare' (Murtagh, 1969: 147). Reform, then, would be achieved by parliamentary, incremental action, not revolution. Consequently, the Church's endorsement of the socialism of the Labor Party, despite conservative protestations that it was radical, in fact endorsed Metin's earlier characterisation of Australian socialism as "socialism without doctrines" (Murtagh, 1969: 139-149).

Entrenching resistance

Despite Moran's defence of the Labor Party relations between the Church and Labor were not straightforward. Indeed, the two periods under study reveal Catholic suspicion of, and indeed resistance to, Labor that prompts an analysis of the

contradictory approaches. O'Farrell argues that Catholicism embraces two tendencies. On the one hand the Church adopts policies that seek acceptance, conformity and integration. On the other it assumes an attitude of confrontation. The Sydney Church led by Moran, and then Kelly, generally favoured the former whilst Melbourne, especially under the leadership of Archbishop Daniel Mannix, adopted an attitude of resistance. In particular he railed against those elements within the Labor Party, which prevented it from adopting Catholic principles in the formation of social policy, especially education policy. In his view the proper relationship between religion and politics should contain 'no conflict between conscience and the programme of any political party' (cited in O'Farrell, 1977: 312). As Labor Party policy advocated "free, secular and compulsory" education it violated Catholic conscience. Consequently Mannix warned that, in the event that the policy was not reversed, Catholics would withdraw their support. This created tension, and a crisis of loyalty, for Catholic Labor politicians and supporters. It became evident following the recommendation of the 1915 Political Labour Conference to expel any party member who was a member of another organisation that selected or supported candidates for public position (Murtagh, 1969: 155-157; O'Farrell, 1977: 312-319). Whilst the subsequent expulsions were reversed, the resolution established a precedent. It became the catalyst for the 'Split' of the ALP in the 1950s thereby establishing the political climate that made the Church's resistance to Labor's national health proposal in the 1970s so effective. Meanwhile the growing influence of left wing ideas within the labour movement and the Labor Party's unwillingness to adopt Catholic principles aroused interest in the formation of a separate Catholic party in NSW, but the majority of Catholics remained loyal to the Labor Party. The early years of the twentieth century, then, revealed three important issues that would impact upon later relations between Church and state, namely the identification by at least some Catholics of Catholic principles with good government, the antipathy of the Victorian Church towards the Labor Party, and Labor's concern with the activity of outside influences upon the internal workings of the Party (O'Farrell, 1977: 332-334; Henderson, 1983: 5-7).

The 1920s and beyond

The 1920s was marked by large-scale material development and expansion, further concentration of wealth and property in the hands of a few, and an increase in the drift

to the city. Paradoxically there was an increase in socialism amongst the workers attributable to the fact that not all shared in the boom. Fuelled by the success of the new revolutionary movements, especially the Russian Revolution, some of the more extreme elements of the labour movement founded the Communist Party of Australia in opposition to the Labor Party. As a consequence the ALP in 1921 included the Socialisation Objective, which provided for the ‘socialisation of industry, production, distribution and exchange’, into Party platform. Theoretically this represented an ideological shift, but the politics and practices of the Party remained largely reformist in character, not revolutionary. Indeed Australian socialism was fundamentally liberal in character (Murtagh, 1969: 166), which enabled the Church to support the socialism expounded by Labor. Organised Catholic opposition to the socialism of Labor had yet to surface.

The legacy of the 1930s

The nineteen thirties began with the Great Depression and ended with the commencement of the Second World War. Australia’s reliance on the export of primary products exacerbated by a fall in export prices, the need to service high levels of overseas borrowings, and the considerable social upheaval associated with high unemployment meant the impact of the Depression was substantial. Moreover, communism was on the ascendency. Amidst opposition from within and outside the Party, and faced with a hostile Senate, Prime Minister Scullin abandoned many of Labor’s core principles. This fractured relations between the Federal Party, and the NSW Party and the industrial wing of the labour movement. Consequently the conservatives led by Lyons, split from the Party and joined the Nationalist Party. Together they formed the United Australia Party, which defeated the Scullin Government at the 1931 Federal elections. The economy recovered reasonably quickly, but this was not accompanied by the recovery of employment or the worker’s wages and conditions. In Murtagh’s opinion only two organisations understood this as a crisis in liberalism, i.e. the communists and the Catholics (Murtagh, 1969: 179).

The clash between Catholicism and communism was more than an economic or political difference. Indeed, the Church rejected the inevitability of a class struggle, and the tenet that the organisation of society was an expression of the economic order. Instead it championed the freedom and dignity of the individual who was not subject

to economic ends (Murtagh, 1969: 176-179; Molony, 1991; Matthews, 1999). This principle was at the core of the Church's resistance to communism. Indeed the Church went so far as to contend that it alone was capable of resisting materialism, a belief that dominated the Church's attitude to Australian politics during the periods that are the subject of this thesis. Consequently anti-communism largely dictated the way that Catholic authorities viewed policies proposed by the Labor Party, a Party that key Catholic players later identified as in league with communism. Consequently, they deemed it necessary to resist Labor policies, a task that was delegated to Catholic Action whose aim was the reformation of society in accordance with Christian principles. Its activities produced considerable tension in relations with the Labor Party. This ultimately resulted in the 'Split' in the Labor Party and the fracturing of relations between the Church and the Labor Party.

Distributism

The carriage of Catholic Action in Australia was initially borne by the *Campion Society*, a lay Catholic adult education movement, which was formed in 1931. It drew upon the work of the English Catholic social thinkers Hilaire Belloc and Gilbert Chesterton who were advocates of the political philosophy known as Distributism. Essentially it proposed that a just social order could only be realised through a much more widespread distribution of property, a position informed by the thinking associated with British socialism and Catholic social teaching (Matthews, 1999). Concerned about the dominance of statist socialism in which the state assumed ownership and control of all property the Distributists turned to the principle of subsidiarity outlined in Catholic social teaching. Thus Distributism argued against the concentration of property and wealth in the hands of a few owners. Instead it proposed the reorganisation of society based on the ownership of private property, reform of the wage system, and the reorganisation of industry into vocational groups or guilds. Workers would not only share in the ownership and management of an industry, but they would also share in its profits. This would provide them with the means to purchase private property, which in turn would guarantee their freedom, a situation that was not achievable under state socialism. In the view of the Distributist the lack of private property forced the individual to rely on the state, thereby ushering in what Belloc christened the 'Servile State'. In this scenario the individual risked being enslaved by the state, as it would assume control of all aspects of an

individual's life so as to prevent the breakdown of public order. Social services, including national insurance, were merely palliatives, for their aim was not the restoration of private property, but the redistribution of income, which left power in the hands of a few, views that were disseminated through the *Catholic Worker*, the mouthpiece of the Campion Society (*Catholic Worker* No 115 August 1945: 1; Murtagh, 1969: 181-184; O'Farrell, 1977: 385-386; Henderson, 1983: 11; Beilharz, Considine & Watts, 1992: 4; Matthews, 1999; Duncan, 2001: 11-14).

Whilst the Distributists eschewed socialism they did not embrace capitalism, which they argued simply replaced state ownership of property with centralisation of control in the hands of a few wealthy owners. Rather they favoured mutualism and the organisation of society along corporatist lines. Co-operatives

were essential to the Distributist ideal. They combined ownership, labour for profit, reward for initiative, a degree of self-sufficiency, elimination of waste (as in the duplication of equipment or use of unnecessary middlemen) and a strong commitment to reciprocal help (Quinn cited in Matthews, 1999: 102).

This drew upon Catholic social teaching, which acknowledged that the state had a role to play in securing the wages and conditions of the worker, but not so as to usurp the proper function of the family and/or intermediary organisations. There were, however, two types of co-operative bodies one of which was antithetical to the Church's teachings. Indeed, Pius XI condemned the state dominated fascist form of corporatism, which marked Italian fascism. Rather he argued for corporative arrangements that subjected the state to the principle of subsidiarity. In this way corporatism would be 'state-proofed' (Duncan, 1991; Matthews, 1999). It was this latter understanding that influenced the language and writings of the Campion society of whom B.A. Santamaria was a founding member. Its importance in relation to this thesis is that Distributism peppered Catholic resistance to the introduction of national health insurance in the nineteen forties, and to a lesser extent in the nineteen seventies, positions further explored in Chapters Six and Eight.

Catholic Action in practice

Whilst Catholic Action was designed to reform society according to Christian principles, its operations in Australia became the focus of major disagreement, a disagreement that was exacerbated by relations between the Church and the Labor

Party in NSW and Victoria. The papacy had identified two models of action, namely 'Catholic Action' and 'action of Catholics'. The former model proscribed Catholic Action involvement in matters deemed 'purely' economic or political, but the latter allowed for the participation of individual Catholics in politics (Duncan, 2001: 175). Melbourne Catholics, under the leadership of Mannix and B.A. Santamaria, the future leader of Catholic Action in Australia, adopted the 'Catholic Action' model. Sydney Catholics who were 'linked to the local Labor-Catholic culture with its ingrained "Christian democratic" style and values ... impervious to "theory" (Duncan, 2001: 25), however, oscillated between 'Catholic Action' and 'action of Catholics'. Regardless, and contrary to Roman direction, both Australian hierarchies were not prepared to remain aloof from strictly political affairs, especially in relation to the rise of communism (O'Farrell, 1977: 298-353; Duncan, 2001: 25-26).

The difference over the model of Catholic Action was complicated by the attitude of the two hierarchies to the role of the laity. Melbourne believed they should 'play a role in the construction of a Catholic social order' (Henderson, 1982: 12-13), but Sydney favoured episcopal control, a difference that had ramifications for the fight against communism. In particular they differed over tactics and strategy, which resulted in the establishment of two Catholic anti-communist organisations – the Melbourne based lay Catholic Social Study Movement (CSSM), or 'Movement', and the Sydney based, and diocesan controlled, 'Organisation' or 'Show'. The Movement, supported by the Victorian hierarchy, argued that individual Catholics should pursue the fight against communism on their own initiative, although this would later blur under the direction of Santamaria. The Sydney Church, however, was unwilling to leave that fight to the laity. Moreover, it had strong links to the NSW Labor Party, and feared communist domination would remove Catholics from influential positions. Thus the Sydney hierarchy, and their Catholic Action strategy, supported the Labor Party, which at times extended to active involvement in party politics, especially in relation to communist infiltration of the labour movement.

There was, then, a contradictory expectation that Australians would lead their own Catholic Action organisations whilst maintaining obedience to the Bishops. It led to ambiguity, tension, and suspicion that influenced the attitude of the Church to the Labor Party. Indeed, the secret activities of the 'Movement', which under

Santamaria's leadership became the key avenue of Catholic opposition to communist infiltration of the unions, saw the Church divide over the future of the Labor Party. The Victorian Church argued for Catholic withdrawal from the Party, but the NSW Church maintained that Catholics should remain within the Party in order to thwart communist domination. Failure to resolve this tension contributed to the fracturing of relations within the Church, within the ALP, and between the Church and Labor (Murtagh, 1969: 184-185; O'Farrell, 1977: 298-353, 386-387; Henderson, 1983: 16-25; Duncan, 2001: 25-41). Moreover, the Victorian Church, which had assumed a leadership role in matters of social policy, advocated rejection of Labor policies, a stance that had significant implications for national health insurance in the 1970s, implications discussed in Chapters Eight and Nine.

Church/state relations in the 1940s

The role of Catholic Action gathered pace in the 1940s, a role given urgency by what was perceived as communist plans for domination. Despite dire predictions the message of economic reform and anti-capitalism espoused by communists, however, went largely unheard, in the main attributable to the fact that Australians enjoyed a relatively good standard of living and a few owned some property. The idea of the overthrow of the government and the abolition of private property, then, held little or no appeal 'for they were all small capitalists in fact or in aspiration' (Murtagh, 1969: 180-181). Consequently, the communists were unsuccessful in gaining seats in Parliament. Paradoxically they did capture key positions in the trade union movement, a consequence of the social and economic distress of the 1930s, which aroused the concern of moderates within the Labor Party and the Catholic Church. Consequently, moderate members of the Labor Party established Industrial Groups, first in NSW in 1945 and then in Victoria in 1946, to contest union elections. Catholics, especially 'Movement' members, became prominent players in these Groups. Eventually they were so successful that they replaced communist control with Grouper control. By virtue of this fact they also gained significant influence within the ALP, an influence that was assisted by communist persecution and advances in Europe. The success of Grouper, and thus 'Movement', infiltration of the Labor Party, however, provided the catalyst for the Split in the 1950s, and thus the anti-Labor bias of the Victorian Church, which later proved crucial in the debate surrounding the introduction of Medibank.

Pattern for Peace: Statement on Reconstruction

The establishment of the Department of Post-War Reconstruction in 1942 did not placate Catholic concern over the role of communism. Guided by the social and economic ideas of Beveridge and Keynes, the Curtin Government proposed to extend state involvement in the social and economic affairs of the nation, which included the consolidation and expansion of social services, and the nationalisation of at least some industries, including health, beyond the War. The increase in Federal power and influence, however, met with considerable opposition, most of which was couched in the language of anti-socialism. In looking more closely at this phase it is possible to discern more clearly the specific aspects of Catholic social teaching that led the Church towards resistance in the two periods that are the focus of concern – the 1940s and the 1970s.

The Catholic Church was invited to make a submission on post-war reconstruction, which Mannix subsequently presented to Chifley in May of 1943. *Pattern for Peace: Statement on Reconstruction* outlined a twenty-point program, which articulated the preconciliar position of the times. A shorter version was published as the 1943 Social Justice Statement, *Pattern for Peace*. It opened with a statement of the principle of subsidiarity, which, as will be demonstrated, was a significant concept in the Church's thinking about the national health proposals of the 1940s and 1970s. Moreover, it argued for the institution of an organic society, which would require the reconstruction of agriculture, the introduction of self-governing industrial councils, restoration of land, and the introduction of a family wage. The earlier and later social justice statements – *For Freedom* (1942), *Social Security and Human Rights* (1946), *Peace in Industry* (1947), and *Socialisation* (1948) – supported this position. Moreover, the statements were written by B.A. Santamaria, who, it could be argued, was Australia's leading exponent of a 'Catholic world of welfare'.

For Freedom

The Church's position in relation to government welfare initiatives of the 1940s, including the proposal to introduce universal health insurance, was somewhat invidious, as they were generally in accord with the Church's vision of social justice. Moreover, they would assist many working class Catholics. The Church, however, was concerned that the increased power of government, which Labor judged to be

essential for the carriage of its social program, unnecessarily centralised power in the state. As well as arguing against the extension of bureaucratic controls over industries, *For Freedom*, the social justice statement published in 1942, worried that state provision of social services would result in dependency upon, and control by, the state. Ultimately this would lead to despotism, albeit benevolent, which would threaten the freedom of the individual. Instead, the Church argued true freedom and justice was best realised when people freely joined together in co-operative associations to realise their ends. The achievement of this was dependent upon private ownership of property, which enabled individuals to provide for their families in associations freely chosen by the individual. Authority, the bishops argued, is best exercised at the level closest to the individual. 'It is better that authority should be shared among smaller bodies than concentrated in the hands of almighty Governments' (#10 cited in Hogan, 1990: 28). The role of the state, then, was to ensure 'that the families of workers are able to maintain and provide for themselves' (#26 cited in Hogan, 1990: 30). It should foster self-reliance and decentralised community control by guaranteeing, but not administering, social welfare services. It is accurate to say, then, that the Church was expressing support for a 'welfare society', but not a 'welfare state' (Hogan, 1990: 77). Nonetheless, this was not a unanimously held view. Indeed, Dr Rumble MSC argued a Beveridge type welfare state would not usher in a totalitarian state (Duncan, 2001: 54). Clearly there were differences in attitude amongst Catholic authorities, differences that suggest two approaches to the role of the state, one conservative and other more liberal. These differences would become evident in the debates over the introduction of a national health scheme in the 1940s and the 1970s.

Social Security and Human Rights

The statement, *Social Security and Human Rights* issued in 1946, warned social services were no substitute for social justice. In reality it was 'an attack on the laborite vision of the paternalist state' (Hogan, 1990: 77), an attack that extended to Labor's national health scheme. The Church could not, however, really attack the welfare measures themselves as they were largely in accord with Catholic principles. It could, however, challenge the mechanism for their delivery, which the Church believed would increase the power of government. Thus *Social Security and Human Rights*, at one and the same time, applauded Labor's policy of full employment, but

voiced concerns that the Government's attempt to solve the symptoms of unrestricted capitalism would force individuals to rely on the state for social services. Ultimately this 'destroys the spirit of voluntary co-operation and of genuine charity, substituting instead the dull uniformity of bureaucratic rule' (cited in Hogan, 1990: 80). Instead the Government should replace the system of two classes with productive ownership of one's farm, factory, workshop or business. 'Real freedom rested on property and the widespread distribution of productive ownership' (Murtagh, 1969: 202). A public authority should only control property and industry if they were vital for the well being of the community (Hogan, 1990: 78-84). Clearly, this view accorded with the 'Catholic world of welfare' identified by Esping-Andersen, Castles, van Kersbergen, and Smyth that restricted the role of the state. That is, it supported a 'welfare society' over a 'welfare state'.

Peace in Industry

In the face of the real threat of communism in the unions and the subsequent industrial unrest, the 1947 statement *Peace in Industry*, outlined the hierarchy's fear concerning the activities of the Communist Party. In particular the Church feared that the communists would use their growing influence in the unions to intimidate members to wage a political campaign 'to overthrow the machinery of Government, to seize political power for itself, and to achieve the ends of Communism – the destruction of political, social and religious freedom' (cited in Hogan, 1990: 89). This outcome would be avoided if all citizens exercised responsibility for the elimination of injustice in the workplace, which was the cause of industrial unrest and discontent, and the breeding ground of communism (cited in Hogan, 1990: 92-93, 95-96). It should not be left to the state. The Church's position, however, was challenged by Labor's proposals to nationalise the banks, as the banks exhibited some of unacceptable features of unreformed capitalism condemned by the papacy. This dilemma provided the backdrop for the 1948 social justice statement.

Socialisation

Whilst *Socialisation* outlined the Church's approach to nationalisation it was greatly influenced by concerns with the politics of the Labor Party (Hogan, 1990: 98). Too strong a denunciation would force Catholics out of the Labor Party. This would threaten the viability of the Industrial Groups and the 'Movement', and thus the fight

against communism. Consequently, the statement offered support for the anti-communist organisations by limiting the interpretation of the Party's 'Socialisation Objective', but it also provided support for Chifley, which enabled Catholics to continue their support for the Labor Party without compromising their principles. In particular *Socialisation* drew a distinction between a Marxist understanding of socialisation, which was opposed to Christian principles, and socialisation understood as state ownership and/or control of public utilities or basic industries that could not be left in private hands. Whilst public ownership of business was not the normal function of government, disorder in economic life, Australia's geographical isolation, and the smallness and weakness of private economic resources made 'it inevitable that the Government should develop communications and utilities which, in other countries, have been developed by private interest' (#64 cited in Hogan, 1990: 107). State ownership or control, however, must be governed by the principle of subsidiarity, i.e. it was only acceptable so long as no subordinate body could properly fulfil the function. Moreover, in those instances 'when the State does justly nationalise some enterprise, it would be a mistake for it to conduct that enterprise as a centralised monopoly. For this would be simply to substitute State capitalism for private capitalism, a process without any advantage to the community' (#93 cited in Hogan, 1990: 110). Nationalisation, then, was acceptable so long as the state was responsible for 'those industries which are too vital to the common good to be left safely in private hands' (#100 (d) cited in Hogan, 1990: 111), and it did not proceed towards socialism (Hogan, 1990: 107-111).

These social justice statements, written by Santamaria, were all concerned about the threat of communism, a concern that was exacerbated by Labor proposals to increase the role of the state. Instead, the Church argued for the adoption of Catholic social principles. In this way the dignity and freedom of the individual would be defended, as would respect for right order. Chapter Seven demonstrates that Catholic authorities at this time were concerned that Labor's national health insurance contravened the principle of subsidiarity. Whilst Labor proposed to re-organise the health system it was not intent, however, on state domination of the health system. Nevertheless, the fear of nationalisation, embroiled in the anti-communism of the nineteen forties, was apparently sufficient to provide the Church with no other avenue of recourse, but resistance. It is interesting to note, however, that, whilst relations between the Church

and Labor were strained at this time, they had not reached breaking point. Arrival at that point was reached in the events leading up to the 'Split' in the Labor Party. It was also the precursor for rejection of, or at least resistance to, Labor Party policies by some sections of the Catholic Church. Whilst concerned to address the injustices identified by the communists, the Church argued for the creation of a 'welfare society' not a 'welfare state'.

The 'Split'

The threat of communism – which no doubt assisted in the defeat of the Labor Party at the 1949 federal election – assumed overarching importance in the minds of the hierarchy during the 1950s. Whilst the 'Movement' had succeeded in wresting control of the unions from the communists by 1952, it had developed a heightened sensitivity to any demonstration of leftist tendencies. This did not bode well for relations between the Church and the Labor Party, which, whilst not communist, had increasingly being identified by 'Movement' sympathisers as a fellow traveller with communism. This was not helped by ALP attempts to nationalise the banks and health in the 1940s, the campaign in the early 1950s against the banning of the Communist Party and Labor's seemingly soft approach to the external threat of communism. Consequently, Santamaria, the leader of the 'Movement', and his supporters, which included the Victorian hierarchy, argued Catholics were in conscience bound to support the 'Movement' in its efforts to reform the ALP as no other way or organisation was capable of defeating communism. Failing that Catholics must abandon the Party and fight the communist threat from the outside, a position that increasingly marked the activities of the Victorian Church. In particular Santamaria argued Catholic lay organisations 'had a duty to ensure that each party had competent leaders' (cited in Duncan, 2001: 177) and this extended to securing control of the ALP 'by ensuring the preselection of what was judged "men with a satisfactory policy"' (cited in Duncan, 2001: 177), a strategy that was perceived as a political takeover.

The strong showing of the Groupers at the 1953 ALP Federal conference prompted a concern among some members of the Party that the Groupers were at the point of consolidating their power within the party, a position that they, along with opponents of the 'Movement' within the Church, opposed (O'Farrell, 1977: 394-397). In

particular the NSW Church argued the 'Movement' should confine its activity to industrial and social organisations thereby enunciating the critical difference between the Melbourne and Sydney positions (Duncan, 2001: 196). By way of response Evatt, the then federal ALP leader, launched a Parliamentary attack upon Victorian Catholic Labor members following the Party's defeat at the 1954 federal election. He charged that an outside body was exercising undue influence upon the Labor Party. In effect this amounted to a claim that the bishops and laity of the Catholic Church were using the industrial groups to gain control of the ALP, and ultimately control of government. Despite protestations from both NSW and Victoria that the Church was not seeking control of the ALP, Evatt's denunciation revealed a clear division between the NSW Church and Melbourne that was grounded in the personalities of the two leaders. 'Gilroy was a sober-minded clerical draughthorse, scared to death of Communism and of anything that savoured of intrigue. Mannix was devoted to Santamaria, loved intrigue, despised Gilroy, and had no qualms about letting Santamaria have his head' (Brennan, 1972: 42). Whilst both were happy to support the fight against communism in the unions, movement into the affairs of a political party triggered the dissent that ultimately split the Party and the Church. The NSW hierarchy had reached an accommodation with Labor that protected some of the rights of the Church in NSW, and established networks of influence, which it was not prepared to sacrifice. Hence it was pragmatic in its political encounters with Labor. Melbourne on the other hand was much more militant favouring 'a politics of confrontation' (Duncan, 2001: 388-399) that saw it challenge the ALP. There were then clear cultural differences between Melbourne, where Santamaria's influence was stronger, and Sydney, which increasingly came under the influence of Archbishop James Carroll (Murtagh, 1969: 218; O'Farrell, 1977: 393-397; Hogan, 1987: 243-251; Griffin, 2000: 47; Duncan, 2001: 201-207, 223-226, 235-237; Fitzgerald, 2003: 149-160).

Tensions between the pro-Groupers and the anti-Groupers within the ALP came to a head at the 1955 Labor Party Federal Conference, which voted to disband the Industrial Groups in Victoria and request that the other States follow suit. The pro-Group Victorian federal parliamentarians, however, refused to accept the new arrangements and thus were expelled from the Party precipitating a split in the Victorian Party and several other States. Gilroy, together, with Archbishop James

Carroll who had been given responsibility for the Sydney Movement, believed that the Church should maintain its links with the ALP, which had greatly benefited the Church in NSW, Queensland, and Tasmania. Moreover, they were concerned about the extremism of Santamaria's views, believing instead that a split would only benefit the communists and destroy the Labor Party. Thus the *Catholic Weekly* urged Catholics to stay inside the party to fight communism, an action perceived 'as a clear direction from the Sydney hierarchy not to split the NSW ALP' (Duncan, 2001: 255). The NSW branch of the ALP, then, did not split, in large part due to the position adopted by the Sydney hierarchy (Murtagh, 1969: 221; O'Farrell, 1977: 401; Duncan, 2001: 244-256). The difference between the Sydney and Melbourne hierarchies was now visible, a difference further highlighted by the Victorian bishops active campaign against the Labor Party and in support of the those Movement members expelled from the ALP who had formed the Anti-Communist Labor Party (ACLPL) to fight the 1955 Victorian election. Santamaria, and the Victorian hierarchy, argued for withdrawal of support for the ALP, which they considered was now in the hands of the left of the Party. By way of contrast Sydney, led by Carroll, argued the best way to fight communism was to remain within the ALP and called on members to rally behind the bishops in their task of rescuing the Labor Party (Duncan, 2001: 268-269). The bitterness following these events provided the context within which Labor sought to establish universal national health insurance in the 1970s.

The significance of the Split relates to the drawing of clear lines between the two senior hierarchies of the Australian Church, and the creation of the conditions necessary for the emergence of the national Democratic Labor Party (DLP). Clearly the NSW Church was intent on maintaining relations with Labor whilst the Victorian Church under the influence of both Mannix and Santamaria was in dispute. In part this can be attributed to the different cultural contexts. Indeed, Ormonde suggests the anti-communist message of the Movement, and later the Democratic Labor Party, 'provided a respectable bridge for an aspiring Catholic middle-class to gradually abandon their traditional Labor loyalty and unapologetically associate with the parties that best represented their improving social position' (2000: 114-115). Moreover, the Victorian ALP was more radical than the pragmatic and right wing NSW Party, a difference that was highlighted by the Split. Regardless, the Split produced the political environment that allowed the emergence of the DLP. It subsequently held

the balance of power in the Senate during the negotiations between Labor and opponents of national health in the 1970s. Crucially this provided Catholic hospital authorities with significant influence over the rise and fall of Labor's scheme.

The establishment of the Democratic Labor Party

As a consequence of a 1958 Vatican ruling that the Movement, by then known as the Catholic Social Movement (CSM), was to cease political activity and organisation within political parties, Santamaria established the National Civic Council (NCC). Its purpose was to continue the work of the Movement in the trade unions, but unlike the prior incarnations, it was not constituted under episcopal control. Successful political action, however, required a national body hence Santamaria sought the amalgamation of the ACLP, and the NSW DLP, to form the national DLP. The Queensland Labor Party, the Gair led faction that split from the Queensland ALP, joined the national body in 1962. The Party's aim was to prevent the election of ALP governments through the distribution of preferences to the Coalition parties, and obtain policy concessions, a hope that was only realised when DLP preferences became vital for the retention of seats. It had no official links with either Santamaria or the Movement, but it was strongest in the Movement's heartland, and was supported by the Victorian Church. Moreover, its policies reflected traditional Santamaria and Movement concerns. By way of contrast Cardinal Gilroy maintained 'a tacit alliance with the conservative, Catholic wing of the ALP' (Fitzgerald, 2003: 180). Consequently, the *Catholic Weekly* argued during the 1958 federal election that the DLP strategy to keep the ALP out of office prevented the introduction of 'a series of important social policies which they have themselves advocated from being extended to the Australian people' (cited in Fitzgerald, 2003: 180). The direct relevance of the bitter, acrimonious Split – with its doctrinal implications – for Australian social policy was now apparent. By implication it appeared that the DLP was more concerned with the fight against communism than social policy (O'Farrell, 1977: 402-403; Duncan, 2001: 346-374; Fitzgerald, 2003: 172-180). Indeed, DLP resistance to the ALP and its policies proved crucial in the debates leading up to the introduction of Medibank, a proposal that would enhance the welfare of the poor, marginalised, and vulnerable.

The legacy of the DLP

The threat of communism began to fade during the 1960s, and this – along with the increasing influence of social liberalism – began to undermine the DLP's political power. The DLP's success in Victoria, however, prolonged the power of the DLP to thwart the intentions of the ALP. The loss of Catholic and Movement supporters, however, left the Victorian ALP in the hands of the left, which was antagonistic to Catholics and the Church. Moreover, it was opposed to policies such as state aid to independent schools. Consequently, the Catholics who abandoned the Party during the time of the Split were unlikely to vote Labor. Moreover, Victorian Catholics formed the backbone of the DLP. This had significant implications for the federal ALP, especially as the DLP held five Senate seats and the balance of power during the crucial debates over the introduction of Labor's national health proposal in the 1970s. Thus the DLP could frustrate Labor policy, a strategy it subsequently adopted to stall the introduction of national health insurance in the 1970s.

Beyond competition

The threat of communism, which dominated the nineteen fifties, was replaced by the economic Keynesianism of the Menzies Coalition government. In contrast to Labor's approach this government placed more emphasis on self-help and thrift (Smyth, 1994). Indeed Menzies 'laboured with an individualistic conception of citizenship, with a residual welfare system for those who could not find a place in either the property market or the labour market' (Beilharz, Considine & Watts, 1992: 44). Hence the 'nationalisation' of health proposed by the previous Labor government, and derided as socialist, was replaced by the introduction of voluntary health insurance, a view consistent with Catholic thinking of the time.

By the 1960s the idea that poverty was a major obstacle to active citizenship had been largely forgotten, a consequence of the economic boom that followed the end of WWII. This, however, masked increasing concern about the condition of some members of the community, a concern that prompted the establishment of the Henderson Inquiry into Poverty. Rather than working on the premise that poverty was a problem of how the rich and poor related to each other, Henderson identified poverty as a problem of the poor alone. By way of contrast, the Labor Party under the leadership of Gough Whitlam tried to address the problem by arguing for an

increased role for the state so that forgotten individuals might achieve equality through participation. 'Social security was not a value in itself, except in that it enabled social and individual citizenship. Health and education provision was not to aid the "needy" but to enable their active participation along with all citizens in social life' (Beilharz, Considine & Watts, 1992: 47). Labor's view under Whitlam, then, was underpinned by a social democratic stance that argued 'a national government has a direct responsibility to intervene in the distribution of wealth and incomes and social benefits, in order to distribute them more equally and justly ... and to regulate the impact of the private sector on the rights of the individual' (Beilharz, Considine & Watts, 1992: 48-49). Whilst this view could be reconciled with John XXIII's reading of Catholic social teaching, especially in relation to the achievement of the common good, it did not secure the support of sections within the Church, particularly within the Victorian Church. Still scarred by the events of the nineteen fifties, it remained suspicious of Labor intentions, especially in relation to an enhanced role for the state. Thus the period of Labor rule between 1972-1975 was marked by Church resistance to the intervention of government into the fields of family, education, and health, but the resistance mainly emanated from the Victorian Church, which was still greatly influenced by the politics and practices of the Movement even though relations between the two changed following the death of Mannix (Duncan, 2001: 379-380; Fitzgerald, 2003: 186-192). Its influence on policy through the NCC continued to be evident. There is little evidence, however, of direct influence on health policy. Indeed Santamaria himself claimed health was 'not an area that he has had much to do with' (Letter to Helen Belcher from Michael Gilchrist, Assistant Editor *AD2000*, 25th January 1996). Regardless, the arguments of Catholic hospitals, especially Victorian hospitals, for the retention of voluntary health insurance and the maintenance of the independence of Catholic hospitals are consistent with policies espoused by the Movement. Moreover, they are consistent with Esping-Andersen, Castles, van Kersbergen, and Smyth's view on the conservative nature of the 'Catholic world of welfare', a view evident in the debate over Labor's plans for needs based funding for schools.

Needs-based funding for schools

The introduction of needs-based funding for non-government schools proposed by the Whitlam government was consistent with the mission of the Church yet it was

rejected by many of the bishops. They argued that funding should be on the basis of per capita grants, which Archbishop Young of Hobart argued 'were just, easier to administer, less costly, more objective, not open to arbitration of bureaucrats' (O'Brien, 1999: 89). Moreover, they would ensure that there was equal treatment for all. In fact per capita grants protected the interests of richer, elite schools and not poor Catholic schools, but concern about dependence on the state and loss of control over matters the Church deemed to be its province prompted many bishops to argue against the interests of those schools. The ideological nature of that objection, however, was revealed by the circumstances surrounding the rejection.

On the 30th May 1973, the Central Commission of the Catholic Bishops of Australia, before even reading the Karmel Report that proposed needs based funding, issued a draft response that rejected its recommendations. According to O'Brien, the Bishop's draft, penned by Santamaria,

invoked all the concepts and funding policies espoused by Santamaria, the National Civic Council, the Democratic Labor Party, the Australian Parents Council, the National Council of Independent Schools and the Association of Independent Schools in Victoria. It bore further testimony to the church's alliance with these groups, its political preference for the Liberal Party, and its intransigence in respect of the Labor Party. Moreover the statement illustrates the 'fear' and the 'crises' mentality out of which the DLP/NCC axis operated, and the lack of political judgement on the part of these groups. It is also an example of the easy access of political figures such as Santamaria and Mrs Slattery to the bishops.

The statement testifies to an apparent ignorance on the part of these bishops of the real problems facing their schools, and their preparedness to sacrifice their schools for the sake of upholding the determination of the DLP/NCC to destroy the Labor Party ... Finally, the bishops' statement represented a complete rejection of any educational policy which emanated from a Labor government (O'Brien, 1999: 109).

In rejecting needs-based funding the statement argued the benefits would be temporary, arouse a sectarian backlash and constitutional challenge, result in a loss of control, and, once dependence was established, the schools would be open to 'the socialist, communist and humanist Left' (Santamaria in O'Brien, 1999: 118). These fears and predictions echoed the concerns of Catholics opposed to the introduction of universal health insurance. That is the language of resistance emanating from

Victorian Catholic authorities mirrored that evident in the opposition to *per capita* funding, a position that will be developed more fully in Chapter Nine. Whilst the draft response was reversed on the advice of the Victorian Catholic Education Office and Archbishop James Carroll, it appeared that Santamaria, supported by the bishops, was, in the opinion of one critic, prepared to sacrifice the welfare of the schools in an attempt to reject any policy formulated by the Labor Party (Griffin in Ormonde, 2000: 19). This criticism might also apply in relation to the opposition of the Church to a proposal that would address the health needs of poorer Australians.

Conclusion

In his conclusion to his history of the Catholic Church in Australia Murtagh argued that ‘Australia was built by natural man, living apart from tradition, learning by practical trial and error, with little interest in theories and philosophies’ (1969: 225). This produced an Australian society marked by pragmatism and anti-intellectualism. Thus liberalism and socialism, both without doctrine, neither recognised nor engaged with the social realities existing in the mid-twentieth century. What was left was a general political disquiet. Whilst Australians did not want either capitalism or socialism in their extreme forms they lacked a social philosophy that could give shape to their ideal. As Murtagh puts it: ‘They apparently want the best in individualism (property, private initiative, local government) and in collectivism (public ownership of utilities, control of monopolies, big business and credit and generous social services)’ (1969: 227). Thus Catholics argued for the rediscovery of social needs and a sense of vocation as a service to the good of the community. To their mind the only theory that recognised the best of individualism and the best of collectivism plus the rediscovery of vocation was the concept of an organic state (Murtagh, 1969: 227-228). Its ‘fundamental principle is that those affairs that can be efficiently handled by smaller groups should be left to their initiative and enterprises and not absorbed by the state’ (Murtagh, 1969: 228). The anti-intellectualism of the Church, its isolation, the damage done to relations with the Labor Party as a consequence of the activities of the Movement both within and outside the Church, the pre-occupation with communism, and the cultural divide between the two senior dioceses meant that the Australian Church opted for resistance to proposals that it deemed contravened Catholic social teaching. The ‘Catholic world of welfare’, as identified by Esping-Andersen, Castles, van Kersbergen, and Smyth inclined the Church during the two

periods under study to a 'welfare society', not a 'welfare state'. It is now necessary to turn to the theoretical explanations of the 'Catholic world of welfare'.