This thesis is a survey of "external" aspects of public opinion in Australia during the ten years which preceded involvement in war with Japan. The work is intended to encompass foreign affairs in general, Australian foreign policy in particular, the defence issue, and -- where related to the foregoing -- Australian politics, British Commonwealth relations.

**THE AUSTRALIAN FOREIGN POLICY AND DEFENCE DEBATE, 1931-1941**

A survey of Australian opinion and foreign policy and defence, and related aspects of Australian politics, trade policy, Commonwealth relations and international affairs.

by George Fairbanks, B.A. Cum Laude (Ohio State)

Master of Arts (Honours) Thesis
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This thesis is a survey of "external" aspects of public opinion in Australia during the ten years which preceded involvement in war with Japan. The work is intended to encompass foreign affairs in general, Australian foreign policy in particular, the defence issue, and — where related to the foregoing — Australian politics, British Commonwealth relations and foreign trade. Parliamentary speeches, party policies, newspaper editorials and reports, journal articles, radio broadcasts, pamphlets and contemporary books, memoirs, biographies, histories and scholarly articles have all been taken into account. Where possible reference has been made to the actual course of Australian policy, in order to indicate the varying degrees of relationship between opinion and policy.

In order to view the years 1931-1941 in perspective, the introduction to the thesis commences with a short essay on Australian nationalism and attitudes as developed up to, during and after the First World War. Subsequently the twenties are reviewed and the impact of the depression is examined. The year 1931 has been chosen as the logical starting-point for the thesis proper; for in that year the Japanese invasion of Manchuria revealed serious flaws in the post-war system of security, and at approximately the same time Australia's Labour Government was swept from office (by depression issues) and replaced by a Non-Labour Government destined to remain in power for almost a decade. The thesis then surveys Australian opinion on international affairs (e.g. Abyssinia, the Spanish Civil War, the Sino-Japanese conflict), relations with Great Britain (Imperial Conferences, the abdication of King Edward VIII, etc.), foreign policy (appeasement of Germany, policy to Japan, approach to the United States, etc.), defence (ground-air strategy v. sea strategy, growing expenditure, etc.), trade diversion, the policies of the political parties, and so on.
The period under consideration ends in December 1941, with Australia at war with Japan and forced to appeal for urgent assistance from the United States.

Books are cited in the notes after their first appearance by the surname of the author, with a shortened title where more than one work by the same author has been cited. Articles are cited after the first reference by the author's surname and a shortened title, or (where the author is unknown) by a short title and the journal name.

The seminar work for the M.A. degree was completed in 1963; the years 1964 and 1965 were devoted to extensive reading and research (on a part-time basis); the actual writing of this thesis was accomplished in 1966. The bulk of the reference material was located in the Mitchell Library and the Public Library of New South Wales, Sydney. Use was also made of the Sydney University Library and the New South Wales University Library, Sydney, the Public Library of Victoria, Melbourne, and the National Library, Canberra. The thesis was prepared under the general supervision of Professor J.M. Ward, with advice from Professor A.G.L. Shaw and Associate Professor E. Bramsted.

G.F.
Sydney, December 1966.

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called for the annexation of New Britain, the Solomons, the New Hebrides, and the Marshall, Gilbert and Ellice islands.

It was claimed that "a more extended dominion in these waters on the part of Great Britain would be not only consistent with the maritime supremacy of England, but would conduce much to the tranquillity and peace of these Australian colonies."³

Two years later, in 1874, the colonial leaders became alarmed about German designs on New Guinea and again urged British
PART I—INTRODUCTION

Chapter 1—Australian Nationalism

From the middle of the nineteenth century developing Australian nationalism found expression in the federal movement. British policy had been to encourage the establishment of a central authority in Australia, and in 1857 the newly-established responsible governments of New South Wales, Victoria and South Australia appointed a parliamentary committee to consider federation. All professed agreement in principle on the desirability of federal union, but the indifference and the vested interests of the several colonies proved to be an insurmountable barrier at the time. Subsequently the federal issue lay dormant for some years, but Australian nationalism was also reflected in external attitudes.

As early as 1867 Australians were demanding that Britain annex New Guinea. In 1872 the Premier of New South Wales called for the annexation of New Britain, the Solomons, the New Hebrides, and the Marshall, Gilbert and Ellice islands. It was claimed that "a more extended dominion in these waters on the part of Great Britain would be not only consistent with the maritime supremacy of England, but would conduce much to the tranquillity and peace of these Australian colonies." Two years later, in 1874, the colonial leaders became alarmed about German designs on New Guinea and again urged British
annexation (at British expense).

If expressions of nationalism in Australia were for the most part isolated and sporadic up to the early 1880s, from then on a fairly clear pattern started to emerge. British military forces had been withdrawn from Australia a decade before, and although Great Britain accepted responsibility for the naval defence of the Empire, the Australian colonies felt rather insecure when faced with the increasing activity of European powers in the Pacific. The German seizure of northeast New Guinea and the adjacent islands in 1884 was interpreted as a potential threat to Australia; nor was the presence of the French in New Caledonia and the New Hebrides viewed with equanimity. Australians recalled the warning of the year before that any acquisition of territory south of the equator by a foreign power would be "highly detrimental to the safety and well-being of the British possessions and injurious to the interests of the Empire." At the Colonial Conference in London in 1887 Australian delegates were active in defence discussions.

The Australian colonies had a tradition of discriminatory immigration policies dating from gold-rush days. The first real alarm over the White Australia Policy did not occur until 1888, however. In that year Henry Parkes, Premier of New South Wales and an admitted believer in the "yellow peril" (a "threat to our Anglo-Saxon workers, and a danger to our
women and children!), acted on his own propaganda and attempted to rush a highly restrictive immigration bill through Parliament. China protested against the "arbitrary and irregular proceedings" of the colonial authorities, and Britain accused the people of Sydney of causing international discord. The affair died down almost as quickly as it had arisen, but not before New South Wales and Queensland had implemented further severe restrictions which, despite British pleas for moderation, led to an effective policy of Chinese exclusion in all the Australian colonies. Japanese immigration to Australia, although mooted for the Northern Territory in the late 1870s, never became an issue in Australian politics comparable to the Chinese question. But, as time would show, the Japanese were not indifferent to the evolving White Australia Policy, which was to classify them with the Chinese, Indians, Pacific Islanders and Negroes. Prior to federation, therefore, it is possible to identify a nascent Australian foreign policy which sprang from an "intense racial self-consciousness combined with a continental insularity." Then, as now, Australian attitudes to foreign affairs on the whole tended to fall into one of two categories: fear or indifference. The federal movement revived in the late 1880s and began to gather momentum, partially because of external considerations. Faced with the clear need for concerted authority federal sentiment consolidated in the
1890s; public enthusiasm, led by men like Alfred Deakin in Victoria and Edmund Barton in New South Wales, eventually overcame the fiscal issue and resulted in the adoption of an amended federal constitution in 1898. From 1 January 1901 one Australian policy replaced six colonial policies. One of the proudest claims of the new nation was a "98 per cent British" population. This enduring myth has been examined and found wanting on several occasions, however. A detailed study of the Australian population published in 1927 demonstrated that the "British" element did not exceed 88 per cent of the total population at the turn of the century. Even this lower figure is subject to strong qualification, moreover, for it included Australians of English, Scottish, Welsh and Irish extraction. That the first three groups (66 per cent of the total population) were of British origin may be accepted, but it is difficult to regard the great majority of the Irish element (22 per cent) as "British", except in a strictly legal sense. In terms of race and religion the Celtic, Catholic Irish-Australians were distinctly different from the predominantly Nordic, Protestant British-Australians. A subject people, the Irish occupied a second-class position in Australian society, and there was considerable antipathy between Australians whose forbears came from opposite sides of the Irish Sea. In any meaningful sense, therefore, the population of Australia at the time of federation might be
described as about two-thirds British. But even this would be rather misleading, for the overwhelming majority of the population had been born in Australia. After more than a century of settlement the people of Australia were essentially Australian, a majority of whom retained a sentimental attachment for Great Britain and a large minority of whom were implicitly anti-British in outlook.

In the years preceding the First World War Australia continued to concentrate on internal development, seldom distracted by events in the outside world (with a few exceptions, such as the signing of the Anglo-Japanese Alliance in 1902). The 1900s witnessed the establishment of a clearly-defined party system. The Labour Party (which traced its history back to the early 1890s) consolidated its position to the extent that it was able to maintain briefly a minority government in 1904. The Liberal Party officially emerged in 1908, as a result of a fusion of free-traders and protectionists. Both parties were in varying degrees nationalist in outlook, though within the Liberal Party the Deakin protectionists (supported by the Melbourne Age) were decidedly more nationalist than the free-traders. (The other leading nationalist organ of the day, The Bulletin weekly, was nominally non-partisan.) It was a Non-Labour Government which in 1906 accepted complete responsibility for Papua (annexed by Britain in 1884 at the urging of Australia). And it was Alfred Deakin who returned
from the Imperial Conference of 1907 with a programme for "ships altogether Australian in cost and in political control... both in peace and war." The naval programme was inaugurated by the Fisher Labour Government, which took office in 1908, for it was Labour's programme also. The Fisher Government was defence-minded in other ways, organizing a militia based on universal compulsory training. Labour and Non-Labour were in complete agreement on the necessity for the White Australia Policy.

Was Australia a sovereign nation before the First World War? In internal matters, unquestionably. But many Australians thought of their country as "a lonely outpost of Western civilization in a profoundly alien sea." This attitude, together with traditional sentiment and economic realities, made for a self-imposed limitation on Australian sovereignty in regard to defence and foreign affairs. Important as the British navy remained in Australian planning, the new nation nevertheless was taking a growing share of the responsibility for defence. Foreign policy was something else, however, as was illustrated at the Imperial Conference of 1911. Replying to Australian complaints, the British Prime Minister, Asquith, conceded the desirability of consultation on matters of foreign policy affecting Australia, but he maintained that in the final analysis the conduct of foreign affairs was the responsibility of the British Government, and "that authority cannot be
In 1914 the Fisher Government pledged itself to the defence of Australia and the British Empire "to the last man and the last shilling." Fisher resigned in October 1915 and was replaced by the remarkable W.M. Hughes, then aged 53, who throughout his long career exhibited an extraordinary mixture of social welfare views in domestic affairs and nationalist-imperialist chauvinism in foreign affairs. Hughes was obsessed with a black-and-white outlook on the war (the good British against the bad Germans) and became the outspoken advocate of a total war effort for absolute victory. The Australian Prime Minister went to London in 1916 where he immediately became the "darling of his fellow jingoes", and in due course Hughes developed the conviction that only by adopting conscription for overseas service could Australia properly give full allegiance to the cause of the British Empire. The conscription campaign of 1916 - fought in a bitter, vituperative atmosphere, for which Hughes was largely to blame - divided Australians as no other issue before or since. In essence the controversy reflected two opposing attitudes in national consciousness: the lingering colonial tradition and the spirit of independent Australian nationalism. There was an abhorrence of conscription in any form, which had its origins in the reaction to the regimentation of penal colony days. The anti-conscription campaign attracted the support.
of a large section of the Labour Party (for Hughes's actions had had the predictable effect of splitting the party), Irish-Australians, and large numbers who simply felt that conscription was wrong in principle and in any case unnecessary because of heavy voluntary enlistments. The Irish-Australians, disturbed by the British suppression of the Easter Rebellion in Dublin, were especially influenced by the speeches of the Catholic Archbishop of Melbourne, Dr. Mannix, who claimed that when all was said the war was "just an ordinary trade war."25 The conscriptionists in general and Hughes in particular resorted to the tactic of calling their opponents "disloyal" (meaning disloyal to Great Britain, not to Australia) — an old catchcry in Australian politics. In the event Hughes's proposal was defeated, although its sponsor managed to retain the Prime Ministership as the head of the new Nationalist Party (a fusion of Liberal and Hughes Labour forces), which was opposed by the broken remnants of the Labour Party. Having secured the position of the Government by the decisive electoral victory of May 1917, Hughes made a second attempt to have conscription endorsed by referendum late in 1917, but was defeated more decisively than on the first occasion. If Australia had been dishonoured in 1916 and 1917, it was not by the "no" vote (as the conscriptionists claimed) — for the nation's contribution to the British cause was beyond question — but by the lasting, bitter disharmony generated by the two campaigns.26
What was left of the Labour Party lurched to the left and was destined to remain in the political wilderness for the next 12 years up to 1929.  

Australia's nationhood was confirmed on the battlefields of the First World War; more than 300,000 volunteers had been sent to fight overseas and of this total 60,000 had died— an extraordinary accomplishment for a country of only five million people.  

Already in 1917, with the formation of the Imperial War Cabinet at the instigation of the British Prime Minister, Lloyd George, the Dominions had confirmed the right to full participation in the formulation of British policy—a departure from the position enunciated in 1911. Hughes demanded separate Australian representation at the forthcoming peace conference. Not only that; the Australian Prime Minister made it clear that he sought retention of all the German colonies in the Pacific, maintenance of the White Australia Policy and a punitive indemnity from Germany.  

It was thus inevitable that Hughes would clash with President Wilson, the symbol of a moderate peace, and this happened on a number of occasions. Thus Hughes became the ally of the French Premier, Clemenceau; Australia helped make it possible for France to obtain a more severe treaty than the United States, and to a lesser extent Great Britain, had hoped for. German New Guinea and the neighbouring islands went to Australia as a Class C mandate, which differed little from outright annexation. One
of the ugliest events of the peace conference occurred when, following a Japanese request for the inclusion of a fairly innocuous "racial equality" clause in the preamble of the Covenant of the League of Nations, Hughes objected and put on "one of his most characteristic displays of intransigence and effrontery". The Japanese proposal failed, and Hughes left Paris successful in almost all his endeavours. As he later wrote, Australia had been "powerful enough to induce the conference to support its national policy." At the Imperial Conference which met in London in June 1921 the Dominions played an influential part in the formulation of British foreign policy. The question of the renewal of the Anglo-Japanese Alliance came up and Hughes, a recent convert to the idea, became its most ardent proponent. Canada, however, strongly influenced by the United States, opposed renewal and the matter was deferred. At the Imperial Conference of 1921 it became clear that Australia and New Zealand were quite opposed to any further elaboration of Dominion autonomy and independence, as advocated by Canada and South Africa (and later Ireland). For a change Hughes did not get his way. The Anglo-Japanese Alliance was definitely terminated by the Four-Power Pact, which grew out of the Washington Conference of 1921 and 1922 (in which Australia participated indirectly); the United States, Great Britain, France and Japan agreed to a non-aggression pact in regard to their respective Pacific
possessions. The disarmament agreement, also concluded at
Washington, had the implicit effect of authorizing Japan to
strengthen greatly her actual naval position in relation to
the British Empire and the United States. 35

By the early 1920s Australia, a separate member of the
League of Nations and a nation in her own right beyond dispute,
was still reluctant to accept all the implications of sovereignty.

Japan, which had been insulted by the Australian Prime Minister
at Paris, was distrusted, and Australians did not believe
that the problem of defending their isolated continent had
been entirely solved by the League of Nations or the Washington
Conference.

1. See Persia C. Campbell, "Australian Nationalism", Royal
Australian Historical Society Journal, vol. XIV, part VI,
1928, pp. 321-344.
3. Ibid., p. 242.
4. Ibid.
5. See S.H. Roberts, "History of the Contacts between the
Orient and Australia" in I. Clunies Ross (ed.), Australia
and the Far East: Diplomatic and Trade Relations, Sydney,
1935, pp. 5-8.
6. Ibid., p. 10.
7. Ibid., pp. 10-11.
11. More than half a century after federation R.G. Menzies
made his celebrated "British to our bootstraps" remark.
This book contains much useful statistical and historical
information, but must be treated with reservation on the
subject of "race" (in view of the author's bland assertions
of Nordic superiority).
13. Ibid., pp. 7-11.
21. Ibid., p. 333.
24. Murtagh, p. 152.
27. For data showing the very substantial increase in the proportion of Irish-Australians in the Labour Party following the war, see L.F. Crisp, *The Australian Federal Labour Party, 1901-1951*, London, 1955, p. 329.
A development in Australian politics which was to have a lasting influence on the federal scene was the emergence of a separate Country Party at the end of the war. In the 1919 election 15 candidates endorsed by primary producer organizations had been elected to Parliament, and in January of the following year 11 of these formed the Country Party. Earle Page, a New South Wales country doctor, became the leader of the new party in April 1921 and joined dissident Nationalists in a campaign against the Prime Ministership of W.M. Hughes. The Country Party increased its representation in the House of Representatives to 14 in the 1922 election; holding an unchallengeable balance of power it was able to force the resignation of Hughes.

The first Nationalist Party–Country Party coalition took office in February 1923 with S.M. Bruce of Melbourne as Prime Minister and Page as Treasurer. The Bruce–Page Government remained in power for almost seven years—a period in which Australia experienced fairly general prosperity and was, as usual, preoccupied with domestic affairs. Nevertheless the new Government was aware of the need to give consideration to the problem of the defence of Australia in the drastically changed circumstances of the post-war period.
The Prime Minister posed the question in the following terms:

"Do we propose to ensure our own safety and not look to the Empire for help? Or are we going to provide for our own defence within the Empire, believing that the best way to defend our own country is by entering into close relations with Great Britain and the other Dominions."  

At the Imperial Conference of 1923 a number of resolutions on defence and foreign policy were adopted. In general it was affirmed that each Dominion would be primarily responsible for its own defence; the importance of naval and air co-operation was stressed, and note was taken of the special interest of Australia (and New Zealand and India) in the Singapore base. After returning from the conference Bruce told Parliament that it would be quite impracticable for Australia to avoid the obligations of co-operation in Empire defence. Neutrality in any war involving Great Britain was out of the question, but the actual extent of Australian participation in any war would be determined by the Australian Government—a further confirmation of Dominion autonomy and an outgrowth of the clumsy British handling of the Chanak Crisis in 1922.

Great Britain, following the Washington Conference, had found it expedient to provide for a major base in Asian waters as a replacement for the security formerly provided by the Anglo-Japanese Alliance. Singapore was selected as the site
for the base and thus became a vital element in Australian defence planning for the next 20 years. Opponents of the Singapore plan alleged that the new fortifications would violate the spirit of the Washington Conference and would be provocative to Japan. The Australian Government's spokesman, Senator Pearce (who had been a delegate to Washington), denied this: "The idea of a base being established at Singapore was clearly and distinctly understood, not only by the British delegation, but also by the American and Japanese delegations, to be an essential part of Britain's plan for the defence of its interests in the Pacific." Work on the base was scheduled to begin in 1923, and the proposal was debated in the Australian Parliament in July and August of that year. The Bruce-Page Government was strongly in favour of the Singapore base; the Labour Party adopted a position similar to that of its British counterpart in opposing the base. The Labour leader, Matthew Charlton, said: "We have never previously agreed to assist Great Britain in defence preparations outside of Australia. The load of debt we have to carry now is quite heavy enough." Other Labour members argued that the base was badly located and would be a white elephant. The Sydney Morning Herald expressed the fundamental argument in support of the base in an editorial on 21 May 1923: "It has not been shown that Singapore is not excellently situated for the base of a fleet which is designed to protect Australia. Those who disagree
appear to hold that the proper way to defeat an enemy attacking Australia is to meet him in Australian coastal waters or on Australian soil, where Australian promoters might make huge profits from the cinema pictures of the spectacle; but where the enemy would, even if defeated, be able to wreak most damage upon Australian property. It must bemuse such people to ponder why Nelson did not stay in the Channel to receive the French fleet instead of chasing it to the West Indies.\textsuperscript{11}

In early 1924 a Labour Government under Ramsay MacDonald came to power in Britain, and during its brief spell in office it was decided not to proceed with the Singapore base. The debate on the question was renewed in Australia (and Great Britain and New Zealand)\textsuperscript{12} only to be superseded by the reinstatement of the plan by the British Conservative Government when it returned to power later in the same year.\textsuperscript{13} Indeed Singapore was destined to remain a controversial issue, and the work was suspended on several future occasions. Throughout, the Non-Labour parties supported the base and the Labour Party opposed it, but at no time was Australia willing to assist with a financial contribution.

The Bruce-Page Government instituted a modest defence programme within the policy enunciated at the Imperial Conference of 1923. Australia had demobilized rapidly after the war and in the early twenties was extremely reluctant to contemplate
rebuilding defences. The mood was one of war weariness, economy and particularly a hopefulness of peace founded on the Washington Treaties and a system of collective security through the League of Nations. Nevertheless, the budget submitted in 1924 provided for a five-year programme of defence measures under which a total of £36,250,000 eventually was expended. The main feature of the programme was the construction of two cruisers, two submarines and a seaplane tender for the navy. The strength of the army was raised from 37,500 men to 45,000 men in a compulsorily-trained militia. The air force, which had become a separate service in 1923, was slowly expanded. Provision was made for the growth of munitions supply.

In the context of the optimistic twenties the Labour Party, fundamentally different in outlook from its pre-war version, inclined increasingly towards a policy of isolation. Charlton had stated in Parliament in 1923 that "the Labour Party's policy is to promote world peace and, consistently with Australia's goodwill to her kindred overseas, declares its readiness to take full responsibility for Australia's defence, but is opposed to the raising of forces for service outside the Commonwealth, or promise of participation in any future overseas war except by a decision of the people." The Opposition applauded the decisions of the Washington Conference but warned against interference in the affairs of
other countries. The Labour leader thought that Australia's participation in the Imperial Conference of 1923 was a waste of time and energy better devoted to internal development. The Opposition deprecated the role of the British navy in the defence of Australia and argued against Australian spending on cruisers, which would tend to involve Australia in British imperialist adventures. The suspension of work on Singapore was welcomed as a "gesture for peace"; some Labour members advocated a base in Australia instead.

Only a minority of Labour members in the early twenties were unquestioning pacifists or extreme isolationists; most, realized a practical necessity for defence planning. Even before the end of the war a group of Labour spokesmen had begun to suggest the development of a large air and submarine force as the solution to the strategic problems of a large, sparsely-populated continent. Charlton outlined the plan in 1923: "With adequate air and submarine forces, the aircraft going out 500 miles beyond our shores, we would keep the invader out of Australia and, if not, every man capable of shouldering a rifle would be ready to do so. Thus Australia could defend itself from any foe that might come here." A second element in the Labour plan for Australian security was the goal of industrial self-sufficiency through the encouragement of the steel industry, engineering plants, shipyards, etc. Labour expressed confidence in the League of Nations
as a peacekeeping institution without worrying about the implied responsibilities of collective security. And in general Labour supporters were usually much more concerned with domestic problems than with world affairs, which they were inclined to place in convenient, evil categories such as "imperialism" and "capitalism".

At the Imperial Conference of 1926 Australia was indifferent or even opposed to the concern of Canada, South Africa and the Irish Free State for a formal confirmation of the status of the Dominions. However, Great Britain yielded gracefully to the pressure for an authoritative definition of the Empire, and the result was a report prepared by a committee led by the British Foreign Secretary, Lord Balfour. The crux of the report was the affirmation that Great Britain and the Dominions were "autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the Crown, and freely associated as members of the British Commonwealth of Nations." Yet it was conceded that in regard to foreign affairs and defence, "the major share of responsibility rests, and must for some time continue to rest, with the British Government." The Imperial Conference dealt with a number of other important matters, such as the lack of consultation by Great Britain on the Locarno Treaty and the positions of Governors-General, but the Balfour Report
was clearly the principal achievement.\textsuperscript{23} In Australia the metropolitan press was disposed to regard the Balfour Report as of no more than secondary importance.\textsuperscript{24} Both the Melbourne \textit{Age} and the Melbourne \textit{Argus} thought that the report illustrated the need for a lowering of trade barriers within the Empire.\textsuperscript{25} In Sydney \textit{The Bulletin} thought that the report offered something to everyone and impiously paraphrased it in "Alice in Wonderland" terms: "We are one and many — We are tied and free — Each is as good as any / And we'll never disagree!"\textsuperscript{26} And the \textit{Labor Daily} criticized the lack of concern about "the welfare of the great bodies of industrious working people without whom Britain as well as the so-called Dominions would be but empty wastes." Still, something could be said for an association of English-speaking nations, "provided no attempt is made to make helots of the colonials or to use the Dominions as cannon fodder."\textsuperscript{27} Upon his return from the Imperial Conference of 1926 Bruce told Parliament: "We have demanded for ourselves the status of full equality with Great Britain and the right of consultation respecting her foreign policy. We found ourselves involved in the Great War because of a foreign policy about which we had never been consulted, and I think we are all determined that we shall never again be so involved... If Britain were confronted with a great disaster we should be involved." But, "this House recognizes that the measure of
co-operation that we are to give to Great Britain in wartime is for this Parliament to determine." Charlton said that there was danger in becoming mixed up in all of Great Britain's troubles, which largely arose from the business of British investors and manufacturers. If a crisis made it necessary to side with Britain, Australians could make their decision, but they should not commit themselves in advance. Nor should Australians become embroiled in the concerns of Europe, but keep their liberty to act as they thought fit at any time and in any circumstances. Australia was active in League of Nations affairs in the 1920s. Of the various attempts to strengthen the League in those days the most important was the 1924 Geneva Protocol, which provided for compulsory arbitration of disputes of a non-justiciable nature, and compulsory submission of all justiciable disputes to the Permanent Court of International Justice. In this way it was hoped to clarify the Covenant on the vital questions of "aggression" and "legitimate war". Much controversy was caused by the problem of domestic jurisdiction, and the Australian delegation feared that the Geneva Protocol would "make possible interference in domestic affairs." After much debate and amendment in which the Australian and Japanese delegations played an important part, the Geneva Protocol was accepted unanimously by the League Assembly and transmitted to the member countries for approval. However,
British opposition was stirred by a hostile press which made the wild charges that the British navy was to be handed over to the League and that the Japanese would be able to bring immigration questions before the League Council. The Australian Government endorsed the British rejection of the Geneva Protocol, announced on 12 March 1925, although Charlton (who had been a member of the Australian delegation to Geneva) objected to the Government's decision without a debate in Parliament. Britain's attitude had been decisive and the Geneva Protocol failed to come into effect. Subsequent efforts to ensure peace were not made directly through the League, the Locarno regional guarantee of 1926 being a case in point. In 1928 the Kellogg-Briand Pact was signed in Paris; Australia joined the other nations of the world in solemnly renouncing war as an instrument of national policy — except in self-defence or because of treaty obligations.

5. See Carrier, op. cit., pp. 84-91.
7. See Carrier, op. cit., pp. 84-91.
10. See Carrier, op. cit., pp. 84-91.
11. Ibid., pp. 84-91.
12. Ibid., pp. 84-91.
13. Ibid., pp. 84-91.

In Australia the Bruce-Page Government had won a decisive victory at the polls in 1925, but its margin in the 1928 election was considerably reduced. Questions of defence and external affairs remained very much in the background; the political debate centred on the tariff, unemployment, industrial relations and arbitration. Charlton retired from the leadership of the Labour Party in April 1928 and was succeeded by J.H. Scullin of Victoria. During 1929 industrial disputes reached a post-war peak and the Government, which had seen
its request for greater authority in industrial affairs rejected in the 1926 referendum, suddenly reversed its position through an impetuous blunder by the Prime Minister. Without warning Bruce announced that it was his Government's determination to withdraw from the arbitration field and leave such matters to the states in future. This provided W.M. Hughes with a long-awaited opportunity, and on 10 September 1929 he led a group of seven rebels who joined the Opposition to defeat the Government in the House by one vote. In the ensuing election the Labour Party gained office in an overwhelming fashion, even defeating Bruce in his own electorate. With a margin of 46 to 29 in the House of Representatives, Scullin took over the Prime Ministership just in time to face the great economic crash.

3. See Ellis, pp. 87-97.
5. Hasluck, p. 16.
7. Ibid., p. 18.
8. See Carter, pp. 84-91.
10. Ibid., p. 62.
11. Ibid., p. 63.
12. Ibid., pp. 75-77.
13. Ibid., pp. 90-91.
15. Ibid., pp. 30-31.
16. Ibid., p. 20.
17. Ibid., pp. 21-22.
18. Ibid., p. 23.
20. Ibid., p. 30.
22. Ibid., p. 227.
24. See "Australia: The Imperial Conference", Round Table, no. 67, June 1927, pp. 609-615.
25. Ibid., p. 610.
26. Ibid., p. 611.
27. Ibid., pp. 610-611.
29. Ibid., p. 22.
31. Ibid., p. 121.
32. Ibid., p. 125.
34. See Edwards, pp. 179-190.

Throughout its two years in office the Scullin Government was frustrated by the hostile Senate, "an unreasoning political opposition which clearly showed that while the conservative Senate was largely bankrupt of ideas, it was rich in a capacity to obstruct." Without defeating all Government proposals for dealing with the rapidly worsening economic situation, the Senate refused to pass those crucial parts of the Labour programme (usually devised by Theodore, the "strong man" of the Government) which could be labelled "unorthodox". The Scullin Government was further
The early months of 1929 had witnessed a sharp fall in wool and wheat prices; this combined with a drying up of the London money market to produce a severe financial strain in Australia. Even before the depression officially began with the Wall Street crash of October 1929, all Australian governments were faced with drastic budgetary crises. The election which brought Labour to power had been for the House of Representatives only, and a Non-Labour majority remained in control of the Senate. The Government led by Scullin and E.G. Theodore of Queensland, the Treasurer, was urged by the ardent Frank Anstey, the Minister for Health, to force an early double dissolution, but caution prevailed and the advice was ignored. Throughout its two years in office the Scullin Government was frustrated by the hostile Senate, "an unreasoning political opposition which clearly showed that while the conservative Senate was largely bankrupt of ideas, it was rich in a capacity to obstruct." Without defeating all Government proposals for dealing with the rapidly worsening economic situation, the Senate refused to pass those crucial parts of the Labour programme (usually devised by Theodore, the "strong man" of the Government) which could be labelled "unorthodox". The Scullin Government was further restricted by the unco-operative attitude of the Commonwealth Bank (which was the traditionalist bank. A deadlock had thus developed. In its first months in office the new Government raised tariffs and stopped immigration; new marketing arrangements for wheat and wool were proposed. The depression stimulated a bitter debate between Labour inflationists and Non-Labour deflationists, who drew moral support from men like Gibson and Sir Otto Niemeyer of the Bank of England. Legislation and administrative actions which would be regarded as commonplace today were unhesitatingly denounced. At this juncture the Government temporarily lost the services of its two most important members, for in mid-1930 Scullin and Theodore were forced to resign and never charged with corruption raised by his Queensland political opponents. In their absence the Government was left in the hands of J.A. Lyons and J.E. Panton, both of Tasmania, who became Treasurer and Acting Prime Minister respectively. The Labour Party now began to come apart at the seams, for the conservative Lyons and the weak Panton found themselves in conflict with a radical element led by J.A. Beasley, who was the federal spokesman for the New South Wales Labour leader, J.T. Lang. Lang had been Premier of New South Wales in 1925-1927 and regained that office in October 1930. But
restricted by the unco-operative attitude of the Commonwealth Bank (administratively independent since 1924) which was directed by Sir Robert Gibson, an implacably anti-Labour, traditionalist banker. A stalemate had thus developed.

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then Lang had achieved complete control of the Labour machine in New South Wales and had converted a Sydney newspaper, the Labor Daily, and Sydney radio station 2KY into organs of Lang propaganda.7

The stage was now set for the 1931 "battle of the plans". The Premiers' Plan, agreed to by all state leaders except Lang, was a deflationist call for a general reduction in wages, public employment and public expenditure. The rival Lang Plan demanded a suspension of overseas interest payments, a reduction of internal interest on public borrowings to three per cent and an abandonment of the gold standard.8 In due course a modified form of the Premiers' Plan was endorsed by Parliament; Lang went his own way and defaulted on overseas interest; the Labour Party split into three parts, Lyons followers entering into negotiations with the Nationalist Party, Lang supporters confirming the separate existence of the New South Wales Labour Party (the Lang Labour Party) and faithful Scullin men apprehensively awaiting the final blow. On 25 November 1931 the Lang faction joined the Nationalists and Lyons supporters in voting the Scullin Government out of office by 37 to 32, and the "remnants of the Labour Party poured into the lobbies where two years before they had streamed in triumph."9

During its short term of office the Scullin Government had little time for defence and foreign affairs; nevertheless
there were several important developments. Within a fortnight of coming to power in late 1929 the new Labour Government had implemented its long-standing promise to abolish compulsory military training. This was accomplished by administrative act and was neither an economy measure nor a considered part of defence planning. The Prime Minister made it clear to Parliament that the service chiefs had not been consulted, for the decision was a matter of party policy.

The new Government also reduced defence estimates, primarily affecting the army. At the same time discussions on voluntary training were instituted.

By the time Parliament next met in March 1930 the depression had deepened to the point where immediate, drastic steps had to be taken. The Opposition had previously attacked the abolition of compulsory training as a blow to the strength and efficiency of the militia. At a time when many other nations had begun to rearm, what some Labour members had called a "gesture for peace" was, said Senator Pearce, "more likely to be regarded as a gesture either of insanity or infinite foolishness." But economic realities could no longer be denied and what had been initiated as a matter of policy was now accelerated as a matter of economy. Annual defence expenditure was reduced from £4,513,500 to £3,896,800; five warships were put in reserve and naval personnel were cut by 700; general economies were ordered for the army and the navy. In due course the
size of the volunteer militia was set at 35,000 men, in place of the force of 47,000 compulsory trainees. (However, the actual strength of the militia did not exceed 27,000 during the period 1930-1932.) Ministers found much to praise in the Scullin Government's defence policy. The Attorney-General, Frank Brennan, in a speech at the League of Nations in 1931, said: "Australia tells the world, as a gesture of peace, that she is not prepared for war... We have given practical proof of our earnestness... We have drawn our pen through the schedule of military expenditure with unprecedented firmness.

We have reversed a policy which has subsisted in Australia for 25 years of compelling the youth to learn the art of war." But to the new Minister for Defence, J.B. Chifley, to whom "neither the amount nor the nature of the parliamentary or public interest in defence could have been very encouraging," the position in mid-1931 was that "no further reduction in defence expenditure can be made, unless there is a general survey of the position to ascertain whether the skeleton force we have can be better controlled by consolidating our strength on particular lines, rather than spreading our activities over a wide field." In the latter part of 1930 Scullin was in London to attend the Imperial Conference which, inter alia, prepared the ground for the passage of the Statute of Westminster by the British Parliament the following year.
reflecting on the status of Australia was the question of
the appointment of an Australian as Governor-General; 19
in this matter, in contrast to his behaviour on some domestic
issues, the Prime Minister stood "stubbornly firm". 20 Scullin
had first put forward the name of Sir Isaac Isaacs, a prominent
Justice of the High Court, in March 1930, but the proposal
met with great resistance from King George V, palace advisers
and the British Government (which constitutionally no longer
had any say in such matters). At the King's request the question
of the appointment was delayed for more than eight months, until
it could be personally discussed with Scullin in London in
October and November 1930. 21 After the initial meetings the
King and his advisers still flatly refused to accept Isaacs,
primarily on the ground that he was Australian and not British;
further, the Australian Government's submission of only one
name denied the King a choice, "was a departure from the usual
custom and would establish a precedent." 22 The lengthy
negotiations reached a deadlock; the King's advisers argued,
pleaded and insisted, but Scullin remained unmoved. Finally,
in order to avoid a referendum or public controversy, the
King yielded, admitting that as a constitutional monarch he had
to accept the Australian Prime Minister's advice. The King,
not without a final show of displeasure, approved the appoint-
ment in December 1930. 23 The affair produced further confirmation,
if such were needed, of Australia's independent nationhood.
Chapter 4—Labour Disintegration

5. Ibid., p. 98.
11. Ibid., p. 37.
12. Ibid., p. 38.
15. Ibid., p. 39.
22. Ibid., p. 255.
23. Ibid., p. 257.
Following the defeat of the Scullin Government in Parliament, an election was scheduled for 19 December. The 1931 election was marred by partisan bitterness unequalled since the days of the two conscription referenda. Although the campaign was almost entirely devoted to the desperately serious economic crisis, it is necessary to survey the Australian political scene as it was in late 1931 and 1932, in order to understand the background of the conflicting viewpoints on defence and foreign policy which were asserted in succeeding years. The influence of the depression was not confined to the thirties; during the first period of war at least until Dunkirk, "the memory of the depression was probably as powerful a determinant of Australian conduct as the peril of the war."  

The new United Australia Party was another example of a fusion of right-wing Labour and Non-Labour forces led by an ex-Labour man, in this instance J.A. Lyons (cf. the Nationalist Party and W.M. Hughes). The Labour Party under Scullin's vacillating leadership, disastrously split, attacked on its flank by the Lang faction and impotent in the face of the depression, had forfeited public confidence. The mood of the conservative press was expressed by the Sydney Morning Herald,
which said that "Comrade Lang's phrases had produced disquiet thousands of miles away... Mr. Scullin's failure to stand up to his job has produced a bad impression among foreign powers, to whom, a very few years ago, Australia was a coming country with a great future in commercial and diplomatic relations." ²

(Only the week before, in a leading article entitled "Germany's Plight", the same newspaper had concluded that "on the balance of evils it would be better for civilization" if Germany turned to the Nazis rather than to the Communists.) ³

The election "at no stage looked like having any result other than the obvious one." ⁴ On a platform of "More Jobs for the Workers; Down with the Communists; Away with Inflation and Protect the People's Money; On with Primary Production; Renew World Confidence" ⁵ the United Australia Party won almost by default. Labour Party membership in the House of Representatives was reduced to 14 while the Non-Labour parties' total rose to 54; five Lang Labour and two independent members completed the roll. Scullin's greatest single loss was the defeat of his Treasurer, E.G. Theodore, by a Lang man. Other prominent casualties were the future Labour leaders John Curtin and J.B. Chifley - swept away on the tide of Non-Labour and Lang Labour votes. The satisfaction at the results of The Bulletin was typical of Australia's overwhelmingly Non-Labour press: "Australians have told the weakest...the most dangerous of all their federal governments that they will have no more of it."
They have routed alike the Labour groups that stood for inflation...and interest default. There will be no political control of banking and currency... The electors have proved themselves worthy of the franchise; they have voted wisely; they have nobly expressed the real Australian spirit."

The 1931 election confirmed the formal, separate existence of the Lang Labour Party, and seven of its members (five in the House, two in the Senate) sat in the new Parliament. Dismissed from the Premiershipt of New South Wales by the Governor and defeated at the subsequent election in June 1932, Lang none the less succeeded in further tightening his dictatorial grip on the state party organization; federal Labour influence in New South Wales was virtually eliminated by 1934. Radical but not Communist - most of its supporters were Catholics - the Lang Labour Party functioned on and off between 1931 and 1941 and was a nagging thorn in the side of the Labour Party. Thus the Labour Party was seriously divided for most of the period under consideration in this study, and this was to be one of the factors which affected the debate on external policy.

In early January 1932 the Lyons Government was sworn in, having decided that Country Party participation was expendable. Lyons took the Treasury portfolio and appointed J.G. Latham, Attorney-General and Minister for External Affairs; Senator Pearce, Minister for Defence; J.E. Fenton, Postmaster-General; and S.M. Bruce, Resident Minister (later High Commissioner)
in Great Britain. The Lyons Government had the good fortune to achieve office at a time when the economic tide had already begun to turn. Throughout 1932 and 1933 export prices improved and industry revived, enabling the Government to reduce the budget deficit. The 1934 budget showed a surplus, and some of the cuts which had been made to salaries and pensions were restored. Although by no means completely recovered from the depression, by the end of the Lyons Government's first term conditions in Australia were substantially improved over what they had been when the term began.

As J.A. Lyons was to occupy the Prime Ministership for the next eight years, it is worth pausing briefly to examine his personality. Lyons had begun his career as a primary school teacher and eventually became Labour Premier of Tasmania, before transferring to federal politics. A Catholic (the first and only member of his church to lead a federal Non-Labour party) and the father of 11 children, he generally kept personal religion separate from public politics. A plain man, charming, easy-going and tolerant, Lyons exhibited a homespun quality which appealed to the electorate. But although he believed in improving the lot of the ordinary people, Lyons was "not deeply critical of the sort of society in which he lived," and he was endowed with "no outstanding intellectual gifts." His mild nature would prove a handicap when his leadership came under attack from within his own party in the latter part of his
period in office. Government. The position of the Lyons Government was eroded by the 1934 election, which marked the beginning of a growing instability in the Non-Labour parties. Again, the campaign was dominated by domestic economic issues. And again, the metropolitan press, with one obvious exception, was unanimous in its opposition to Labour. The Bulletin, for example, while deploring that the election should be fought on the issue of the banks to the exclusion of other important questions, asserted that "Labour's ideas are not British or Australian ideas; they are alien ideas." Although the party in office was "stodgy, self-satisfied and deficient in inspiring leadership," a Labour Government "would bring about a crisis worse than the crisis of 1931." The Canberra Times wrote: "The Lyons Government deserves the approval of a large majority of Australian electors." The theme was repeated in other capital cities: "A vote for Mr. Lyons is a vote for the right road - the only road consistent with sanity, safety, continued progress and continued hope." "It is absurd to suppose that any intelligent community should prefer Labour meddling, ineptitude and incapacity to the skill, energy, ability and foresight which have marked the present Ministry's term of office." "The very stupidity of the Labour Party has surely made the Lyons Government's appeal irresistible." The only dissenter was the Sydney Labor Daily, which hopefully predicted
The defeat of the Government. The foregoing commentary was typical of the press partisanship which existed in Australia during the 1930s. In 1934 internal considerations were still paramount; later external problems became increasingly significant. But the ultimate political loyalties of the newspapers seldom wavered. Some seats were lost by the United Australia Party in 1934, and it was forced to re-establish the Country Party coalition of the twenties, thus returning the strong-willed Earle Page to the Government. The Lang Labour Party raised its number of seats in the House of Representatives to nine, further dividing the Opposition. An important feature of the election was the entry of R.G. Menzies into Parliament and his subsequent appointment as Attorney-General (in place of Latham, who later became Chief Justice of the High Court). Hughes re-entered the Government and the following year R.G. Casey became Treasurer. Lyons thus found himself surrounded by men whose personalities tended to overshadow his own. It appeared that the United Australia Party was beginning to long for one of its "own" men as leader (again cf. the Nationalists and Hughes); Menzies was to prove the Prime Minister's most formidable rival.

After taking office in January 1932, the Lyons Government had been forced by economic circumstances to further reduce defence spending to a figure (£3,159,960) slightly below that
of the last Scullin budget (£3,184,836). In reply to criticism from within his own party the Minister for Defence, Senator Pearce, had admitted that "with the amount expended on defence today, we cannot anything like adequately bear our share of Empire defence." The Labour Party and the Lang faction had accepted the position. Thus by the beginning of 1933 Australian defences had fallen to the lowest point for 20 years.

The first, cautious move in the direction of a stronger defence system began with the presentation of the budget for 1933-1934. Provision was made for an increase of defence expenditure by about £1,000,000 (to £4,157,494) and a three-year expansion programme was initiated. The Government gave priority to the navy: "Australia's primary aim should be the provision of an efficient squadron of ships, able to co-operate efficiently with the British navy... If Australia's markets were closed and her imports and exports stopped by enemy action, she could be forced to sue for peace without a single enemy soldier coming within sight of her shores." In urging the need for stronger defences a private member of the United Australia Party, E.F. Harrison, reminded the House that "Japan in 1933 has 259,000 men with the colours and 2,000,000 men trained as reserves. Australia in 1933 has 27,000 men in her regular army, no reserves and distinctly inadequate defence equipment." A division in Opposition opinion appeared in the debate. E.J. Ward, the Lang Labour firebrand, alleged...
that the greatest danger to Australia was "the professional soldier, who spends his time in engineering wars...against the workers of other lands."\(^{25}\) Norman Makin thought that "we should be careful not to provoke other nations into pitting their finances against ours in a foolish endeavour to arm to the teeth.\(^{26}\) Added E.J. Holloway: "I would be prepared to urge that Australia should not bother about arming to defend herself, because no other country will interfere with her.\(^{27}\) When the question came to a vote, three leading Labour members (Scullin, Green and F.M. Forde) voted in favour of the Government estimate, which was passed by 44-12. In the 1934 debate on defence the Labour Party was united in opposing the further increase in spending (to £5,457,800) planned by the Government. Scullin chose to contest the proposed order of a new cruiser from Britain, but his motion was defeated on party lines.\(^{28}\)

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1. Hasluck, p. 7.
2. Sydney Morning Herald, 18 December 1931.
3. Ibid., 10 December 1931.
5. From an election circular in the Mitchell Library.
7. Jupp, p. 76.
8. The intensity of feeling generated by the party split is illustrated by an incident said to have occurred at a secret conference called in the mid-thirties in an effort to unify the warring factions. "Apropos of nothing, the Labour Party president, C.G. Fallon, turned suddenly to Beasley and said, 'Jack, why did you destroy the Scullin Government?' Beasley, white to the lips, replied in an anguished voice, '...when
am I going to hear the end of that?" Whittington, The House
Will Divide, p. 45.

11. Ibid.
12. Ibid.
13. Canberra Times, 10 September 1934.
17. Labor Daily, Sydney, 15 September 1934.
20. A former Labour Minister for Defence, A.E. Green, had assured the House that "the Japanese have bitten off as much as they can chew in Manchuria for the next 30 years." Ibid., 26 October 1932, p. 1628.
22. Hasluck, p. 41.
23. Senator Pearce, quoted in the Sydney Morning Herald, 26 September 1933. On the same day the Melbourne Argus expressed relief that "the period of total inaction has apparently come to a close."
26. Ibid., p. 4708.
27. Ibid., p. 4745.
28. Ibid., vol. 144, 31 July 1934, p. 945. The Sydney Morning Herald wrote on 12 July 1934: "Among the strongest reasons why the Lyons Government should be kept in office at the present juncture is the necessity for strengthening the defence of Australia."
As a result of the Washington Conference a naval armaments race which the British Empire, in comparison to the United States, could ill afford, had been avoided; Japan's agreement not to fortify the western islands of the Pacific Ocean had at least deferred the threat of Japanese expansion to the south; the basis of Anglo-American co-operation in the Pacific had been confirmed. Few Australians had fully realized that an inevitable consequence of the Washington Treaties was a significant increase in Japanese power, both absolutely and relative to British Empire and American strength in the Pacific.

The position of China and Southeast Asia had become more vulnerable. The spirit of positive co-operation which had been characteristic of relations with Japan during the years of the Anglo-Japanese Alliance had been replaced by a negative, restrictive attitude.

In the decade following the Washington Conference those few Australians who concerned themselves with such matters continued to pay more attention to European affairs than to the Pacific. Australian policy towards Japan was ill-defined and suffered from a conflict between a desire for close relations and a vague fear of long-term Japanese intentions. There was a steady growth of exports to Japan, and Australia...
avoided anything which might "rock the boat" in the Pacific. Japan, on the other hand, renewed in self-confidence, was not reluctant to exploit external situations.

The Manchurian conflict began in Mukden on the night of 18 September 1931. At the time it was difficult to recognize what was involved because of the complexity of the situation in Manchuria, contributed to by Chinese disorders, Japanese encroachments and disputed treaty rights. Accurate information was almost impossible to secure. China's division between rival regimes, accompanied by the threat of military rebellion in the north, did not simplify matters. In Japan the army was increasing its ascendancy over the civil authorities, resulting in a greater immunity to external pressure.

In Australia the Scullin Government was preoccupied with urgent internal problems and took little notice of developments which did not seem to require immediate action. The first Australian newspaper to comment editorially on the events in Manchuria was the *Sydney Morning Herald*, which from the beginning defended the Japanese cause: "The alleged murder of a Japanese army officer is quoted as a pretext for the move Japan has now made to assert her rights and authority in the Manchurian railway zone. But there are ample reasons for the exhaustion of Japanese patience. The Japanese army has now taken lightning measures to assert control over the whole region of Japan's interest and has ejected Chinese
police and officials. From Port Arthur to Harbin and along
the Mukden-Tientsin line, Japan intends to maintain her treaty
rights and privileges."²

The next day the Sydney Morning Herald made a strong
accusation: "The wanton aggression by Chinese which precipitated
the trouble places Japan in a position as strong diplomatically
as strategically. Neither China nor Russia can at the moment
legitimately reproach Japan for her action... The Chinese
Government has appealed to the League of Nations. This appeal
has its comic side, for the aggressor both in Manchuria and
elsewhere, by direct action and by boycott, has been China...
Moreover, if the League on the present case were to do any-
thing save recognize that Japan had every excuse for her
action, it would only embitter the position. There is perhaps
no more impossible task which the League could conceivably
set itself than to procure a Japanese abandonment of her
rights."³ For some months the Sydney Morning Herald was the
only Australian newspaper to consider the conflict in Manchuria
important enough to warrant frequent editorial examination.⁴

There were several questions about Manchuria in Parliament
during the early months of the dispute, but on each occasion
the Prime Minister declined to be drawn.⁵ A typical exchange
took place when E.J. Ward asked: "Having regard to the ominous
developments in the Far East, will the Prime Minister give
an undertaking that in no circumstances will Australian lives
be sacrificed in the event of a war for Chinese markets?"

Scullin replied: "We are all watching with a great deal of interest and anxiety the developments in the Far East. I do not think they will culminate in war; at any rate we hope not. We shall be wise if we do not anticipate trouble, and refrain from making statements that might aggravate the present strained relations between China and Japan." Ward's question was representative of the Lang Labour viewpoint; the Prime Minister's reply was in keeping with the "three wise monkeys" attitude, which all too often has been the Australian disposition to foreign affairs.

Japan launched a naval attack on Shanghai in late January 1932, leading to an acceleration of League of Nations activity. Now that it was no longer merely a question of international principles but a threat to British trading interests in China, the Sydney Morning Herald began to have second thoughts: "The peril at Shanghai of all foreign communities alike is manifest and immediate." And "it is perfectly clear that independent Japanese action in that region has gone far enough... Japan has done more than attack China. She has shocked the world into a realization in earnest of the insufficiency of the League of Nations."

The Labor Daily supported the League of Nations and China, but only if this required nothing of Australia. The Labor Daily was sufficiently worried about the possibility of Australian

...
involvement in the fighting that the conflict briefly received front-page prominence: "The League must act or quit. The Council no longer has the excuse that it is not in possession of adequate details of the dispute, and it must now act or proclaim its impotence to the world." The next day the newspaper's headline read "League's Last Warning, Japan Must Keep Word." The day after: "Not Our War — A grave suspicion is beginning to dawn on Australian circles in London that attempts may be made to drag Australia into the war in China. The fear was accentuated today by an amazing suggestion in the House of Commons that Australia was in danger from Japanese aggression." When the first Parliament of the new Lyons Government assembled in February 1932, there were many anxious references to the situation in China. The attitude of the United Australia Party in power differed little from that of its Labour predecessor. The new Minister for External Affairs, J.G. Latham, claimed: "Members will agree that no good purpose could be served, while harm might be done, by any attempt to deal in detail with the events or to try to assign reasons for them." It was asserted in the House that economic sanctions against Japan, especially in regard to wool, were impracticable. In the Senate a Labour spokesman, J.P. Dunn of New South Wales, moved that Australian forces should not be allowed to actively operate outside of Australian territory and strongly opposed
Australian participation in a "sordid trade war". The motion was defeated on party lines, but the Government gave an assurance that it would do everything in its power to avoid Australian involvement in any war. Government policy was influenced by an apprehension of Japanese power and a natural reluctance to jeopardize an important market for Australian primary products; exports to Japan were helping to prevent the complete collapse of the Australian economy during the worst years of the depression. Some Australians thought that the conflict in Manchuria and China was not entirely to be regretted, because the "inevitable" Japanese expansion was being directed west towards Asia instead of south towards Australia. Manchuria would take a long time to digest, and Australia was in no danger of attack "because of the heavy responsibilities" Japan had assumed there.

A ceasefire was arranged in Shanghai, but the League of Nations eventually had to concede the failure of its sustained efforts to bring about a peaceful settlement in Manchuria. Japan insisted that the Manchurian problem was a question of life or death on which no concession or compromise was possible; without the use of force - which League members were not willing to contemplate seriously - there was nothing further to be done.

The Australian press was divided in its assessment of Japan's successful defiance of world opinion. The Sydney
Daily Telegraph said that war with Japan was inevitable, suggesting that this was the belief in "a host of Pacific centres...in California, in Hawaii, New Zealand, Australia, Singapore and Netherlands India." The Bulletin believed that "the assumption that any neighbour is an enemy is the best way to make him an enemy. The Japanese have a case and we Australians should recognize it." The Labor Daily applauded the announcement of an Australian goodwill mission to Japan to be led by J.G. Latham, hoping that this would counteract the "war scare" and the "anti-Australian feeling created in Japan because of war-mongering propaganda in many Australian newspapers and utterances by public men in Australia regarding 'aggression' from the East." Although it was admitted that Japan urgently needed the resources and markets of Manchuria, the Melbourne Argus reminded its readers that a few Australians were in occupation of an immense country, "and the question is whether, in the present situation of the world, it can be taken for granted that peaceful possession will be allowed to continue indefinitely." The Melbourne Age, in keeping with its protectionist tradition, criticized the economic nationalism of Japan as a threat to Australia's industry and living standard. Some months later the Age said that there could be no valid defence for the Japanese invasion of Manchuria, but while "Australia keeps her powder dry, she has nothing but the highest respect for Japan." In Perth
the *West Australian* welcomed the peaceful intentions professed by the Japanese Foreign Minister. Nevertheless, "Australia, living in an area that might be disturbed, must be in a position to protect herself... It is the business of statesmanship to persuade Japan to a policy of self-control in the face of temptations and at the same time to relieve her of the encirclement complex." 22

Concern with the outcome of the Manchurian crisis was a factor impelling the Lyons Government to seek closer relations with Japan. Thus, although the Latham mission of early 1934 went to a number of Asian countries, it was clear from the beginning that the visit to Japan was the most important part of the itinerary. Trade considerations, which will be discussed later, were one of the responsibilities of the Minister for External Affairs; he was also vitally interested in obtaining Japanese assurances on other matters. Hirota, the Japanese Foreign Minister, denied that his country planned to fortify the western islands in violation of the League of Nations mandate. On the contrary, Japan's intentions in all international questions were entirely peaceful. Latham was able to satisfy himself that the Japanese did not resent Australia's restrictive immigration policy; he stressed to the Japanese that it was a false idea that Australia had "great unoccupied and fertile areas that might support a large population." 23

On the subject of the possible exchange of diplomatic
representatives between Australia and Japan, Latham expressed the traditional, insular Australian viewpoint: "Today, I say, the less diplomacy a country has the better are its chances of happiness."²⁴ Australia's interests were looked after by British diplomats. Besides, if an Australian ambassador should go to Tokyo, said Latham, the same question would arise in respect to Washington, Nanking and other capitals. Hirota was persuaded that "there was no need for diplomatic representation by either country in the other."²⁵

From the time of the conflict in Manchuria to the beginning of the Pacific war ten years afterwards, Australia experienced mixed feelings and variations in policy towards Japan. The Manchurian affair was a blow to supporters of collective security. Perhaps the League might still be useful in the affairs of Europe, but there were now grave doubts about its ability to maintain peace in the Pacific. It was not the League itself which was to blame, W.M. Hughes pointed out. "The League is composed of nations and is what they make it."²⁶ But this was not much consolation to Australians who traditionally regarded Japan as the nation most likely to menace their security. The easing of anxiety brought about by the Latham mission was short-lived. Manchuria was not easily forgotten. Japan, Australia's near neighbour, was the cause of a loss of faith in collective security - a system which Australia regarded as an important safeguard. Fear of Japan was to be
an important factor in the determination of Australian policy in the years to come.

2. *Sydney Morning Herald*, 21 September 1931. In the same editorial the newspaper reiterated its lack of confidence in collective security: "The events of the week-end in Manchuria have been registered at the nerve centres of every great power among the nations, and the thoughts of many thousands of Australians will turn with relief to the consummation of the forecasted alleviation of the unrest in the British navy over the cut in service pay. No exaltation of the League of Nations would compensate the British Empire for any serious decline in the efficiency of the navy, and the trouble over reduced pay is a sharp reminder that that the limits in safe retrenchment in the service have been reached."
3. Ibid., 22 September 1931.
6. Ibid., 14 October 1931, p. 709.
9. Ibid., 18 February 1932.
10. Ibid., 19 February 1932.
12. Ibid., 18 February 1932, p. 76.
17. Labor Daily, 2 December 1933.
19. Ibid., 13 February 1934.
21. Ibid., 19 July 1934.
24. Ibid., p. 337.
25. Ibid.
26. Ibid., vol. 139, 23 May 1933, p. 1632.

That Australia would delay ratification of the Statute was only to be expected. The Lyons Government showed no enthusiasm for the decentralizing tendencies which the Statute reflected. R.G. Casey, later to join the Government, expressed the prevailing Non-Labour attitude in a public address: "Any threat to the unity and strength of the Empire is clearly to
The passage of the Statute of Westminster by the British Parliament in December 1931 had been foreshadowed by the recommendations of the Imperial Conferences of 1926 and 1930. In general the Statute clarified the powers of the Dominion Parliaments, which in future would be able to legislate in those matters of Dominion concern which previously had been controlled by the British Parliament. The Dominions could repeal existing imperial legislation; they could make laws having extra-territorial application; British enactments would apply only at Dominion request. In contrast to Canada, Ireland and South Africa, Australia and New Zealand had resisted the movement towards legal endorsement of Dominion sovereignty. Thus Australia and New Zealand had secured the insertion of a section which stipulated that the powers conferred by the Statute of Westminster would not apply until formally adopted by the respective Dominion Parliaments.

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our disadvantage. The increasing degree of independence being assumed by the Dominions means increasing difficulty in co-
ordinating and welding the separate voices of the Dominions into one with that of Great Britain... The precise doctrine of logical Dominion nationalism can be, and has been, carried too far." The Labor Daily believed that "the imperial tie is maintained by 95 per cent of the people of Australia, not out of any uneasy feeling that the country could not exist without the imperial tie, but out of a sentimental attachment to the old country... The people of Australia could defend themselves against possible enemies." The Sydney Morning Herald complained that the Statute of Westminster could serve no useful purpose and might have mischievous consequences. "It is inexpedient to crystallize imperial relationships in a hard and fast formula... There are fears that the cumulative effect of all these innovations may be to make the Dominions too self-conscious and to weaken the imperial tie. As things are we have all that we can possibly desire: liberty of action, freedom from interference and the protection of the British navy." "The Statute of Westminster is loaded," concluded The Bulletin.

A study of the policy debate in Australia in the thirties must always take economic factors into account. The depression had spurred a revival of the old, visionary idea of Empire free trade, which was advocated as a panacea by dedicated...
Thus when an imperial trade conference met in Ottawa in July–August 1932, there were high hopes on the part of the Dominions. It was unanimously agreed that at the root of the Empire's economic troubles was a "calamitous fall in commodity prices." The Australian delegation was led by S.M. Bruce, who forcefully put his country's case for preferential treatment in the British market. "Our primary object," said Bruce, "is the promotion of intra-Empire trade and the consummation of a closer economic union among the British nations." But the Ottawa Conference could not ignore the connection between the economic welfare of the Empire and the economic welfare of the world; Stanley Baldwin, the leader of the British delegation, stressed the impossibility of separating Britain's trade within the Empire from foreign trade which was vital to the British economy. In the event, however, Britain agreed to protect Australia's share of the British market for certain commodities, especially wheat, sugar, dried and tinned fruits, butter and processed milk. There were to be some limitations on the supply of Australian meat. In return for these concessions, Australia was expected to reduce tariffs on British manufactures.

The press viewed the Ottawa Conference with mixed feelings of optimism and anxiety. The only openly hostile note was sounded by the Labor Daily, which in a leader entitled "The Quackery of Ottawa" attacked the "old conception of the Dominions
CALLING THE CUBS.
OTTAWA, JULY, 1932.
as the 'wood and water joeys' of Britain."

The Sydney Morning Herald and the Melbourne Argus, both traditional advocates of free trade, were hopeful about Ottawa, although the Argus realized that "the value of the agreement depends entirely upon the spirit in which it is implemented in Australia." "Something good has come out of Ottawa," wrote The Bulletin. The protectionist Melbourne Age was restrained in its attitude: "Australia will be glad if further data enable her to join in that effusive gratification over its achievements which the Ottawa delegates seemingly shared."

Ottawa led to a rise in the proportion of Australian exports going to Britain, so that for some items Britain became in effect the only market. The only Australian products which remained clearly in the world market category were wool and wheat. The Lyons Government decided to use the Tariff Board as the least controversial means of effecting reductions in duties on imports from Great Britain.

Had the new trade agreements been implemented in the spirit of the principal Ottawa Conference resolution ("that by the lowering or removal of barriers among themselves provided for by these agreements, the flow of trade between the various countries of the Empire will be facilitated, and that by the consequent increase of purchasing power of their peoples, the trade of the world will also be stimulated and increased"), Australia might have been better able to avoid future political
repercussions. To understand the position it is advisable to review Australian trade with Asian countries, especially Japan. There was a wide division of opinion as to the benefits or otherwise of Australian trade with Japan. An article in a conservative Empire journal speculated that "perhaps at last the Asiatic peril to industry that every magazine used to discuss 30 or 40 years ago is upon us... Australia, as one of Japan's nearest neighbours, is affected by this competition in most embarrassing ways." Another outlook was expressed by Australia's largest commercial bank: "The industrialization of Japan promises to bring with it great possibilities for the development of markets for Australian foodstuffs and raw materials... Of the total Japanese imports into Australia in 1932-1933 nearly half were goods not competitive with Australian manufactures, though two-thirds were, to some extent, competitive with British goods... The improved quality of Japanese goods compares very favourably with the quality of similar exports from other countries." Indeed, the depression had greatly enhanced the importance of trade between Japan and Australia. Wool was a case in point: in 1928-1929 Australia exported 108,200,000 pounds of wool to Japan (12.7 per cent of Australia's total wool exports); in 1933-1934 the figure was 225,600,000 pounds (21.3 per cent). Japanese imports of Australian wheat showed an even more extraordinary advance. At the same time

<table>
<thead>
<tr>
<th>Imports from Japan</th>
<th>1930-31</th>
<th>1931-32</th>
<th>1932-33</th>
<th>1933-34</th>
<th>1934-35</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports to Japan</td>
<td>1.8</td>
<td>6.0</td>
<td>10.5</td>
<td>16.8</td>
<td>11.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Imports from Japan</th>
<th>1.2</th>
<th>3.5</th>
<th>4.0</th>
<th>5.5</th>
<th>6.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports to Japan</td>
<td>1.6</td>
<td>6.0</td>
<td>10.5</td>
<td>16.8</td>
<td>11.5</td>
</tr>
</tbody>
</table>
Australia became for three years China's chief supplier of wheat. It was only natural that imports into Australia from Japan also increased; this was especially evident in textiles (e.g. cotton piece-goods purchased from Japan rose from 24,000,000 square yards in 1926 to 87,000,000 square yards in 1935). None the less, the balance of trade between Japan and Australia remained very much in the latter's favour. The table shows the relative growth of trade between the two countries:

<table>
<thead>
<tr>
<th>Australian-Japanese Trade (percentages of total)</th>
<th>1909-13</th>
<th>1922</th>
<th>1930-31</th>
<th>1931-32</th>
<th>1932-33</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports from Japan</td>
<td>1.2</td>
<td>3.5</td>
<td>4.0</td>
<td>5.5</td>
<td>6.3</td>
</tr>
<tr>
<td>Exports to Japan</td>
<td>1.6</td>
<td>6.2</td>
<td>10.5</td>
<td>10.8</td>
<td>11.7</td>
</tr>
</tbody>
</table>

Most Australian newspapers conceded that the rapid growth in imports from Japan in the early 1930s was a corollary of the enormous expansion of Australian sales of primary products to Japan. The Sydney Morning Herald was of the opinion that "Japan attaches more value to markets than to unfettered facilities for migration. By exports alone, she contends, can she pay for the foodstuffs and raw materials essential to her existence." In a lengthy editorial the West Australian concluded: "Australia can sell Japan the wool she wants at the best available terms, and Japan is a good customer producing serviceable articles, many of them not produced in Australia, at prices which, in those respects, must tend to raise the standard of living of the Australian worker."
The Bulletin worried that the admission of the Soviet Union to the League of Nations might one day find Australia obliged by League resolution to sever all trade and financial relations with Japan, "a nation which in its relations with Australia has always played the game." 21

The principal dissenters were the Melbourne Age and, to a lesser extent, the Melbourne Argus. Both newspapers loudly and repeatedly complained about alleged Japanese dumping in 1933. The Age made its case in two long editorials: "Facts daily increasing attest how serious is the menace to this country of the imports of cheap Japanese goods. There is in progress a trade war... The standard of living of the workers, the reasonable profits of manufacturers, the opportunities for the unemployed, the prospects of young people ready to enter the economic field — all are being placed in greater jeopardy owing to the unfair competitive liberty being allowed to a foreign country. It is not due to Japan's superior technical skill or industrial organization, but to methods Australia can be relied upon never to adopt — mean wages, serf conditions, long hours, a seven-day week, child labour." 22 "It is not extravagant to assert that a state of commercial-industrial emergency exists." 23

By 1934 Japan was taking almost one-third of Australia's wool exports and one-eighth of the total exports from Australia. The Age and the Argus notwithstanding, most of the resentment
CATASTROPHE.

"What's the matter? Britain been posted as a defaulter? Japs going sure about the quotas? War broken out again?"

"Worse, worse! Bradman's out for a duck."
caused by the sale of Japanese goods to Australia came from British - not Australian - manufacturers; and in 1934 Australia had a favourable balance of payments with Japan, but a very adverse balance with Britain. So it was not surprising that the Latham mission led to the opening of negotiations for a trade treaty between Japan and Australia. Only two years after the event Australia was moving away from some of the questionable implications of Ottawa and was moving in the direction of a more rational policy, which gave greater emphasis to trade with Japan and other neighbouring countries.

3. Labor Daily, 10 July 1931. The newspaper added that it was important to distinguish "John Bullstein of Lombard Street...from the John Bull who symbolizes the British nation." (Anti-Semitic innuendoes were not uncommon in the 1930s in some Australian newspapers, particularly the Labor Daily and The Bulletin.)
4. Sydney Morning Herald, 13 November 1931. However, on 28 November 1931 the newspaper pointed out that "should any Dominion ever wish to pass legislation which would jeopardize imperial unity, it would do so, Statute or no Statute."
6. E.g. Beaverbrook newspapers in Great Britain.
8. Ibid., p. 217.

15. "Australia and Japan", Round Table, no. 93, December 1933, p. 91.


18. H.L. Harris, Australia's National Interests and National Policy, Melbourne, 1938, p. 76; "Australia and Japan", Round Table, p. 91.


20. West Australian, 25 September 1933.


22. Melbourne Age, 19 June 1933. (The newspaper's claims were greatly exaggerated.)


The Australian press had begun to comment on the Italo-Abyssinian dispute several months before the outbreak of hostilities. At first the Sydney Morning Herald paid lip service to the rights of the Abyssinians: "A unilateral policy by Italy in regard to Abyssinia disregards the fact that Abyssinia has appealed to the League." But a month later the Sydney Morning Herald reverted to the indifferent attitude that the British government at Geneva was fully in sympathy with Britain's interests in the Far East.
PART III - AUSTRALIA AND THE WORLD, 1935-1936

Chapter 7 - The Abyssinian Crisis

By mid-1935 relations between Italy and Abyssinia had deteriorated to the point that only the undisguised rearmament of Germany was seen as a greater threat to the peace in Europe. For years Mussolini had waited for an opportunity for an aggressive assertion of his country's pretensions to great power status. To Italy, therefore, Abyssinia represented the chance to gain colonial territory in the manner of Britain and France in the nineteenth century, the chance to blot out the humiliations of the First World War and Versailles, and even the chance to avenge the defeat of the invading Italian army by the "primitive" Abyssinians at Adowa in 1896. Mussolini felt assured of France's neutrality and was undeterred by British diplomatic pressure, which was applied too late to be effective. Attempts at conciliation were ignored: the Italian attack on Abyssinia began on 3 October 1935.

The Australian press had begun to comment on the Italo-Abyssinian dispute several months before the outbreak of hostilities. At first the Sydney Morning Herald paid lip service to the rights of the Abyssinians: "A unilateral policy by Italy in regard to Abyssinia disregards the fact that Abyssinia has appealed to the League." But a month later the Sydney Morning Herald reverted to the indifferent attitude
it had shown on the occasion of the League's first failure:
"Sheer unreasoning aggression is no more to be judged the
actuating motive with Italy today than with Japan in Manchuria
in 1931... Whether the League sinks or swims is ultimately
a minor consideration with Britain." The Age recognized that
"certain intelligible reasons underlie Italy's action." Unconcerned about obligations to the League and confident
that the Abyssinian question did not affect British interests,
the Argus wrote: "Just as the people of Australia could not
be roused to intervene on behalf of either party, so it may
be assumed that the British people...would scorn as an absurdity
the idea that failure to avert war between Italy and Abyssinia
would bring nearer a world upheaval." And a week later the
incredibly complacent observation that "war will enlarge
rather than contract the demand for Australian exports. The
acceleration of spending in Europe must be regarded as an
inflating development tending towards higher prices for primary
products, including metals." Yet when it became clear that
Britain was genuinely alarmed about Abyssinia, the Argus
immediately swung into line: "World opinion has gone too far
to permit Italy to maintain a war of conquest against a
fellow member of the League of Nations." The West Australian,
which earlier had noted with apparent approval the possibility
of Japanese intervention on the side of Abyssinia, was equally
prompt in supporting the British position at Geneva. As it
became increasingly obvious that Italy intended to take Abyssinia by force. The Bulletin retreated into isolation while continuing to disparage the League of Nations: "To boycott is to fight, and the Australians won't fight the Italians either to protect the Abyssinians or to preserve the tottering League." Unlike most of the Non-Labour press, The Bulletin was occasionally unwilling to follow the usual uncritical "Britain knows best" line: "Australia is the best judge of its own interests, and its interests do not lie in defending Abyssinia... Neither will Australia follow England." Further, "many Australians agree...that Britain should stand aside from the League." 

In examining the editorial policy in regard to Abyssinia of the Labor Daily, it is well to remember the warning of a Labour historian that "there is never a 'Labour' view on defence or international affairs. There is a collection of views held by different groups inside the Labour movement. At the most a resolution at a union or a political conference can be said to express at that time the views of the majority present; but the minorities are not silenced, are only occasionally suppressed, an influence continues, and never does unanimity prevail on any topic." In the beginning the Labor Daily, mouthpiece of the Lang Labour Party, gave unqualified support to the League of Nations and collective security. A cartoon portrayed a "Fascist imperialist" Mussolini
QUESTION!

"Come along, Annie—you're in this."

"Who said so?"
getting "too big for his boot." "Peace and collective security can be organized effectively only through the League of Nations...determined to apply the sanctions of the Covenant against the aggressor, and thus develop an unbroken front of war-resistance that no nation dare challenge." Britain "would have no other recourse but to close the Suez Canal." The strongest leader of all appeared on 22 August 1935: "Germany's return to the League at this stage would assist materially in enabling Europe to present a united front against Mussolini... The immediate convening of a conference of the major powers to present an ultimatum to Mussolini...appears to be the most expeditious way of handling a very difficult problem." The next day, however, the Labor Daily began to change its tune. Abyssinia was the "vortex of an international whirlpool that appears dangerously close to dragging civilization into a second world war more devastating than the first." Readers were warned of "clandestine negotiations likely to embroil Australia." The Labor Daily proceeded to demand the recall of the cruiser "Australia" from the Mediterranean, because "a naval blockade of the Suez Canal would constitute a virtual declaration of war against Italy and would be impossible to justify." Collective economic sanctions could rightly be invoked, but "it was never visualized that League membership should become the means of giving legal sanction to military operations." For a fortnight the newspaper devoted almost
every leading article to Abyssinia; this campaign culminated in a big "anti-war" rally on 4 September. Lang, Beasley and other speakers called upon the people to demand for Australia a policy of isolation and a formal declaration of neutrality by Parliament... The clarion call went out to keep this young nation out of the blood hunts of European imperialism." There was virtually no mention of the critical issue, namely the fate of Abyssinia and the League of Nations.

What had happened to cause this turnabout in Lang Labour policy? Briefly, it can be seen in part as a result of Lang's tactical decision to terminate his long-standing alliance with the Communists. To Lang, Abyssinia presented the opportunity to strike a blow against his opponents by uniting Catholics, pacifists, anti-Communists and others. A contemporary observer said later that "the influence of the Catholic Church on the Labour movement in New South Wales had been most important." In general, however, the predominantly Irish hierarchy of the Catholic Church in Australia did not have much sympathy with Italian aims and was equivocal in its reaction to the Abyssinian crisis. For example, in a public address Archbishop Mannix reminded his audience that he had been against a trade war in 1914 and was against a trade war now, "whether the aggressor be Italy, England, France or any other nation. The Treaty of Versailles left Italy with no possibility of expansion of territory and Italy, rightly or wrongly - I think wrongly -
has taken the opportunity of making war on the unfortunate Abyssinians." 27

The Government's position was stated by Lyons on 25 August: he had pledged Australia "to the hilt" to support British efforts to maintain peace. 28 Hughes, however, retorted, that there was no surer way of "unleashing the dogs of war for another more terrible world conflict than a single-handed attempt by Great Britain to intervene between the Italians and the Abyssinians." 29 Fears of Italian power were wildly exaggerated, 30 and there was concern about a possible threat to the Suez trade route. Thus the Australian Government steered a cautious course, more concerned with Britain's position than that of the League. Parliament reassembled in late September and became the focus of the debate on Australian policy on the crisis, despite the typical plea by some newspapers 31 that it would be better not to discuss the matter. Lyons and Pearce again expressed the Government's guarded endorsement of British attempts to restrain Italy, while F.M. Forde (acting leader of the Labour Party following Scullin's resignation) averred that "the control of Abyssinia by any country is not worth the loss of a single Australian life." 32 Both sections of the Labour Party supported Beasley's motion for a declaration of Australian neutrality, which was lost 27-21 the week after the Italians had launched their attack. 33 An interesting feature of the debate was the Government's anachronistic view
of Australia's status, as shown by Menzies's plea that it was not possible "with one King who makes peace or war, for the Crown to be at war in relation to Great Britain and at peace in relation to Australia." The League Council named Italy as the aggressor (S.M. Bruce, representing Australia, voted for the resolution) and called for economic sanctions. A sanctions bill was subsequently put before the Australian Parliament and passed on party lines. At the very moment that sanctions were being debated in Parliament, there appeared a book by W.M. Hughes, then Minister for Health, which caused something of a sensation and led to his enforced resignation from the Government - primarily because Labour members made effective use of the book's arguments. "The League of Nations cannot preserve peace; it cannot ensure security," wrote Hughes. "Any sanctions imposed by the League can only be effective to the extent that they are backed by armed force... This, of course, means war... Yet Australia is almost defenceless."

On 9 December 1935 it was reported that Britain and France had secretly agreed to a "compromise settlement" which would have awarded Italy more than half of Abyssinia in recognition of military success. The most disturbing aspect of the notorious Hoare-Laval plan was the revelation that at the very moment when Britain was most emphatic in expressing wholehearted loyalty to League ideals, the British Government was in favour
of a plan for "settling" the war in Abyssinia which was a "brutal travesty of the League's central principles." But in Australia public opinion was predisposed towards a compromise settlement and was not therefore universally outraged by the publication of the Hoare-Laval plan. (The outcry in the other Dominions and in Britain resulted in the jettisoning of the plan and the sacrifice of Hoare.) The Labor Daily condemned this "typically cynical, old-world diplomacy" of Britain and France, but the Adelaide Advertiser was mildly optimistic: "Peace, when it comes, will be hailed with something more than relief." In Melbourne the Age admitted that the Hoare-Laval plan was being discussed in some quarters with "marked disfavour". But it added hopefully that there need be no fear that "Britain will betray those who have put their trust in her." "Those who cherish the ideals for which the League of Nations stands," said the Argus, "must feel disappointed if the aggressor nation should profit by its defiance of the League." When the Hoare-Laval plan was abandoned and Hoare resigned, The Bulletin reacted angrily: "So the pacifists and disarmament cranks and the pro-niggers and the Communists...are now rejoicing." But "the rejoicing is not echoed in Australia." It is likely that Australia, while ostensibly a supporter of the initially firm stand taken by Britain at the League, had advised the British against a drastic policy of sanctions against Italy. And it was the failure to include an embargo
on oil shipments in the economic sanctions which ensured eventual Italian success. By the end of 1935 Australian opinion had become stereotyped; the press and the political parties did little more than repeat previously enunciated positions. As the early months of 1936 brought Italy closer to victory there was a general call for a "settlement" and a return to "normal". The Bulletin wrote that sanctions should be dropped and that British foreign policy was a "laughing stock". The Rhineland crisis occurred at a critical juncture, distracting the world while Italian troops advanced on Addis Ababa. Resistance in Abyssinia subsequently collapsed, and on 9 May 1936 Mussolini was able to proclaim the annexation of the defeated country. The Sydney Morning Herald urged recognition of Italy's conquest: "Peace is more important than the League." Australia was the first and the most pressing of the Dominions to urge Britain to drop sanctions. On 18 June Lyons announced that Australia wanted sanctions against Italy ended.

The failure of the League to prevent the conquest of Abyssinia was not in itself of great significance to Australia. The League had been ineffective in Asia, and it was not altogether surprising that this should also be the case in Africa and Europe. "A non-universal League," said Bruce at Geneva, cannot "prevent aggression from occurring." What was significant for Australia was the loss of faith in British naval supremacy. If the British doubted that they could retain
control of the Mediterranean in a war with Italy, what would be the position of Australia in the event of Japanese aggression coinciding with a general war in Europe?

4. Ibid., 14 August 1935.
7. Ibid., 2 September 1935.
8. Ibid., 12 September 1935.
10. Ibid., 12 September 1935. ("Britain Steadfast; Fidelity to League.")
12. Ibid., 4 September 1935.
13. Ibid., 18 September 1935.
17. Labor Daily, 4 July 1935.
18. Ibid., 5 July 1935.
19. Ibid., 26 July 1935.
20. Ibid., 22 August 1935.
22. Ibid., 28 August 1935. (Cf. 26 July 1935.)
23. Ibid., 30 August 1935.
24. Ibid., 5 September 1935.
26. Lloyd Ross in W.G.K. Duncan (ed.), Australia's Foreign Policy, Sydney, 1938, p. 33. "The second reason was that Mr. Lyons had indicated that he might support collective security, and Mr. Lang, being utterly barren of policy, generally adopted the policy opposite to that of his opponents. The third reason for the change was that Mr. Lang had seen the popular appeal
of isolation. People could be persuaded that such a policy would keep Australia out of war."

27. Murtagh, p. 179.
29. Ibid., 27 August 1935.
30. As shown by later events in Abyssinia, Spain, Greece, the Mediterranean, North Africa, etc.
31. E.g. Melbourne Argus, 1 October 1935.
33. Ibid., 11 October 1935, p. 731.
34. Ibid., 9 October 1935, p. 579. (Centuries after the British Parliament had become sovereign, and years after Australia had achieved complete autonomy, men of reason persisted in the romantic talk of "kings making war or peace"—instead of nations, as represented by parliaments and governments, making war or peace. However, Menzies did not deny that the actual extent of Australian participation in any war would be determined by the Australian Government.)
35. The only Labour member to vote for sanctions was Maurice Blackburn of Victoria, who reminded his colleagues that "practically throughout the world the Labour movement favours sanctions against Italy."
37. W. Macmahon Ball, Possible Peace, Melbourne, 1936, p. 91.
40. Melbourne Age, 11 December 1935.
41. Melbourne Argus, 12 December 1935.
43. Carter, p. 205.
44. The Bulletin, 29 April 1936.
45. Sydney Morning Herald, 12 May 1936.
46. Mansergh, Problems of External Policy, p. 156.
In embarking upon a policy of trade diversion the Lyons Government attempted to "kill two birds with one stone". That is, it was planned that the severe restrictions begun in May 1936 would simultaneously apply to trade problems with both the United States and Japan. The two problems had different origins.

The principal feature of Australian-American trade had been its one-sidedness, for Australia invariably had an unfavourable trade balance with the United States. Australian-American trade for the decade prior to trade diversion was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Imports from the U.S.A.</th>
<th>Exports to the U.S.A.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>value in £</td>
<td>% of total</td>
</tr>
<tr>
<td>1925-26</td>
<td>37,234,257</td>
<td>24.55</td>
</tr>
<tr>
<td>1928-29</td>
<td>35,308,345</td>
<td>24.58</td>
</tr>
<tr>
<td>1932-33</td>
<td>8,084,047</td>
<td>14.60</td>
</tr>
<tr>
<td>1935-36</td>
<td>13,901,705</td>
<td>17.05</td>
</tr>
</tbody>
</table>

During the prosperous 1920s Australia had been able to maintain a high level of imports from the United States (petroleum, tobacco, machinery, motor-cars, electrical appliances, etc.). But the United States had little interest in buying primary products from Australia, because the same commodities were either produced in abundance in the United States or more economically imported from South America. Thus Australian sales to the United States (wool, animal skins and sausage casings)
tended to remain at a relatively low level. 2

With the onset of the depression there was a rapid fall in Australian-American trade; Australian exports to the United States were affected by the general collapse of commodity prices and by the high tariff wall erected by the United States in 1930. This uncomfortable situation impelled Australia to attempt anew to close the gap in the trade balance with the United States. During 1934-1936 Australia pressed her case for easier entry into the American market, but without success. For political and economic reasons the Americans found the Australian proposals impracticable and declined to negotiate. In Parliament the Lyons Government was accused of weakness in its dealings with the United States. 3

A milestone in Australian-Japanese trade was reached in 1935, when Japan displaced Britain as the largest supplier of textiles to Australia; since textiles constituted the largest single item in Britain's exports to Australia, concern on the part of the British was understandable. This development was hardly in harmony with the spirit of Ottawa. Nor was the worry about Japan's displacement of British manufactures from the Australian market confined to British exporters; many Australians deplored this shift for sentimental reasons. Others argued that there was a strategic danger involved in a high level of trade with Japan, and that security lay in the maintenance of the closest possible economic relationship with Great Britain. 4
Nevertheless, at the beginning of 1936 the Lyons Government, to all outward appearances, still adhered to the policy developed since 1932 of encouraging close trade relations and friendly political relations with Japan. Negotiations for a trade treaty had begun late in 1935, but a deadlock was reached in the early months of 1936. Japan was unwilling to place voluntary limits on textile exports to Australia, and the latter would not agree to more favourable tariff treatment for Japanese goods. 5 "Each Government was acutely aware of its own country's difficulties and but dimly conscious of those of the other." 6 Meanwhile delegations of British motor-car and textile manufacturers made urgent journeys to Australia. As usual the talks were kept secret, and it is a matter for speculation how much these discussions had to do with subsequent developments. But to the Australian public the announcement on 22 May 1936 of drastic restrictions on imports from the United States and Japan came as a bolt from the blue. "We are aiming in future to draw our supplies from countries which are already great customers of ours, and which we may confidently expect will become greater customers if we increase our purchases from them," explained H.S. Gullett, Minister for Trade Treaties. 7 That same day Parliament went into recess for four months, effectively preventing debate on this critical change of policy until it was too late to avoid the consequences.

With two notable exceptions the metropolitan newspapers
of Australia supported the Government's action. The Melbourne Age claimed that trade diversion vindicated its past criticisms and "hailed with relief" the ending of trade negotiations with Japan. It was ingenuously asserted that "Australia's doctrine of protection is free from any offensive discrimination or studied antagonism." The Argus was less divorced from reality: "The new tariff is intensely discriminating... It aims at particular countries... It would be a mistake to overlook the possibility and even the probability of countervailing disadvantages... Trade now being carried on with the United States and with Japan will be diverted to Great Britain." Still, the newspaper consoled itself that trade diversion was a "step as practical and definite as any yet taken to cement by positive means the relationship of Empire." Japan "will not be allowed a position in which to command our textile imports," wrote the Sydney Morning Herald, which had abandoned its former pro-Japanese attitude. "The treatment is drastic; but there has been nothing more deadly than the Japanese ousting of Britain in recent years from the textile trade in British overseas territories... We are only asserting higher national considerations, just as Japan does." The two newspapers which did not rally to the Government were The Bulletin and the Labor Daily. The former was indignant at the bypassing of Parliament and the Tariff Board and thought that the Lyons Government was sliding to a fall."
there is a noticeable dearth of enthusiasm for the Gullett stunt... The applause of British manufacturers will be dearly bought if the Japanese do what we ourselves would do if we were in their situation." The Labor Daily condemned the Government for "declaring a trade war on the two most powerful nations in the Pacific, Japan and the United States... It would appear as if Australia's future has been jeopardized in order to meet the demands of the imperialists that the Australian market should become a close preserve for British manufacturers... Economic conflict is a great risk at a time when the world is preparing for war. The Lyons Government has involved Australia in that risk." Criticism of trade diversion was widespread (graziers, wheat growers, economists, Labour spokesmen, etc.), causing Lyons to "appeal to interested parties to keep out of the ring." To no one's surprise both Japan and the United States promptly took retaliatory measures against Australian exports. None the less, Lyons assured the Australian people that the entire responsibility for the trade war lay with Japan. The Japanese "attempted to limit our tariff-making powers." On the other side of the world Page and Menzies, who were in London on official business, received a rude shock when they discovered that the British Board of Trade was anything but pleased by the unexpected Australian manoeuvre. Australia had cut across British plans for closer relations with the
LIKE THEIR CEMENT GUN, PERHAPS.

"We positively assure you that it isn't loaded and can't hit you; and even if it does it won't hurt."
United States and had provoked Japan at an awkward time. Meanwhile negotiations to settle the trade war with Japan had begun, but as the months passed they dragged on without apparent progress. When Parliament resumed in September the Labour Party was divided on the issue and thus unable to launch an effective challenge to the Government's policy. However, by the latter part of 1936 the Japanese boycott of Australian exports was causing serious concern, and supporters of the Lyons Government were having second thoughts. "A trade diversion policy at its best is the attempt to force trade out of those channels in which it runs because it has found them to give best results to producer and consumer," commented the West Australian. "This first experiment is not encouraging in its outlook. It is an abrupt turn in the opposite direction...from economic sanity." Eventually a compromise settlement of the Australian-Japanese trade war was reached in December 1936, when it was agreed that from 1 January 1937 the two countries would resume trade at reduced levels. Trade difficulties between Australia and the United States were not resolved until late in 1937. The results of trade diversion were a "maximum of irritation with a minimum of benefit." Australia had contributed to the Japanese feeling that they were being shut out of the markets of the world; Australia had inadvertently strengthened the position of those groups in Japan which demanded an
aggressive, expansionist policy. In addition to trade diversion, the United States was also subjected to Australian attempts to restrict American shipping and air services. When the trade dispute was over the Japanese quickly regained their former share of the Australian market, without returning to their former position of dependence on imports of Australian wool. And after a year of greatly increased exports to the United States, Australian-American trade reverted to much the same pattern as before. Later, however, with the approach of war in the Pacific and the consequent Australian desire for closer co-operation with the United States, Australia was to find American memories of the trade dispute a source of embarrassment. The confused and confusing policy of trade diversion was, then, a failure in both its economic and political aspects.

Why were the consequences of trade diversion so dimly perceived in Australia at the time? The lingering influence of Ottawa, increasingly at variance with Australian circumstances, must be taken into account. Another factor was the indifference to the United States and the anti-Japanese bias of much of the Australian press, which received its news of Japan through London. Australians therefore tended to see Japan "not through the eyes of a neighbour with complementary economic interests, but through the eyes of a remote and anxious economic rival." Finally, not only did the Lyons Government not have prior consultations with Great Britain,
the United States or Japan on the question of trade diversion, but it ignored the advice of its own Department of External Affairs (which only the year before had been elevated to separate Cabinet status). 24 Australia had antagonized a future enemy, alienated a future ally and annoyed the old country.

By default the external relations of Australia had been left in the hands of sectional interests.

2. Harris, pp. 82-84.
4. Shepherd, pp. 32-34.
5. Ibid., pp. 40-41.
10. As if in 1936 Australia was still a "British overseas territory"!
13. Ibid., 10 June 1936.
17. Page, p. 246.
18. "The Australian Trade Diversion Policy and Japan", Round Table, no. 105, December 1936, p. 211.
Although the Spanish Civil War "began as a purely Spanish affair, grown out of the Spanish soil in the old Spanish way," by the end of July 1936 it was apparent that the fortnight-old rebellion would have international implications. "Anticipations of a protracted struggle must cause anxiety, for the interests of other powers are now being asserted," observed the Sydney Morning Herald. The Labor Daily attacked the "financiers, landlords and industrialists subsidizing the revolt." General Franco, leader of the Nationalist rebel forces, sought and promptly obtained aid from Italy and Germany, initially in the form of transport aircraft — without which it is unlikely that the rebellion would have lasted more than a few weeks. The Spanish Republican Government turned to France for help; but Blum, the French Prime Minister, under strong British pressure (for at this time Baldwin, Eden and Chamberlain were developing a policy of appeasement), decided on "non-intervention". That is, France and Britain departed from the usual practice of selling arms to the legal government of a friendly country threatened by rebellion. The United States followed a parallel course. The Non-Intervention Agreement, signed by 27 countries in August 1936, effectively deprived the Spanish Government of arms from the outside world (with the later exceptions of
Chapter 9 - The Spanish Civil War

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the Soviet Union and Mexico), but did nothing to stem the
tide of men and materials which flowed to the Nationalist
rebels from Italy, Germany and Portugal.

In Australia the press worried about the possibility of
the Spanish Civil War spreading. "The savage civil war in
Spain," wrote The Bulletin, "is another warning to the Dominions
that the world is in a highly explosive condition and that
they must look to their defences." 4 "The arms salesmen, who
were responsible for the present holocaust in Spain, are now
bringing civilization dangerously close to world conflict,"
added the Labor Daily. 5 Ideological considerations strongly
influenced Australian attitudes to the events in Spain. As in
Britain, intellectual, liberal, radical and Communist opinion
generally supported the cause of the Spanish Republic. Well-
known writers like Nettie Palmer and Jack Lindsay (the son of
Norman Lindsay) frequently pleaded the Spanish Republic's
case. About 60 Australians (of whom half would be killed)
travelled to the other side of the world to enlist on the side
of the Republic, 6 "because they saw a fight between freedom
and tyranny, and they had to be in it on freedom's side." 7 A
Spanish Relief Committee was organized in Australia, and
substantial funds, medical supplies and foodstuffs were sent
to aid the Republic.

Conservatives and Catholics in Australia were in sympathy
with the Spanish Nationalists. Among Australian Catholics,
"both bishops and laity on the whole supported the military cause of General Franco." A typical remark was that of Archbishop Duhig of Brisbane: "I am delighted that the Catholic forces in Spain under their generals and soldiers have made such a magnificent stand...against the diabolical, unchristian force of Communism." It was easy for those who did not want to know otherwise to cry "Communist". For the Spanish Republic - reformist, radical but not Communist - had been isolated by Anglo-French policy and thus had no alternative but to rely on the Soviet Union for assistance (which in any case never amounted to more than about one-tenth of the combined Italian and German aid to the Nationalists). The Bulletin labelled the Spanish Republicans "Reds" and alleged that they were losing the civil war not because Franco was receiving "men and machines and munitions from Italy and Germany," but because the Franco forces were "better fighters, with a moral and patriotic appeal to the Spanish people... The Marxian warriors have less stomach for fighting than for making or listening to speeches." The war in Spain roused trade unionists and indeed all Australians as few other events overseas had done, but it also divided them. The industrial left-wing of the Labour movement was vocal in its support of the Spanish Republicans, but many Labour supporters disagreed, partly because of the objection to overseas commitments and partly because of religion.
The Labour Party rationalized its way into an uneasy isolationist neutrality, "essentially from motives of easing internal stresses" within the party. Labour did not object when Australia followed Great Britain's lead and became a party to the Non-Intervention Agreement. On 11 September 1936 the Prime Minister "appealed to the Australian people not to contribute to any appeal for funds or to take action to assist either of the conflicting parties in Spain." The Labor Daily promptly concurred: "The policy of isolation and rigid neutrality is the only policy for Britain as it is for this country, and it now remains to be seen whether British statesmen have learned sufficient in recent months to keep out of the European cockpit." The Australian press was unanimous in its desire for British neutrality: "Even if other nations were to intervene directly or indirectly in the struggle in Spain, Great Britain would not be bound to follow the bad example," said the Argus. When Empire interests "are threatened Great Britain will be obliged to protect them." The Sydney Morning Herald thought that "the whole purpose of the British policy of neutrality is to assure that existing balances of power in the Mediterranean shall not be disturbed." As the year 1937 wore on the Nationalists continued to gain ground. At the League of Nations meeting in Geneva the British Foreign Secretary, Anthony Eden, did everything in his power to prevent the Republican delegate from presenting
irrefutable evidence of German and Italian aggression in Spain; by this time Hitler and Mussolini had extended de jure recognition to Franco. Later in the year the Italians began a secret submarine campaign in the Mediterranean Sea, and a number of "mystery sinkings" of ships carrying supplies to Republican Spain occurred. Britain and France responded with a brief show of determination by establishing a joint naval patrol to protect shipping. "Not lightly has Great Britain undertaken police patrol duty in the Mediterranean," observed the Melbourne Argus. "War vessels of a nation or nations nominally neutral have begun a regime of lawless terrorism in the Mediterranean." The "mystery sinkings" ceased for the time being, but the following year, 1938, Italian aircraft and Nationalist vessels again began to attack British merchant ships. Australian newspapers were disillusioned but continued to urge restraint. "Italy and Germany have long given up any pretence that they were honouring the pledge to abstain from intervention in Spain," conceded the Sydney Morning Herald. "The Non-Intervention Agreement has not stopped foreign intervention in Spain, but it has stopped a world war... To abandon Britain's policy at this stage would only provoke extended hostilities beyond the Spanish borders - merely a shutting of the stable door after the horse had gone." When the British Prime Minister confirmed that Britain would not retaliate over the sinking of British ships in Spanish ports, the Argus realized that this was a
"confession of futility and an assertion of expediency." But the newspaper still believed that "Chamberlain was right...
For British retaliation might have been construed as intervention in Spain, and intervention would have involved war...
7. Nettie Palmer and Len Fox, Australians in Spain, Sydney, Peace is preferable to prestige."
8. "On the soil where an arch enemy of all freedom must be stopped," The Argus, 17 August 1936.
By early 1939 the Republican retreat was turning into a rout, and Britain and France entered into secret negotiations which led to Anglo-French recognition of the Nationalists. The Argus was sure that "official recognition of General Franco out the world might justly be proud." Sydney Morning Herald, does not mean that Great Britain and France have at last decided to abandon their attitude of non-intervention and to come down on the side of the Nationalists in Spain." The Sydney Morning Herald could not deny that "the Nationalists gained their victory substantially through the aid of Italy and Germany... in gross violation of the Non-Intervention Agreement." Yet in its complacent concluding observation, the newspaper was not alone in refusing to see the enormous contradiction: "The consistent attitude of the British and French Governments, as strict neutrals, has been to accept the local decision in what is the Spaniards' own quarrel. It is satisfactory that unity of Anglo-French policy in this respect, which the Fascist powers have done their utmost to disrupt, should have been preserved to the end."
8. Murtagh, p. 177.
9. *Brisbane Courier-Mail*, 27 July 1936. A year later the Coadjutor-Archbishop of Sydney, Dr. Gilroy, said: "The part played by the Catholic Church in the rebel conspiracy in Spain was a glorious part - a part of which Catholics throughout the world might justly be proud." *Sydney Morning Herald*, 8 November 1937.
12. Hasluck, p. 86.
13. E.g. Melbourne Trades Hall resolution congratulating "the democratic workers fighting in defence of Spain." Melbourne *Age*, 31 July 1936. Maurice Blackburn was prominent in the activities of the Spanish Relief Committee.
20. David Low caused Colonel Blimp to remark: "Gad, sir, it is time we told Franco that if he sinks another 100 British ships, we shall retire from the Mediterranean altogether." Fairbanks, *The Great Powers and Spain*, p. 33.
23. Ibid., 27 February 1939.
There was a growing concern with the defence of Australia in the years 1935 and 1936. As part of its programme of gradual rearmament, the Lyons Government further raised the level of defence spending to £7,014,432 in 1935 and then to £8,065,142 in 1936. However, it should be mentioned that while annual defence expenditures in the mid-thirties were approximately twice as much as in the worst depression years, they had only just regained the level of ten years before — and Australia had a much greater need for defence in the 1930s than in the 1920s. Criticism of the Government's defence policy came from many quarters. The fervent book by Hughes, referred to previously, attracted a great deal of attention. To Hughes, Australia was in a very vulnerable position and could not be made secure by the British navy. An adequate Australian army and navy were necessary, but Hughes wanted to concentrate on the development of a strong air force and aircraft industry. A widely-read pamphlet of the day predicted that Japan was likely to expand in the direction of Australia, and that in the event of war Australia would have to "rely solely and finally on her own resources and preparations." Instead of depending on the navy, the author recommended a defence based on "mines, submarines, destroyers, coastal fortresses, mechanized land forces and
The ability of the British navy to protect Australia was also challenged in a respected journal of Empire affairs. Another writer called for the "re-direction of Australian policy...so as to provide...the bulk of the funds available to those land and air organizations which are to form the decisive elements in defending Australia." Articles written by Australian army officers assumed that Japan would attack when the British navy was preoccupied in Europe and that Singapore would fall. The task of the army and air force would be to hold the southeastern "heart" of Australia until naval help might arrive some months later. (This defensive strategy later gave rise to the controversy over the Brisbane Line - "a mare's nest out of which the politicians drew fearful and wonderful things.")

It was at this time that the Labour Party began to evolve a new, more positive attitude to defence; the man behind this change was the party's new leader, John Curtin, who was to play a key part in the affairs of Australia for the next decade.

Scullin, a defeated, broken man, had retired from the Labour Party leadership in September 1935, and F.M. Forde of Queensland had taken over as acting leader. There was every expectation that Forde would be confirmed, but in the subsequent election held on 1 October Curtin was chosen by the narrow margin of one vote. The son of an Irish Catholic policeman, Curtin was born in a Victorian country town and attended state schools.
As a young man Curtin, who became a rationalist, went to Melbourne to work as a printer, later as a trade union official and journalist. He was soon immersed in the Labour politics of Victoria and during the First World War was a prominent anti-conscriptionist, in the company of men like Scullin, Blackburn and Anstey. In 1917 Curtin went to Perth to work as editor of the weekly *Westralian Worker*, a post he held until his election to Parliament in 1928. It has been said that Curtin was omitted from the Scullin Ministry because at the time he was a heavy drinker, almost an alcoholic. Following his defeat in the 1931 election, a bitter, disillusioned Curtin pledged himself to total abstinence, a decision he adhered to for the rest of his life. Curtin was a new man when he re-entered Parliament in 1934. A seemingly mild, retiring person, lacking in humour, often suffering from self-doubt and frustration, Curtin nevertheless proved to be a strong leader; he possessed a fiery temper and was a forceful speaker.

Loyalty to his party and a profound abhorrence of the suffering and loss caused by war were two of Curtin’s strongest motivations. From the day of his election to the party leadership forward, the downward drift in Labour affairs was arrested and reversed. Curtin soon succeeded in inducing the Beasley-led Lang faction to rejoin the Labour caucus (although this arrangement did not endure, and the final reunification of the party was only achieved some years later). Because of his hatred of
war Curtin cultivated an abiding interest in international affairs and was an enthusiastic supporter of the League of Nations in the twenties. This support did not envisage military commitments, however, and influenced by the ominous events of the thirties Curtin developed into a convinced advocate of isolation as the best course for Australia.

Events such as German rearmament and the occupation of the Rhineland in March 1936 forced the Labour Party to give serious consideration to the need for national defence; those who continued to oppose any rearmament as a matter of principle were soon reduced to a small minority. The defence debate in Parliament in late 1936 gave a good indication of the various party viewpoints at that time. For example, on the question of conscription the Government continued to accept the traditional Labour policy. Thus the Minister for Defence, R.A. Parkhill, hastened to assure a questioner that "no proposal for conscription has ever been considered by this Government, which is committed to the policy of voluntary enlistment for the defence of Australia." The essential difference between Government and Opposition attitudes was on the question of naval defence. For In spite of much evidence and authoritative opinion to the contrary, the Government's belief as expressed by Parkhill was still that Britain would "provide a deterrent against aggression and afford naval protection of all parts of the Empire territories in both hemispheres." Curtin challenged
this assumption: "If an Eastern first-class power (i.e. Japan) sought an abrogation of a basic Australian policy, such as the White Australia Policy, it would most likely do so when Great Britain was involved or threatened to be involved in a European war. Would the British Government dare to authorize the despatch of any substantial part of the fleet to the East to help Australia? The capacity of the naval forces of the Empire to ensure the security of this continent is open to very grave doubt... The dependence of Australia upon the competence, let alone the readiness, of British statesmen to send forces to our aid is too dangerous a hazard upon which to found Australia's defence policy." 13 Curtin therefore urged a much greater emphasis on home defence, accompanied by a rapid expansion of the air force. The Government, however, remained unmoved and declined to revise its traditional defence policy.

The metropolitan newspapers continued to give editorial support to the defence policy of the Lyons Government. A predictable exception was the Labor Daily, which steadfastly maintained its opposition to any form of rearmament until late 1937 (when J.T. Lang lost control of the newspaper). For two years the Melbourne Herald wrote in favour of the army and air force school of thought, but in 1935 it swung back into line and again began to express the pro-naval viewpoint. 14

Up to 1935 the Department of External Affairs was an appendage of the Prime Minister's Department. In that year
the Lyons Government took the important and long-delayed step of making external affairs a separate department with full Cabinet status under Senator Pearce. The new department was preoccupied with information, because the "collection and collation of material is at once the most urgent and the most valuable task in a country in which insularity of outlook is equalled only by ignorance of foreign affairs." The Department of External Affairs commenced to publish in April 1936 a useful fortnightly bulletin entitled Current Notes on International Affairs, which achieved a wide circulation among the universities, learned societies, libraries, newspapers, political parties and trade unions of Australia.

1. Hasluck, p. 41.
2. Hughes, Australia and War Today.
4. Ibid., p. 47.
7. Hasluck, p. 47.
12. Ibid., 5 November 1936, p. 1542.
13. Ibid., pp. 1547-1548.
14. G.B. Kerferd, "The Australian Press and Imperial Ideals"

In the mid-1930s the attitudes of Australians to foreign policy - including the question of whether their country could or should have a foreign policy - depended to a large extent on attitudes to Great Britain. Australian reactions to the abdication of King Edward VIII in December 1936 were indicative of attitudes to Britain at that time.

Only eight days elapsed between the first appearance in Australian newspapers of reports of King Edward's desire to marry a twice-divorced American woman, Mrs. Wallis Simpson, and the King's abdication. Yet the association between Edward and Mrs. Simpson had been openly maintained for several years; by the summer of 1936 stories compounded of facts, rumours, gossip and fantasy had begun to appear in American and Continental newspapers. Nothing of the matter appeared in the press of the British Commonwealth, however. By an unprecedented gentlemen's agreement the newspaper owners of Great Britain, Australia and the other Commonwealth countries decided to suppress any and all references, even the most straight-forward, factual items of news or photographs, which alluded to the King and Mrs. Simpson. Thus although the affair was common knowledge in the United States, Canada (where American newspapers circulated freely) and Europe, and in the "high places" of Empire,
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ordinary British subjects were deliberately kept in the dark. The silence of the press may have been the result of the unanimous coincidence of individual decisions, because "editors and proprietors hoped that the rumours would prove false, the trouble would blow away, and everyone would be able to congratulate himself on having saved the Monarchy from the vulgar and damaging publicity inflicted on it in the United States." However it originated, the press agreement was confirmed when in October 1936 Mrs. Simpson took steps to divorce her second husband, the King having enlisted Lord Beaverbrook to obtain assurances from the various press groups.

The issue was forced by the British Prime Minister, Baldwin, who without consulting either the British Cabinet or the Dominions, took it upon himself to confront the King on 20 October with a warning that "in the face of the kind of criticism to which it was being exposed, (the Monarchy would lose integrity) far more rapidly than it was built up," and once lost nothing could restore it. On 16 November (Mrs. Simpson having been granted a decree nisi a fortnight previously) Baldwin — again without consulting anyone except "four senior colleagues" — told the King that the people would not approve of Mrs. Simpson becoming the Queen, and therefore he must not marry her. The King replied, "I am going to marry Mrs. Simpson and I am prepared to go." At the next interview the following week the King asked the Prime Minister to formally examine the question of
a morganatic marriage; on 27 November Baldwin transmitted the proposal to the British Cabinet (which rejected it) and sent messages to the Dominion Prime Ministers asking for their assessments of the three possibilities of normal marriage, morganatic marriage and abdication. Without consulting his Cabinet, the Australian Prime Minister answered that if Mrs. Simpson became Queen it "would invoke widespread condemnation in Australia" and that a morganatic marriage "would run counter to the best popular conception of the Royal Family." There is evidence that Lyons's telegram was strongly worded, stating his view that King Edward "could not re-establish his prestige or command confidence in future." On 3 December 1936 all of the metropolitan newspapers in Australia reported the gratuitous remarks of an English provincial bishop, who piously hoped that the King was aware of his need for grace. "Some of us wish that he gave more positive signs of such awareness." On the same day the Labor Daily published a portrait of Mrs. Simpson, "the world's most talked-of woman." The press agreement then collapsed, and on 4 December the Australian people were finally allowed to read about what was going on. (Although in the preceding months occasional photographs and general articles had been printed, but any explicit reference to a link between the King and Mrs. Simpson had always been scrupulously avoided.) The news made a great sensation in Australia; for more than a fortnight the press
was entirely dominated by the crisis. Most newspapers reacted to the proposed marriage with stern disapproval, not because Mrs. Simpson was a commoner or because she was American-born (Australia would have welcomed a symbolic cementing of ties between Great Britain and the United States), but on the ground that she was a divorcee. The Sydney Morning Herald opened the debate by pronouncing that "no community in all the Empire, great though its affection and sympathy for King Edward personally, would approve the King's marriage, as King, with the lady mentioned." "No one can prevent the King doing as he pleases," wrote the Hobart Mercury, "but if his decision should involve imperilling the safety of the Crown, and even perhaps of the Empire, he takes a tremendous responsibility." The Canberra Times insisted that "the King must do his duty. He must accept the advice of his Ministers." The only newspaper which did not join in the chorus was the Labor Daily. In characteristic manner it claimed that "by an unprecedented act of interference that might drive the King to abdication, the Baldwin Government has created one of the gravest crises in English constitutional history by serving upon him demands concerning his relationship with the American woman Mrs. Simpson, which he has refused to concede." After reviewing the King's liberal outlook, his sympathy for the poor, his visit to the unemployed of South Wales and his implied rebukes of Baldwin, the newspaper went on to say that "the present
crisis has been very carefully arranged in an effort to secure a showdown prior to the coronation, and the Government is concerned principally with suppressing the King's democratic tendencies and reducing him in status to a royal cypher."  

The following day the *Sydney Morning Herald* observed that "by comparison with (sacrificing Mrs. Simpson) the surrender of abdication would seem pitiful, and the compromise of a morganatic marriage so ignominious as not to be countenanced."  

But the *Labor Daily* thought otherwise: "King Edward has refused to be a puppet for Toryism... The stage has been reached where the people must stand with the King to save democracy."  

In Great Britain the Government was worried about the delay in reaching a final decision. Baldwin told the Cabinet that the matter had to be finished by Christmas; Chamberlain was heard to murmur that "the continued uncertainty has already hurt the Christmas trade."  

In Parliament Churchill pointed out that as no marriage could legally take place for another five months (when Mrs. Simpson's decree nisi would become absolute), there was no need for indecent haste. But the Government ignored Churchill's plea for patience and tolerance, and in order to put further pressure on the King, Baldwin asked the Dominion Governments to cable their advice directly to the King. The Australian Prime Minister on the night of 5 December sent a message directly to the King opposing the marriage and stating that "any proposal that Mrs. Simpson
should become Consort and not Queen...would not be approved by the Government." The British Prime Minister had succeeded in persuading the King that the only choice lay between giving up Mrs. Simpson and leaving the throne. "Canberra, Ottawa, Wellington, Cape Town - everywhere the story was the same," wrote Edward afterwards. "There had been no attempt to assess popular opinion, which to the small degree that it had been sounded at all appeared to be divided. But official opinion was solidly behind Mr. Baldwin." Meanwhile in Australia, W.M. Hughes gave his opinion that the earnest prayer of every section of the Australian people was that no irrevocable decision should be made without the lapse of a period for quiet reflection. "Abdication involves unpredictable consequences to Britain, to the Empire and to the world at large." The Catholic Archbishop of Melbourne, Dr. Mannix, said: "The fact that the King has taken it upon himself to exercise the privilege (of ordinary citizens) is, I think, a great humiliation to the whole Empire." Yet on the same day the Labor Daily asserted that "the people of Australia are unwilling to participate in this sordid infamy. The Lyons Government has no mandate from the people to replace the present King in Australia with his younger brother." While the West Australian sought to reassure its readers that it was a "mistake to suggest that abdication would shake the steadiness or break the unity of the British people." On
8 December the Labor Daily thundered that "Britain is in the throes of a bloodless revolution - a revolution from the Right."\textsuperscript{27} Nor were the editorials of Non-Labour newspapers free from overtones of hysteria. "It is a pity that Mr. Winston Churchill in Great Britain and Mr. W.M. Hughes in Australia should have thought it necessary to champion the King and to appeal for delay and for consideration on his behalf," complained the Melbourne Argus. "Delay is fraught with danger."\textsuperscript{28} The Sydney Morning Herald held the milder view that "the people know that the settlement which will be made, though it may modify the succession to the throne, will not alter the daily life of the nation."\textsuperscript{29} There can be no doubt that the upper classes, the conservative press, the clergy and the church-going minority, Empire loyalists, business men, etc. were against the projected marriage - but what of the ordinary people? In Britain on the week-end before the abdication there were widespread demonstrations in support of the King and opposed to Baldwin.\textsuperscript{30} In Australia, despite vigorous official attempts at suppression, there was a remarkable outpouring of sentiment in favour of King Edward. The King's name was cheered in theatres, cinemas and restaurants in all of the capital cities.\textsuperscript{31} A number of commercial radio stations (some but not all of which were controlled by Labour) rallied behind the King. One broadcast said: "It is certain that in this battle between autocracy and democracy, the King
is on the side of democracy... Mr. Baldwin, who is a diehard conservative, is certainly not speaking for the mass of the people... Mrs. Simpson will make the finest Queen England has known."32 The Lyons Government immediately warned all broadcasting stations in Australia that they "must refrain from inflaming Australian public opinion on the issue,"33 i.e. no deviation from the official line! In Sydney and Melbourne groups wanting to hold meetings in support of the King were barred from using the town halls.34 The Constitutional Association (a conservative organization) cabled Baldwin: "Strongly urge full delay. Public opinion in Australia seriously divided."35

For Australians the emotional climax was reached on 9 and 10 December. The Canberra Times declared that "this is a decision on which the unity of the British Commonwealth depends."36 "We can but pray that he will put aside his personal plans and dedicate himself anew to the service of his Empire and the world," said the Adelaide Advertiser.37 The Labor Daily was carried away and called Mrs. Simpson a "woman of the people".38

The weekly issue of The Bulletin now appeared, and while it joined the rest of the Non-Labour press in opposing the marriage, it condemned the former policy of secrecy - on the ground that this misled the King into thinking that his contemplated marriage to Mrs. Simpson might be acceptable. "British and Dominion newspapers...failed the country, and many of them were not above publishing the rankest lies. In the
"Beshrew me, what a pother over one woman!"
events leading up to the constitutional crisis that was sprung on the people last week they failed the King, the object of their indiscriminate and head-turning adulation for nearly 40 years." The Lyons Government urgently recalled Parliament by wireless message and then refused to allow a discussion of the crisis. On 9 December, before the Government applied the "gag", Curtin said that the Labour Party opposed special legislation to allow a morganatic marriage but would "leave the King unfettered in the choice of his wife." The following day Curtin attempted to move a resolution of "loyalty and allegiance" to the King, asking him not to relinquish the throne, but the Government again stifled the debate. The Government waited for its cue from Britain, and Parliament was expected to remain docile until the time came to recognize an accomplished fact. Private members of all parties complained that "the indefinite nature of the situation was embarrassing." It was reported that members had received a flood of telegrams in support of the King. Finally, at 2 a.m. on 11 December Lyons went on the air to announce that the King had abdicated. "I express the most profound regret at the step which King Edward has taken. We must all wish most heartily that he had acted otherwise." The Prime Minister announced the abdication in Parliament and moved for its acceptance; Curtin concurred. A few members on both sides of the House were dissatisfied with the Government's
handling of the affair. The Lang faction angrily accused the Government of concealment and distortion. A private member of the United Australia Party, Harold Holt, said that the abdication of King Edward was a "major calamity" because "we believed that he understood us, and we looked to him to lop off from the tree of tradition the dead branches which threatened to interfere with its healthy growth within the British Empire."

Holt added that had the King "chosen to select any woman to whom he was legally entitled to be married, as his Queen, I, for one, would not have hesitated in my loyalty to him." Immediately the abdication was announced, the "responsible" press began a campaign designed to promote George VI. "The need was never more urgent for a popular rally in support of the Monarchy, under the new King, at this most critical juncture," pleaded the Sydney Morning Herald. Did the Government and the Non-Labour newspapers speak for the majority of Australians during the abdication crisis? It is difficult to say. Although there was undoubtedly a great deal of popular support for the King, perhaps the people would not have accepted Mrs. Simpson, either as Queen or simply as the wife of the King. But those in "high places" were sufficiently alarmed that they went to extreme lengths to ensure that public opinion had no chance to consolidate and no chance to influence Australia's official attitude.


12. E.g. Brisbane Courier-Mail on 12 November 1936 published a short general article entitled "King Can Marry a Commoner; Bride Need Not Be the Queen." (However, on 30 November 1936 the Sydney Morning Herald and the Melbourne Argus printed a story which speculated on the implications of the "rumoured desire of the King to marry Mrs. Simpson." The other metropolitan newspapers did not carry the article.)


15. *Canberra Times*, 4 December 1936.


Edward VIII, London, 1962, p. 163, in which the significance of the demonstrations is discounted, and it is claimed that the masses strongly disapproved of the King's behaviour.

31. Sydney Morning Herald, 8 December 1936.
32. Ibid., 9 December 1936.
33. Melbourne Age, 9 December 1936. This was too much for the Hobart Mercury, which on 10 December 1936 protested that "once the principle is accepted that the Government or its officials can censor wireless comment, it will be but a very short step to censorship of the press."
34. Sydney Morning Herald, 9 December 1936, 10 December 1936.
35. Labor Daily, 8 December 1936.
37. Adelaide Advertiser, 9 December 1936.
38. Labor Daily, 9 December 1936.
41. Ibid., 10 December 1936, p. 2891. On 10 December Lyons sent the King a belated message asking him to reconsider his decision, but it was too late.
42. Sydney Morning Herald, 10 December 1936.
43. Labor Daily, 10 December 1936.
44. Melbourne Age, 11 December 1936.
46. Ibid., p. 2917.
47. Sydney Morning Herald, 11 December 1936.

The Australian approach to defence was outlined in a series of Defence Department papers, which made out a strong case for closer Imperial co-operation (with the important reservation that each Dominion should retain sovereign control of its policy). The League would not be able to preserve peace without the support of a substantially strengthened British Empire, and the security of Australia was inseparable from the security
Insight into the Lyons Government's foreign policy and defence outlook in early 1937 may be gained by examining papers prepared for use at the forthcoming Imperial Conference. The Department of External Affairs was emphatic that "Empire security demands of British foreign policy that no situation shall be allowed to arise in which Germany in the West, Japan in the Far East, and any power, such as Italy, on the main artery between the two, are simultaneously hostile." The general situation in Europe was regarded as very dangerous; the department was more hopeful of the possibility of averting or at least postponing war in Asia. Hence the view that Australia should initiate moves aimed at a rapprochement with Japan. The department did not anticipate American aid in the event or war: "Little has occurred in recent months to alter the view that the United States remains at heart isolationist." The Australian approach to defence was outlined in a series of Defence Department papers, which made out a strong case for closer Imperial co-operation (with the important reservation that each Dominion should retain sovereign control of its policy). The League would not be able to preserve peace without the support of a substantially strengthened British Empire, and the security of Australia was inseparable from the security
of the Empire as a whole. While agreed on general policy, the
departmental papers clearly exposed the differences in view-
point within the services, as previously discussed. There was anxiety over the British plan which gave first priority to the strengthening of defences against a German attack, frankly leaving an "unsatisfactory" position as regards Japan at least until 1942. It is claimed that the series of papers showed purposefulness in Australian defence planning. "Accepting Empire co-operation in defence as the starting point, the Australian defence authorities were trying on the one hand to obtain common planning for the Empire and on the other hand to ensure that local planning for Australian defence would be effective in meeting local dangers and complementary to measures taken in other parts of the British Commonwealth." Meanwhile, a Cabinet sub-committee suggested that "the promotion of a regional understanding and a pact of non-aggression in the spirit of the League undertakings for Pacific countries might reasonably be accepted as an objective of Australian foreign policy." Australia was represented at the Imperial Conference, which met in London between 14 May and 15 June 1937, by Lyons, Bruce, Parkhill and Casey. The proposal for a Pacific pact had been outlined in Parliament by Menzies and Pearce late in the preceding year, and the newspapers assumed that the proposal would be submitted to the Imperial Conference. The Labor Daily...
was apprehensive: "Mr. Lyons is prepared not only to provide adequate and necessary means of defence for this country, but to sign a blank cheque on the future to thrust Australia into another external war and meddle with the affairs of other nations to the extent of provocation." But the Sydney Morning Herald thought that "in this imperfect world we must be content with something short of perfection, and the move for a new treaty in the Pacific should be encouraged for what it can achieve." As anticipated, the Australian Prime Minister in his opening speech to the Imperial Conference on 22 May indicated that "Australia would greatly welcome a regional understanding and pact of non-aggression by the countries of the Pacific, and would be prepared to collaborate to that end with all the peoples of the Pacific region in a spirit of understanding and sympathy." To promote the proposal Lyons also met in London diplomatic representatives of the United States, Japan, the Soviet Union, France, China and the Netherlands; if the response appeared sufficiently encouraging, it was thought that a conference might be held in Tokyo. The Imperial Conference publicly concluded that "if such an arrangement could be made it would be a desirable contribution to the cause of peace," but a confidential proviso was that "the furtherance of the matter and all discussions in connection with it should be left in the hands of the British Government." Britain, New Zealand, France, China and the Soviet Union
reacted favourably to the idea of a Pacific pact; the United States was non-committal; the Netherlands was negative, Japan suspicious and critical. In Australia most metropolitan newspapers were cautiously optimist...
to be followed in search of peace. Britain and the Dominions, "while themselves firmly attached to the principles of democracy and to parliamentary forms of government, decided to register their view that differences of political creed should be no obstacle to friendly relations between countries, and that nothing would be more damaging to the hopes of international appeasement than the division, real or apparent, of the world into opposing groups." In the two years since the Anglo-German naval agreement of June 1935, the system of collective security had broken down, and Germany had served notice of her unwillingness to be restrained by "scraps of paper". But fear and feelings of guilt over the treatment of Germany at Versailles prevailed; the impotence of the League and the apparent power of Germany and Italy could not be ignored; France was completely demoralized, the Soviet Union torn by the great purges, the United States aloof. Australia and the other Dominions may have felt uneasy about appeasement, but they did not have a viable alternative. As a result the Imperial Conference confirmed appeasement as the policy not only of Great Britain but of the entire British Commonwealth.

Australia's defence proposals were discussed both by the conference and directly between British and Australian service representatives; in neither case were significant results achieved.
but South Africa and particularly Canada maintained that the Imperial Conference should be limited to discussion and review. The consensus seems to have been to try to combine individual responsibility without ruling out the possibility of collective support. The conference found "general agreement among its members that the security of each of their countries can be increased by co-operation, but it is the sole responsibility of the several Parliaments of the British Commonwealth to decide the nature and scope of their own defence policy." When the Imperial Conference closed there was considerable disagreement over what had been achieved. The vagueness of the conference summary drew strong criticism: "The world today is too dangerous a place in which to deceive the mind and confuse public opinion by means of verbal generalities," said a learned journal. The Sydney Morning Herald had to admit that "the conference can show little that is practical in the way of achievements." The Argus sought to reassure its readers: "It is childish to suggest that because no resolution has been agreed to in black and white and its purport blazoned abroad, there is no better understanding on matters which affect the whole Empire." But the ever-suspicious Labor Daily thought that "the Lyons Government, in contradiction to its professed anxiety to conclude a Pacific peace pact, has joined up with the armaments band-waggon." The secrecy surrounding the Imperial Conference inevitably encouraged the circulation
of rumours; thus, for example, Lyons was forced to publicly deny that Australia had been committed to anything "incompatible with complete local control and determination in any emergency." 26

When Parliament resumed the Prime Minister said in his report that the Imperial Conference had made clear that peace was the predominant ideal and purpose of the British Commonwealth, and that "all efforts would continue to be directed to the end of securing world appeasement and peace." 27 Lyons predicted that the conference would have "far-reaching effects" and would be remembered as the occasion when "were defined the principles for which the British Commonwealth stands in the field of international relations and conduct." 28 The general reaction of the Labour Party (with the exception of a few New South Wales irreconcilables) was summarized by Curtin. He agreed that the proposals on foreign policy which the conference adopted were in themselves "reasonable and clear". However, the Labour leader thought that the trade diversion policy of the previous year, directed against the two most powerful Pacific countries, the United States and Japan, was a "curious sort of prelude to the submission of proposals for a Pacific pact." It was "paradoxical" that another pact should have been put forward, in view of Britain's decision to rearm because of "disregard of covenants and the inability of the collective system to afford security against aggression." 29 Curtin attacked the exposition of Australian defence policy contained in the
conference summary and said that Lyons had made a "purely party" statement to the Imperial Conference. It is not easy to come to a balanced assessment of the importance to Australia of the last pre-war Imperial Conference. It was all very well to take regional initiatives, as in the case of the projected Pacific pact, but if anything was to come of such proposals Australia would require the independent diplomatic machinery necessary for arranging and conducting negotiations, without having to rely on Great Britain. What the Imperial Conference did accomplish was the uniting of its participants in an awareness of the common danger. Australia's attitude became more determined in the succeeding months and years, even though the outbreak of war was to expose "so much left undone".

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1. Hasluck, p. 56. For a contemporary assessment of Nazi Germany by a prominent Australian historian, see S.H. Roberts, The House that Hitler Built, London, 1937. In the late thirties the Sydney Morning Herald published many well-reasoned and perceptive articles on foreign affairs written by Roberts.

2. Hasluck, p. 58.
3. Ibid., p. 63.
4. Ibid., p. 64.
5. Ibid., p. 66.
6. Ibid., p. 67.
11. Ibid.
13. Ibid., p. 6.
14. "The Pacific Regional Pact", Austral-Asiatic Bulletin, vol. 1, no. 2, June 1937, p. 4. In the same issue of the journal there appeared a critical article by E.L. Piesse, "Australia's Duty to Herself", pp. 6-7. The author thought it unfitting that Australia, "a country remote from the main seat of trouble, should suggest that the ills of the Pacific will be cured by discussions of a pact... What justification does recent history give us for thinking that a pact would be observed?"

15. The Bulletin, 26 May 1937. The Sydney Morning Herald complained on 29 June 1937 that "the reception of Mr. Lyons's Pacific pact proposal was much more courteous in Britain than in Australia."

17. Shepherd, p. 78.
18. Imperial Conference, 1937, p. 11.
28. Ibid., pp. 22-23.
29. Ibid., pp. 101-103.
30. Ibid., p. 104.
The Anti-Comintern Pact, signed in November 1936, among other things confirmed Germany's revived interest in the Pacific. Officially the Lyons Government depreciated the agreement between Germany and Japan, to which Italy became a party; Senator Pearce thought the object of the treaty was simply to "institute common measures against Communism." Many Australians were not so complacent and were apprehensive lest the Anti-Comintern Pact should presage a German demand for the return of those former colonies now controlled by Australia. Further, the treaty raised the spectre of simultaneous, co-ordinated war in Europe and Asia - war in which Japan would dominate Australia cut off from British aid. The attitude of The Bulletin was typical: "Whatever British editors may write, it is impossible for Australians to contemplate the Anti-Comintern Pact and feel blithe about it. If there is a spark of wisdom at Canberra at all, the Government will take it as a warning to drop its silly quarrel with the republic with which Australia should always be on friendly terms, and restore the relations which existed with the United States before trade diversion." The cumulative effect of the ominous developments of the mid-1930s and the linking of Japan with Germany and Italy account for the much greater public concern in Australia over
Sino-Japanese hostilities in 1937 than in 1931. The Government, however, followed the cautious, conciliatory precedent it had established six years before, and nothing was done either to assist China or to hinder Japan. The rapid advance of the Japanese forces in China, which began in July 1937, was referred to in Parliament on several occasions without any indication that Australia might ultimately be threatened. On 14 September Menzies discussed the position in China with particular reference to the Japanese blockade and the threat to British interests. "The British Government has kept the Australian Government fully informed as to this aspect of the situation. Australia is not, however, directly concerned." In view of the breakdown in collective security and the lack of a clear lead from either Great Britain or the United States, Australia saw no option but to adhere to a moderate policy. Indeed, it seems that the Lyons Government went so far as to urge restraint upon Britain in regard to Japan, in order to avoid possible repercussions on Australia and New Zealand. An early casualty of the fighting in China was the Pacific pact proposal. Menzies advised the House that "the Sino-Japanese dispute has inevitably led to the suspension of conversations for the time being." Metropolitan newspapers in Australia closely followed the renewed Japanese attack on China. The Labor Daily wrote: "Behind the scenes there is the suggestion that the Sino-Japanese conflict carries with it even graver international
repercussions." But The Bulletin was inclined to underrate the seriousness of the situation: "Japan wants to be left alone in peace to develop its acquired Manchuria... It is a tremendous job; it alone counts Japan out as a nation conceivably eager for war." China was in trouble again, "and the indications are that Communism is at the bottom of it." The Lang faction interpreted the crisis as a further justification for a policy of Australian neutrality. A noteworthy feature of the public debate was the changed attitude of the Sydney Morning Herald, an apologist for Japan's conquest of Manchuria in 1931. For the first two months of the new conflict the newspaper tried to maintain a sympathetic outlook towards Japan, but by September 1937 this restraint had been abandoned. "It is now painfully obvious that Japan has deliberately launched a full-dress national war against China." "The methods Japan has employed to realize (her aims in China) must be condemned as both illegitimate and short-sighted." When the Japanese commenced the mass bombing of Chinese cities, public opinion in Australia was both appalled and frightened. "Japan, not having declared war, has no rights in China even as a combatant," said the Melbourne Argus. "Possibly the warnings (of Great Britain and the United States against the projected air raid on Nanking) will have no effect upon a nation which has made lawless frightfulness its deliberate policy within recent years and has chosen to flout civilized
opinion when challenged." The Labor Daily observed that "the assault of Japanese bombers upon the native city of Canton has sent a shudder of horror throughout the civilized world." In a prophetic editorial the Sydney Morning Herald wrote: "Japanese air raids on civilian populations in China (inevitably give rise to the question) as to what will be the horrors of the future if such warfare is allowed to go on unchecked and set a precedent which may be followed in Europe or Australia." Only The Bulletin, which was disposed to blame most of the world's ills on the machinations of the Communists, hesitated to condemn Japan. "A charitable interpretation of the Japanese air raids on Nanking and Canton is that they are an effect of the hatred and fear inspired by Communism." To this equivocation the Sydney Morning Herald replied: "To attempt condonation or denial of the horrors in China that have been described so reliably and so fully is merely shirking the clear and irrefutable facts." Yet The Bulletin remained unconvinced: "The ways of Asiatics are not our ways, and the worst things imputed to the Japanese can be matched by Chinese precedents." The attention of Australian newspapers was again drawn to the Anti-Comintern Pact in November 1937, on the occasion of its formal confirmation. "The Japanese must ask themselves today whether Italy and Germany can recoup them specifically for what China can never pay in indemnity, and generally for what Japan may forfeit with the loss of Anglo-American friendship,"
commented the *Sydney Morning Herald*. The Labor Daily was alarmed that "the action of the Italian Government in making itself a full partner in the Anti-Comintern Pact...has sundered traditional international cordialities and definitely divided the civilized world into opposing camps." The *Argus* regarded the pact as understandable: "Japan seems to have entered the Fascist family of nations. The activities of Russia in territory unpleasantly near to Japan have alarmed her. The permeation of China by militant Communist missionaries and Communist military forces has increased her apprehension. A friendly agreement with politically sympathetic Germany and Italy, therefore, occasions no surprise." "It has to be faced that the situation created by the pact can become dangerous," warned The *Bulletin*. "It does represent a group of forces, and the temper of the people in those countries has become such that it will not need much more blundering to make them not merely united against Communism but menacing to us." 

In line with the Lyons Government's conciliatory policy to Japan, Bruce reminded the League of Nations on 21 September 1937 that China should not be misled "into believing that she can rely on forms of assistance which may not be forthcoming." This careful attitude reflected Australia's sensitivity to the implications of condemning Japan. In the event the now moribund League was unable to agree on anything beyond a mild criticism of Japanese aggression. The principal difficulty
faced by the Government in maintaining its policy towards Japan was the problem of unofficial trade boycotts. The Labour Party was divided between those who, like Curtin, wanted to keep friendly relations with Japan on the ground of Australian self-interest, and those on the left-wing who attempted to apply "working-class sanctions" against Japan. In October the Australasian Council of Trade Unions called for a boycott of Japanese goods and a ban on exports to Japan. The Prime Minister reacted by publicly criticizing the suggestion; boycotts "would prejudice collective measures taken for a settlement and might have a far-reaching effect on future relations with Japan." The Bulletin wanted to convey to Japan that "the boycotters here are only the usual meddling bunch of windbags, no more representative of Australia than they are of Peru." The first move to restrict shipments of war materials to Japan came on 25 January 1938, when Sydney waterside workers refused to load cargoes of tin scrap; the boycott continued for four months and spread to Melbourne, where consignments of tin scrap and iron scrap were affected. The waterside workers were motivated by a revulsion of Japan's attack on China, and many other Australians sympathized with this attitude. The Government, however, maintained that private boycotts were illegal and "not conducive to international peace." Indeed, some of the watersiders' own leaders officially "disapproved of the action taken by members in refusing to load ships."
But the Government's prolonged efforts to persuade the waterside workers to abandon their policy were to no avail. Only when threatened with the application of the Transport Workers Act (which would have required all waterside workers to be licensed, and would have denied licences to those involved in the boycott) did the men finally yield. The boycott ended on 25 May.

A similar situation arose in November 1938, when Port Kembla watersiders decided not to load the ship "Dalfram" with pig-iron for Japan. Again the Government first tried persuasion and then coercion to get the ship loaded. The Attorney-General, R.G. Menzies, declared that the issue was "not whether the waterside workers are right or wrong in their views on what the international policy of Australia should be; it is whether that policy is to be determined by the duly constituted Government of the country or by some industrial section."28 When the application of the licensing system did not achieve the desired results, further pressure was brought to bear by the closing of the steel works indirectly owned by the Broken Hill Proprietary Company, putting some 4,000 men out of work. Still the latter continued to support the position of the waterside workers, who stood fast in the belief that public opinion was behind them;29 the Sydney Morning Herald criticized the Government.30 The affair was eventually settled in January 1939 when the Port Kembla watersiders agreed to load the "Dalfram" in return
for an end to licensing and a Government undertaking to reconsider its attitude to exports of pig-iron to Japan. The Government considered trade union proposals the following month, but the policy remained unchanged. 31

An apparent inconsistency in the Lyons Government's attitude to Japan was the decision taken in May 1938 to prohibit exports of iron ore to that country. Curtin (who resided in Western Australia, the state most affected) opposed the move. 32 The Government's case was that increasing domestic industrial and defence requirements and a revised, much smaller estimate of iron ore reserves meant that all iron ore resources should be conserved for Australian use. 33 This embargo did not apply to pig-iron, steel products or scrap; the decision caused much controversy in juxtaposition with the Government's suppression of trade union boycotts. However, an analysis of the matter supports the view that the iron ore embargo was effected for the reasons stated and was not specifically anti-Japanese in intention. 34

As the months passed and Japan penetrated deeper into Chinese territory, the Australian Government clung to its conciliatory policy towards Japan, but the Sino-Japanese struggle caused many Australians to more fully realize the dangers of their position.
4. Ibid., 14 September 1937, p. 983.
9. Ibid., 21 July 1937.
12. Ibid., 9 September 1937. A change of editors may partly explain the newspaper's change of attitude. See Shepherd, pp. 72-79; Pearson, "The Australian Press and Japan", pp. 50-55.
17. Sydney Morning Herald, 1 October 1937.
19. Sydney Morning Herald, 8 November 1937.
20. Labor Daily, 10 November 1937.
24. Melbourne Age, 18 October 1937.
30. E.g. Sydney Morning Herald, 9 January 1939. Few other newspapers agreed entirely with the position of the Sydney Morning Herald on the Port Kembla affair. (However, there had been widespread editorial protests when the Government imposed an arbitrary ban from 21 to 24 December on the Sydney trade union radio station, 2KY, because the station had "falsely" accused the Government of intercepting telegrams and telephone messages.)
Defence and foreign policy issues played a prominent part in the campaign which preceded the Australian election held on 23 October 1937; not since the end of the First World War had comparable attention been paid to external relations. While agreed on the necessity for increasing Australia's defence effort, the political parties diverged on questions of military strategy and the position of Australia in world affairs.

As mentioned earlier, under the pressure of the steady deterioration in international affairs the Labour Party, from about the middle of 1936, had begun to develop a more realistic attitude to the problems of defence and to denounce those groups which persisted in opposing rearmament. Thus Curtin wasted no time in repudiating resolutions of the Australasian Council of Trade Unions held in Melbourne in July 1936, which had called for opposition to British and Australian rearmament and support for collective security through the League of Nations. In Parliament the Labour Party ceased to challenge the amount of proposed defence expenditures (£11,531,000 for 1937); instead the party began to scrutinize the allocation of funds. Sceptical about Britain's ability to defend Australia in the event of world war, Labour continued to stress the need for stronger air and land forces, in contrast to the Government's adherence
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to a policy of naval co-operation. Labour also advocated a greater capacity to manufacture munitions and larger reserves of oil and other essential supplies. None the less, this greater emphasis on preparedness did not affect the Labour Party's fundamental policy of "non-participation in foreign wars", which now precluded collective security through the League of Nations as well as prior commitments to Britain.

Curtin expressed the current Labour Party attitude in a speech in the House of Representatives on 25 August 1937. He gave an assurance that his party would "stand definitely to ensure the safety of the Australian people and the security of the territory of Australia. It will take no second place to the Government in this important matter." But, said the Labour leader, "we on this side of the House insist that in the final analysis this nation shall not be committed to warlike activities outside Australia without the absolute and established consent of the Australian people... Any government elected by the Australian people would be expected as a primary obligation to resist aggression and to exert its maximum power to repel invasion." The defence policy enunciated by Curtin in the 1937 election campaign was based on principles adopted at the 1936 party conference; so the policy had already been subject to public examination for more than a year. The campaign officially began on 20 September 1937 when Curtin, speaking from Perth to
national radio audience, made his policy speech. He promised "more docks for the navy, more aerodromes, additional oil stores and landing bases and the exploitation of possible oil sources." Labour's policy was "to defend Australia with no compulsion on any citizen to serve on foreign battlefields... Australia could have an air force of 300 machines - equal to any force which could be brought against the nation." The initial press reaction to the speech was mixed. The Sydney Morning Herald conceded that Curtin had faced fairly the fact that defence was the vital question and had honestly insisted on the need for preparedness. But "a balanced programme of defence, such as the Government has designed on the advice of experts here and overseas, remains our proper policy." The Melbourne Argus predicted that Labour would "shirk the first task of any government - to defend the country it governs; it will thrust the responsibility upon the people."

In reply Menzies attacked Curtin on a point which would be difficult to answer without alienating a section of the party. "If an attack was made on Singapore, the defence of which was vital to Australia, would Labour require a referendum before Australia did anything about it? What would we think of Britain if, before she decided to come to our assistance, she first decided to hold a referendum?" Page said that Curtin was appealing to the electors with a spectacular defence policy, after years "during which the mere mention of defence...
was almost enough to provoke a Labour censure motion." The West Australian added that "should Great Britain go down, Australia and her affairs might well become a clause in another treaty like Versailles." The following week the Prime Minister delivered the Government's policy speech in his electorate in Tasmania. He emphasized that the defence policy of the Government was designed to prevent an enemy from reaching Australian waters. "We are determined not to wait until the enemy is at our gates before we attack him. An isolationist policy must expose Australia to the frightful danger of having her coastal cities and towns destroyed ruthlessly, as is happening in other parts of the world... We consider a policy of isolation from Great Britain suicidal." "And so it must prove," added the Sydney Morning Herald. Curtin denied that the Labour Party was in favour of isolation as such, or that he advocated Australia's withdrawal from the League of Nations; Labour would defend Australia "absolutely and unequivocally", but would not "drain its resources in manpower and otherwise in order to wage war in Europe." The Labour Party would co-operate with other nations to raise standards of civilization, but would not be a party to "any form of collaboration that ends inevitably in further wars." Pro-Government newspapers were highly critical of the concept of isolation. The Brisbane Courier-Mail wrote: "Australians
are not so deluded as to think that by casting off all obligations and responsibilities to the rest of the world and retiring into isolation, they could achieve security for themselves in a great continent that would be the certain booty of any combination of militarist powers which achieved the destruction of a dis-united British Empire.\(^{18}\) The Adelaide \textit{Advertiser} said that it was "sheer madness" even to consider renouncing the fundamental principle of imperial co-operation.\(^{19}\) In Hobart the \textit{Mercury} pictured isolation as "merely an idealistic way of closing one's eyes as a pistol is pointed at one's head."\(^{20}\) The \textit{Sydney Morning Herald} claimed that isolation was not a policy - "it is an abject surrender, not only of our own security, but of the basic ideals and principles upon which our national life rests and which the flower of our manhood died to preserve."\(^{21}\)

Nor were all sections of Labour content with isolation. "The isolationist policy has no relation to living politics," said an Adelaide trade union leader, who feared that the policy would keep the party in "perpetual opposition".\(^{22}\)

Most metropolitan newspapers denounced the idea of isolation as a matter of course. \textit{The Bulletin}, however, took the trouble to examine the problem and came to the conclusion that "to make it plain to Britain and the world that Australia would be there to help Britain in a war to protect Britain and the British Commonwealth, and greatly reluctant to have anything to do with wars for any other end, would be sound policy."\(^{23}\)
The Bulletin, 20 October 1937

THE ISOLATIONISTS.

"You pinchum OUR policy."
A scholarly journal observed that the general idea of Empire co-operation was "highly nebulous", and pointed out that the Labour Party's policy of isolation showed "striking similarity" to prevailing attitudes in the United States and Canada. Nevertheless "the policy of co-operation without commitment will prevail."  

On the question of the relative merits of aerial and naval defence the press was somewhat equivocal. The Canberra Times thought that the defence plans of the Labour Party were "sound". The scholarly journal added: "It is essential that voters realize that the Labour Party's plea for effective defence by air and land rather than by sea is a rational enough programme, that it has respectable expert support, that it demands careful consideration, and that it does not necessarily connote any lack of patriotism or responsible sense of leadership." And The Bulletin admitted that "as to some of the actual defence measures he proposes, Mr. Curtin is sound enough." But on the air force v. navy issue The Bulletin asserted that "beside the capacity for injury of even a single battlecruiser turret the power of the greatest bombers in existence is feeble." As later events would demonstrate, of course, the easy assurance that the British navy could protect Australia was fallacious.

As the election campaign progressed the Labour Party, particularly in New South Wales, worried about the apparent lack of public interest — a good omen for the Government. Thus
the temptation to resort to the emotional issue of conscription in order to arouse the voters. J.T. Lang charged that the leaders of the Government had been to London "rubbing shoulders with the exploiters, the money-bags, the war-lords and the munitions barons, and have signed on the dotted line. As sure as night follows day they will, if left in office, commit Australia to a European war and send a conscript Australian army to a foreign battlefield." The Labor Daily naturally agreed: "Collective security and Empire co-operation have the same dire meaning for the Australian people. They mean war, and to the Lyons Government war means conscription." This accusation was emphatically denied by Lyons, who pledged his Government not to introduce conscription. The Bulletin thereupon castigated both sides for evading the manpower problem. "Compulsory training will have to come again, or else all talk about Australia being defended will have to be dropped as highfalutin and dangerously misleading nonsense." When Curtin implicitly endorsed the Lang accusation the Melbourne Argus retorted that the danger of conscription would arise only if the Labour Party won office. (None of the major parties regarded compulsory service anywhere within Australia in time of war as conscription.) As the 1937 election campaign drew to a close, "avoid conscription by voting Labour" became the battle-cry of those hoping to defeat the Government. Your vote, said Lang, "is as much a vote for or against conscription as it was in 1916 or 1917." And
the Labor Daily reiterated its claim: "Mr. Lyons has made it only too clear that he wants a mandate for war, and a mandate for war means conscription." \(^{34}\)

The Prime Minister, in his concluding appeal to the nation, said: "A vote for the Government means a vote for Empire co-operation in naval defence for the safeguarding of our shores from foreign aggression and for the safeguarding of our sea-borne trade from attack in time of war." A vote for Labour would be a vote for isolation from the rest of the Empire. \(^{35}\) The Labour leader assured the electors that his party, while upholding Australia's safety against external aggression, would "have nothing to do with foreign entanglements leading Australia into war outside Australia." \(^{36}\) But, with the usual exception of the Labor Daily, the Australian press saw no reason to change its traditional allegiance. "The performances and promises of the Government parties are anything but satisfactory," observed The Bulletin, "but they are far less unsatisfactory than those of the Labour Party." \(^{37}\) To the Melbourne Argus such parts of Curtin's defence plans as were positive were futile, and such parts as were negative might prove suicidal. \(^{38}\) The Canberra Times respected the Labour leader but warned that the electors could not "ignore the fact that behind Mr. Curtin are men who cannot be trusted in a crisis." \(^{39}\) Only the Labor Daily professed to believe that the Government would lose the election; on polling day the newspaper advised its readers to vote for "safety
and security" by voting Labour. 40

The election left the Government parties in secure control of the House but with greatly reduced strength in the Senate:

Party Membership in Parliament, 1937

<table>
<thead>
<tr>
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<th>before election</th>
<th>after election</th>
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<tbody>
<tr>
<td><strong>House of Representatives</strong></td>
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<tr>
<td>United Australia Party</td>
<td>31</td>
<td>29</td>
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<tr>
<td>Country Party</td>
<td>15</td>
<td>16</td>
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<tr>
<td>Total, Government</td>
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<td>45</td>
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<td>Labour Party</td>
<td>28</td>
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<tr>
<td><strong>Senate</strong></td>
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<tr>
<td>United Australia Party</td>
<td>26</td>
<td>16</td>
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<tr>
<td>Country Party</td>
<td>7</td>
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<td>Total, Government</td>
<td>33</td>
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<td>Labour Party</td>
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Although there was very little change in the composition of the House of Representatives, the Labour Party managed to win 16 of the 19 vacant seats in the Senate. (The magnitude of the Labour gain in the Senate was made possible by the existing exhaustive preferential voting system, which gave all the Senate seats which could be won in a state to the party receiving the majority of votes in that state.)

It can be argued that in a year of relative prosperity and with the troubles of the outside world not of overwhelming concern to the ordinary voter, the electoral victory of the Lyons Government in a generally quiet campaign may be attributed more to "better the devil you know" apathy than to the relative
merits of the parties' policies. And of course there had been other issues besides defence and foreign policy — e.g. banking, national insurance, marketing, Communism, etc. However, to the extent that the voters were influenced by the debate on external policy, it can be claimed that the people of Australia continued to trust the Government, which gave such comforting reassurances about the protection provided by the British navy. There can be no doubt that the isolationist label had a divisive effect on Labour supporters and cost the party votes; imperial sentiment was still a force to be reckoned with in Australia. Lyons expressed the opinion that his majority would have been greater had it not been for the effect of "parading the conscriptionist scarecrow." A conference of 73 trade unions in Sydney in November 1937 listed the policy of isolation as one of the reasons for electoral defeat. Another major factor was alleged to be the "strife-producing leadership" of "political dictators" in the New South Wales Labour Party, and immediately following the election there were renewed efforts to dislodge the Lang group.

Though few could foresee it at the time, the 1937 election marked a turning-point in the fortunes of the political parties in Australia. From then on the Government was increasingly subject to the internal dissension which was eventually to destroy it. And from then on the Opposition accelerated its drive for unity, the lack of which in 1937 forced Curtin to devise an
external policy which was an uneasy compromise between the obvious need for defence and the necessity of keeping the party intact.

2. Hasluck, p. 82.
4. A concession to the Lang faction.
5. Hasluck, p. 83.
7. Sydney Morning Herald, 21 September 1937.
8. Ibid.
12. Ibid.
15. Ibid.
17. Hasluck, p. 85.
19. Adelaide Advertiser, 18 October 1937.
28. Ibid., 13 October 1937.
30. Labor Daily, 6 October 1937.
32. Melbourne Argus, 19 October 1937.
34. Labor Daily, 20 October 1937.
35. Melbourne Age, 22 October 1937.
36. Ibid.
38. Melbourne Argus, 19 October 1937.
40. Labor Daily, 23 October 1937.
41. "Australia: The Election Results", Round Table, no. 110, March 1938, p. 391.
42. Shepherd, p. 102.
43. "Australia: The Election Results", Round Table, pp. 391-392.
44. Hasluck, p. 86.
45. "Australia: The Election Results", Round Table, p. 392.

Eden's decision was announced on 21 February 1938 and received widespread editorial consideration in the Australian press. In a leader entitled "Realists in Command", the Age claimed that Australians realized that the drift in Europe had to be arrested and recognized that "the type of government in any country must not be permitted to forbid relationships necessary to general peace." The circumstances justify and demand a bold departure." The Argus, which only a few months before had been fulsome in its praise of Eden's firmness to Mussolini, was now confident that "the stiff-necked adherence to certain international principles upon which Mr. Eden insists..."
Seven months before Munich the course of Australian policy had been foreshadowed by the response to the resignation of the British Foreign Secretary, Anthony Eden. The immediate issue which led to Eden's departure from the British Government was the question of yet another attempt to secure an Anglo-Italian accord. Eden, who had been ineluctably associated with the earlier phases of appeasement, nevertheless appeared firm in his attitude to the dictators in juxtaposition with successive Prime Ministers, Baldwin and Chamberlain. The Australian debate centred on the implied change in British foreign policy and the extent to which Australia had been consulted.  

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has had a fair trial, and it has failed... It is apparent that Mr. Chamberlain is acting in the best interests of the British Empire as well as of world peace."

Proclaiming "Good Riddance!", The Bulletin allowed its anti-Communist obsession to produce the startling innuendo that Eden had to resign "because it had become evident that he was the instrument of Franco-Russian policy, working through the League, into which he had escorted the Red Republic." Among metropolitan newspapers only the Sydney Morning Herald indicated misgivings; Eden’s resignation would be widely deplored "because of the uncertainty about the British Government’s future course of action which his going betokens." But within two days the newspaper felt able to reassure its readers: "It is unthinkable that Mr. Chamberlain would so much as consider the sacrifice of any vital British interest in a fresh attempt to conciliate the totalitarian powers... The issue is simply one of what practical policy in the present circumstances is best calculated to sustain British prestige."

The Lyons Government’s reaction to the Eden resignation was hesitant and clumsy. Only after the press had complained about the apparent radical change in British foreign policy without adequate consultation, did the Australian Prime Minister make any statement at all. Lyons then simply declared that Australia had not been consulted because the affair was purely a British domestic matter and thus of no concern to Australia.
When Curtin and even the most conservative newspapers refused to accept this naive claim, Lyons replied that he had secured Chamberlain's authority to state that the British Government still adhered to the policy discussed at the Imperial Conference. "There is no change in the attitude of the United Kingdom towards the League of Nations and collective security." Eden's resignation consequently indicated only a change in method, not in principle.

The Sydney Morning Herald was unable to believe Chamberlain or Lyons; if a decision ultimately bound up with issues of peace and war was not a proper subject for consultation, "it is hard to imagine what is." Mr. Lyons is contributing nothing, either towards the guidance of Australia or the upholding of truth when he states, as he did last week, that there has been no change in British foreign policy," commented The Bulletin. "Of course there has been a change - a tremendous change for the better." Again Lyons had shortly after the announcement of Eden's resignation, various organizations interested in world affairs had sought to arrange meetings to discuss the matter. Thereupon the new Minister for Defence, H.V.C. Thorby (Parkhill had been defeated in the 1937 election), publicly appealed to "all loyal Australians to refrain from entering into controversy through the press, over the air or from public platforms on the present international situation." So it was not surprising when the use of Melbourne Town Hall was refused for a meeting to be addressed by well-known
speakers, and when a leading commercial radio station cancelled a debate on foreign policy. The cant labels "irresponsible" and "disloyal" were applied to those who presumed to question the Australian Government's slavish adherence to Britain's new line in world affairs. 16

Interest in the Eden affair was soon lost in the events culminating in the German seizure of Austria in March 1938. Chamberlain's enunciation of the objectives of British defence policy, in which protection of the Dominions ranked only third in importance after the security of Great Britain and the preservation of essential trade routes, provided further ammunition for the critics of Australian defence policy. 17 At about the same time, on the occasion of the official opening of the Singapore graving dock, Australian newspapers noted that until Britain stationed a battle fleet permanently in Asian waters there was no reason for complacency. 18 Again Lyons had to obtain "clarification" from Britain, and on 14 March he announced that Chamberlain had assured him that the British Government regarded the protection of overseas territories as of first-class importance, and that Singapore was the vital point of the whole system of Empire naval defence in the Pacific. 19 Nevertheless the Australian Government's confidence had been badly shaken. 20 It was in this context that a greatly expanded three-year defence programme was first announced on 18 March. The new plan superseded the one-year programme of August 1937.
and called for a total defence expenditure of £43,000,000, including £18,200,000 for the "maintenance of existing defence services" and £24,800,000 of "new expenditure" (navy £7,750,000, army £5,500,000, air force £8,800,000, munitions and industrial organization £2,750,000). It was planned to purchase two additional cruisers for the navy, but it was not intended to increase the size of the army. The net effect of the new programme was to increase the average annual level of defence spending by roughly 25 per cent.

Throughout the northern summer of 1938 Australia apprehensively watched the deterioration of relations between Germany and Czechoslovakia, occasioned by Hitler's demand for the cession of Sudeten territory. The Minister for External Affairs, Hughes, interpreted Chamberlain's most recent statement of policy as assuming "no new commitments in regard to Czechoslovakia"; in general the Lyons Government supported and encouraged the British Prime Minister in the quest for appeasement. In July Menzies led an Australian trade mission to Germany, and came away greatly impressed by Germany's industrial power and convinced that war between Britain and Germany on the Sudeten issue should be avoided at almost all costs. By the beginning of September 1938 a German attack seemed imminent; on 2 September the Australian Government cabled strong support of the British refusal to make a commitment to go to war in the event of aggression against Czechoslovakia. Representations to the Czech
Government were urged in order to obtain an immediate public statement of the "most liberal concessions" which could be made to Germany. 25

As the crisis deepened the Australian press praised Chamberlain's efforts at mediation. His dramatic flight to interview Hitler at Berchtesgaden on 15 September was seen as a "courageous and inspired act of statesmanship". 26 When the Anglo-French proposals for the cession of large and strategically vital areas of Czechoslovakia were announced, both the Sydney Morning Herald and the Labor Daily (now under industrial trade union control), which had been advocating a firm line towards the dictators, were frankly hostile. The former regarded the proposals as a blow to British honour and prestige, while the latter saw them as proof of Chamberlain's love of Fascism. 27 The remainder of the press, however, repudiated the strong criticism of the British Prime Minister recorded in the cables. The Brisbane Courier-Mail noted that "the most bitter criticism outside Czechoslovakia is offered by those whose words are weighted with the least responsibility." 28 In Sydney The Bulletin was certain of one thing: "Czecho-slovakia cannot be preserved in its present form, a form which has given the Czechs a predominance which they must have abused or they wouldn't be hated so much." 29 The Melbourne Age thought that having endorsed the Chamberlain motive and method the week before, "Australians are not so unstable as to be impressed by present criticism, whether
irresponsible or malign."  

And the Sydney Daily Telegraph gave its readers the consolation that the Anglo-French plan of appeasement was "not one purely of surrender".  

Coerced by Great Britain and abandoned by her allies, Czechoslovakia saw no alternative but to yield to the Anglo-French proposals; but at once Hungary and Poland added demands, and Hitler increased the severity of his terms. Chamberlain then returned to Germany to meet Hitler at Godesberg on 21-22 September, but to no avail. Finally, on 26 September, Britain and France jointly announced that they would support the Czechs in the event of a German invasion, and Germany in turn issued an ultimatum expiring on 1 October. The likelihood of war now dominated the news and editorial columns of Australian newspapers. The Sydney Morning Herald wrote: "Democracy dare not desert the Czech cause now without abandoning the only virtue by which it has a right to endure anywhere."  

With considerable foresight the Daily Telegraph asked "whether war is to be averted by giving Hitler a free hand in Central Europe, or whether it is only being postponed until he is sufficiently strengthened to turn his guns on the West." The Bulletin thought that war was preferable to "the black disgrace and peril of an alliance with the Russians." In Parliament on 27 September, when the Prime Minister again pleaded his inability to make a statement, Curtin rose to reaffirm his opposition to any involvement of Australia in the "quagmire" of another European war.
"No men must be sent out of Australia to participate in another war overseas." As the expiration of Hitler's ultimatum approached, the Age warned its readers that "Australia will not be at peace if Great Britain is at war... The choice is not ours." However, the Australian Government had been "in constant communication, both by cable and by telephone, over the whole course of the last fortnight with Mr. Chamberlain and Mr. Bruce." On 28 September Lyons cabled Chamberlain, and early on the morning of 29 September spoke to him on the telephone about an appeal to Mussolini to intervene with Hitler as a possible means of averting war. Thus, in contrast to the position earlier in the year, the Australian Government was now moving in the direction of meaningful consultation with Great Britain. Further evidence of consultation was afforded by the fact that Lyons was able to place before Parliament on 28 September the text of the most important communications which had passed among the British, German and Czech Governments. But Lyons's long-delayed review of events, delivered to the House of Representatives on 28 September, received little notice in Australian newspapers and was, according to Curtin, "a most extraordinary anti-climax" which provided "no additional information". Although the idea did not originate in Australia, Chamberlain did appeal to Mussolini, whose intervention led directly to Munich.
The Munich Agreement, signed on 30 September (Australian time), involved only minor changes in Hitler's latest demands. A respite had been secured at the expense of the partition of Czechoslovakia; Germany had been confirmed as the largest and most powerful Continental state. With some exceptions the general reaction to Munich in Australia was one of relief and rejoicing, untinged by the sense of shame and humiliation which was to follow. A typical comment was that of the *Daily Telegraph*: "The dramatic success Chamberlain achieved will become historic and will earn for him the gratitude not only of his own people and possibly enemy people, but of the whole world."

The *Age* wrote that "the nations have been provided with a striking object lesson in an improved international technique." The *Bulletin* accepted the Munich Agreement, but thought that in Australia "leadership was lacking" and criticized the fact that "this country had all along been committed in advance." Only the *Sydney Morning Herald* showed that it appreciated what had taken place. It may be that Britain has regained the moral leadership of Europe, observed the newspaper, "but Hitler will be well content to let the moral leadership go while he consolidates the material leadership, which he has won without striking a blow."

When Parliament met on 5 October, Page (in the absence of Lyons) submitted the official text of the Munich Agreement and said: "The whole world welcomed with relief the outcome of the
The Bulletin, 5 October 1938

negotiations at Munich." He hoped that Munich would inaugurate a new era in international relations. Curtin doubted it. "No, I don't know if the Government would have been committed to war if Britain had been the aggressor. If war had occurred it would have come later. The country had been committed in itself..." He was sure that British policy had been influenced by those anxieties, who deplored British involvement in a separate peace..." He said that Australia herself had been influential. "That sort of thing has to happen. It's impossible.

British involvement in the old Commonwealth of Nations will have its price. ..." he said, "and at a time when a country is not the same..."

Czechoslovakia: "It is beyond me to criticise the British decision on Czechoslovakia. but I am sure that the usual forecasts of advantage will not be realised.

Anglo-French security venture gained no time gained for rearmament. But it will stand up well to close Hitler's support if the country were able to stand within self-imposed limitations. The Australian Government was closely associated..."
negotiations at Munich." He hoped that Munich would "inaugurate a new era in international relations." Curtin demanded to know if the Government would have committed Australia to war if Britain had been involved; Hughes answered that if war had occurred it would have required no committal. "We should have been committed to war and no power in heaven or in hell could have saved us from it." The debate was closed by Menzies, who deprecated the idea of a separate foreign policy and said that Australia had been influential in the formulation of recent British policy.

Indeed, there can be no doubt that the Lyons Government, influenced by the view that in the Sudeten dispute "the merits were distributed", not only endorsed British policy but positively urged Great Britain to bring pressure to bear on Czechoslovakia. An assessment of Chamberlain's policy in 1938 is beyond the scope of this study, but it may be observed that the usual retrospective justifications of appeasement (relative Anglo-French military weakness, time gained for rearmament, lack of public support for intervention, etc.) do not stand up well to close examination. The decisive reason for acceding to Hitler's demands on Czechoslovakia was that Chamberlain -- supported by the British and Australian Governments -- was unable to see that vital British interests were involved. Working within self-imposed limitations, the Australian Government was closely associated with a disastrous policy.
Faith in appeasement died slowly in Australia. During late October and early November the Government continued to press Britain to reach agreement with Italy. A section of the Labour Party attacked the accelerated Australian defence programme as "misleading impressions". See Mansergh (ed.), Documents and "an utterly unjustifiable and hysterical piece of propaganda" after Munich. As late as December 1938 Menzies believed that "there was a great deal to be said for Germany rearming," in view of her position. But at the same time the Lyons Government announced a further intensification in defence preparations, raising the estimated expenditure on the three-year programme to £63,000,000. Parliament was reminded of an observation by the Prime Minister in a recent national broadcast, that "events since Munich have not taken us very far along the road to peace."


16. W. Macmahon Ball in Duncan (ed.), *Australia's Foreign Policy*, pp. x-xi.

17. A fortnight later the British Prime Minister, in a speech to the House of Commons on 24 March, undertook to correct "misleading impressions". See Mansergh (ed.), *Documents and Speeches on British Commonwealth Affairs*, vol. 1, pp. 396-400.


19. Ibid., p. 607.


22. Ibid., 25 May 1938, pp. 1375-1376.


24. Ibid., p. 168.


27. Ibid., pp. 45-46.

28. Ibid., p. 46.


38. Ibid., p. 332.

39. Ibid., 28 September 1938, pp. 312-326.

40. Ibid., pp. 306-312.

41. Ibid., p. 326.

42. *Sydney Daily Telegraph*, 1 October 1938.


affairs, but a knowledge of the contemporary political background is a prerequisite to an understanding of the external policy debate.

By the latter part of 1938 the position of the Lyons Government had begun to deteriorate. It had been established originally as an emergency Government, specifically formed to deal with the problems of the depression. But now that recovery had been achieved, many believed that the Lyons Government had outlived its usefulness and was inadequate to lead the nation through the troubled times which loomed ahead. At the centre of the dissension between the United Australia Party and the Country Party was E.G. Menzies, who for more than five years had feuded constantly with members of the smaller coalition party. At the same time many influential supporters of the United Australia Party were growing restive at the long tenure of their ex-Labour leader. Menzies appeared to be the spearhead of a Victorian drive to recapture the leadership of the principal Non-Labour party and the Prime Ministership.

On 24 October 1938, following the break-down of a federal-state conference on defence planning, Menzies addressed a
The change in Australia's leadership in April 1939 was not directly related to questions of defence and foreign affairs, but a knowledge of the contemporary political background is a prerequisite to an understanding of the external policy debate.

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On 24 October 1938, following the break-down of a federal-state conference on defence planning, Menzies addressed a
meeting of the Constitutional Association in Sydney. He spoke at length on the international situation and said that the national effort of Australia compared unfavourably with that of Germany. "Hitler gives the German people a leadership to which they render unquestioning obedience... The first lesson for the Government of Australia is that in these times of emergency we must not hesitate to take the people fully into our confidence and give them leadership along well-defined lines." A number of newspapers took this as the cue to make similar observations. For example, the Sydney Morning Herald wrote: "It is impossible for the Prime Minister further to ignore the growing restlessness of Parliament, the obvious dissatisfaction among his colleagues or the protests in all quarters from the body of the public... The call is for inspiring leadership." It was widely assumed at the time - despite subsequent denials - that Menzies's remarks implied a highly critical view of the Prime Minister as a leader; Lyons was said to have felt the "affront" very keenly. In a radio broadcast a few days later the Country Party leader, Earle Page, implicitly rebuked Menzies by going out of his way to extol the virtues and attributes of the Prime Minister, recalling his substantial contributions to national affairs.

Matters were finally brought to a head by a split between the coalition parties over national insurance. Once a pioneer in the field of social services, by the 1930s Australia had
become a laggard nation. Eventually, under pressure from many directions, the Lyons Government made elaborate and prolonged studies of a national insurance plan covering sickness, medical treatment, pensions for widows and orphans, and improvements to maternity allowances and old-age pensions. In spite of Country Party opposition within the Cabinet the plan was enacted, but implementation of national insurance was delayed. Early in 1939 there were rumours that the Government intended to abandon national insurance, and a meeting of the coalition parties was scheduled for 1 March. But Page jumped the gun; on 20 February he disclosed that a majority of the Cabinet wanted to postpone the scheme on the ground that defence expenditures and industrial preparations for war should be given priority. Most metropolitan newspapers promptly objected to such a course, and the coalition parties retreated to the extent of adopting a greatly weakened version of the original scheme instead of abandoning it entirely.

On 14 March the Cabinet confirmed the drastic modifications in the national insurance plan. Menzies immediately resigned and issued a strongly-worded statement which said, in part: "I frankly do not think we can expect to be taken seriously if we start off again with conferences and drafting committees at a time when we have already so notoriously failed to go on with an act which represents two years of labour, a vast amount of organization, and a considerable expenditure of public and private funds." But Menzies was not closely identified with
the social services (and never became so). His resignation seemed to presage the final break-up of the Lyons Government, with which it was now politically unprofitable to be associated. The man who had been behind much of the disarray within the Government and who was in a position to profit most from it, chose to leave instead of staying on to collect his reward.

It was not generally realized at the time that Lyons's health had begun to fail under the strain of trying to maintain a façade of Government unity. The Prime Minister hoped to retire to a less onerous post and had put to S.M. Bruce the suggestion that he return to politics in order to succeed to the Prime Ministership. Bruce attached extraordinary conditions, however, and the idea lapsed. Before further steps could be taken to arrange the succession Lyons died suddenly on 7 April 1939. It has been alleged that Lyons had wanted at all costs to prevent Menzies from becoming Prime Minister. Page freely admitted the same object. Australia mourned the dead leader and putting aside the criticisms of more recent years paid tribute to his integrity, understanding, patience and tolerance. The comment of the Melbourne Argus was representative: "The tidings of Mr. Lyons's death have filled the people with deep sorrow and with dismay." After a brief pause out of respect for the late Prime Minister, political activity resumed in an atmosphere of uncertainty and confusion. For as The Bulletin reminded its readers, it had been evident for some time that "the Lyons
Ministry was nearing the end of its natural life." Page became Prime Minister until the United Australia Party chose a new leader.

The next fortnight witnessed one of the most dramatic episodes in Australian politics, as a small group led by Page and Casey desperately tried to stop the succession of Menzies. On 12 April Page launched a campaign to secure the Prime Ministership for Bruce. Telephone calls and cables were exchanged (Bruce was in the United States at the time), meetings were held and resolutions were passed, but Bruce set out terms which were utterly remote from political practicality. In retrospect the affair has overtones of comic opera, for the conditions of 16 years earlier (when Page in effect deposed Hughes) no longer obtained; Menzies had most of the necessary backing within his grasp and was not to be denied.

The division of press opinion indicated that whoever became Prime Minister would have to overcome serious handicaps. The Bulletin declared its support for a Country Party Minister, A.G. Cameron of South Australia, because of his frequent demands for a return to compulsory training. The Sydney Morning Herald said that a Government led by Bruce (and preferably including B.S.B. Stevens, the Premier of New South Wales) would give Australia "political stability and progress, and probably achieve a greater degree of national unity than would be practicable at present by any other means." "Bruce's return
would solve the problem of appointing a Prime Minister," added the *Daily Telegraph*. In Melbourne the *Argus* claimed that "Bruce has the qualifications that no member of the present Parliament possesses." However the *Age*, without declaring itself in favour of Menzies, ridiculed the suggestion that the Australian people would accept a Prime Minister chosen from outside Parliament and strongly opposed the recall of Bruce.

When the United Australia Party met on 18 April, Casey put his own chances in jeopardy by proposing Bruce, but the party decided to proceed with the election of a leader from within its own ranks. Of the four candidates Casey and T.W. White were soon eliminated, narrowing the field to Menzies and the veteran W.M. Hughes, now 76 years old. In the next count the majority of House votes went to Hughes, while Menzies secured a majority from the Senate. In the final ballot Menzies prevailed over Hughes by the narrow margin of four votes (23 to 19) and was declared elected. The *Argus* thought that the United Australia Party neglected a "magnificent opportunity" by not selecting Bruce, but the *Age* expressed "intense satisfaction" at the choice of Menzies. The *Daily Telegraph* merely observed that the new Prime Minister faced "grave difficulties". And so Menzies found himself the disputed successor to the leadership of an unhappy party.

But Page was in no mood to yield the Prime Ministership gracefully. Submerged under a mounting tide of personal emotion...
and greatly affected by the death of Lyons, Page became obsessed with the idea of destroying Menzies politically. Earlier Page had declared his unwillingness to serve under Menzies; the United Australia Party having ignored Page's "advice", when Parliament met on 20 April Page announced his resignation as Prime Minister and delivered a ferocious and extremely personal attack on Menzies as a disloyal colleague. In his bitter speech Page charged that the incoming Prime Minister lacked the essential qualities of leadership and impugned his motives, courage and judgement. Menzies replied in a restrained, dignified speech which did much to earn him sympathy and consolidate support, from outside as well as from within his party. Page could hardly have foreseen that in the process of trying to discredit Menzies he himself would be almost ruined. But the press was unanimous in denouncing the behaviour of the Country Party leader. Page's speech "stamped its author as being unfit to hold even temporarily the high and honourable post into which the accident of political circumstance had thrust him," commented the Sydney Morning Herald. His speech "was a violation of the decencies of debate without parallel in the annals of Parliament." To the Melbourne Argus Page emerged "with a stain on his record which would seem to be permanent." The Bulletin observed: "The manoeuvres that preceded and the scene that followed the selection of a Prime Minister have not increased Australia's respect for the way
they do things at Canberra... Page delivered an attack on Menzies which has achieved only one noticeable result – the eclipse of Page... The speech outraged the average Australian's sense of decency and fairness."^32

The son of a Victorian country storekeeper, R.G. Menzies had achieved a brilliant record at school and university, success as a barrister and a rapid rise in Victorian politics. In 1934 he had entered federal politics and following election to Parliament had received the post of Attorney-General, a position he continued to occupy until just before becoming Prime Minister. In his early years at Canberra Menzies's superior gifts had distinguished him as a man whom it would be extremely difficult to out-rival, rather than as one whom it would be natural to follow.^^33 A self-proclaimed "King's man", who at times appeared to identify himself more with Great Britain than with his own country, Menzies was never one to suffer fools gladly, and he was often accused of an excessive sense of intellectual superiority, which manifested itself in allegedly arrogant speech and conduct. Although his personal ability was beyond question, there was considerable doubt about his capacity to command popular support in the country. An untried leader, Menzies faced a difficult prospect, whether it was federal politics, the national economy or the threat of war.

Because of the withdrawal of the Country Party from the
coalition the new Prime Minister, who also became Treasurer, had to form his Government from the United Australia Party minority of 26 members in the House and 17 in the Senate. Hughes became Attorney-General, Casey Minister for Supply, G.A. Street (who had succeeded Thorby) retained Defence, and H.S. Gullett took over External Affairs. Other leading members of the Cabinet were J.V. Fairbairn, E.J. Harrison and Senator McLeay.

An ominous sign for the new Menzies Government was the loss of Lyons's old seat to a Labour man. For although the Labour Party had not yet succeeded in winning over the Lang group in New South Wales, it was obvious that the party was rapidly improving its prospects under Curtin's skilful leadership.

This, then, was the context in which the defence and the foreign policy of Australia were debated during the next two years.

4. Sydney Morning Herald, 26 October 1938.
5. Page, p. 264.
6. Ellis, p. 236.
7. Ibid., p. 237.
14. Melbourne Argus, 8 April 1939.
15. The Bulletin, 12 April 1939.
17. The Bulletin, 12 April 1939.
20. Melbourne Argus, 17 April 1939.
23. Page, p. 274.
25. Ibid.
26. Melbourne Age, 19 April 1939.
27. Sydney Daily Telegraph, 19 April 1939.
30. Sydney Morning Herald, 21 April 1939.
31. Melbourne Argus, 21 April 1939.
32. The Bulletin, 26 April 1939.
33. Hasluck, p. 111.
34. Sponsor of the ill-fated trade diversion policy.

Yet the Australian Government would hardly have disagreed with the British Prime Minister. The Australian press, noting that Poland was "very far away" and had never been guaranteed by Britain before, "It was thrice partitioned without British interference," recalled The Bulletin, implying that Britain need not be concerned about a possible fourth partition of Poland.
Chapter 17—The End of Appeasement

For Australia, as for Great Britain, the German annexation of Czechoslovakia on 15 March 1939 provided unequivocal evidence that appeasement in Europe had failed. Shortly after the occupation of Prague, Chamberlain in a speech in Birmingham conceded that further attempts at conciliation were hopeless and said that resolute action was imperative to check aggression; most Australians readily agreed with the British Prime Minister. Britain's hasty extensions of unilateral guarantees to Poland on 31 March and to Greece and Rumania on 13 April were symptoms of the new spirit of resistance. However, Great Britain once again failed to consult the Dominions on a vital change of foreign policy; it was later claimed by the British Government that the time factor had precluded prior consultation. In general the Australian press accepted the new policy while expressing dissatisfaction with the manner in which it had been inaugurated. The principal dissenter was The Bulletin, which noted that Poland was "very far away" and had never been guaranteed by Britain before. "It was thrice partitioned without British interference," recalled The Bulletin, implying that Britain need not be concerned about a possible fourth partition of Poland.

Yet the Australian Government would hardly have disagreed
with the new British policy had proper consultation taken place. In his first broadcast to the nation as Prime Minister on 26 April, Menzies reaffirmed the Government's support of Great Britain. "The peace of Britain is precious to us," said Menzies, because "her peace is ours; if she is at war, we are at war, even though that war finds us not in European battlefields, but defending our own shores." Australia could not depend upon British naval protection but refuse to co-operate with Great Britain at a time of common danger. "The British countries of the world must stand or fall together." In Parliament the Minister for External Affairs, H.S. Gullett, admitted that there were conceivable circumstances in which Australia might not participate in a British war, but he claimed that there was complete unanimity between the two Governments as to the policy being followed and as to any action which might arise out of that policy. In reply Curtin said that Gullett's explanation showed that the Government now agreed with the Labour Party's conception of Australia's position. The Labour leader stressed "the responsibility of the Australian Government, and of no other government, for the people of Australia being engaged in war." Curtin's general endorsement of the Government's view of world affairs indicated that his party now regarded the situation more directly and simply as one of great danger to Australia. Not all members of the House were satisfied with the position, however. A.G. Cameron,
an influential Country Party spokesman, strongly criticized the British commitment to the defence of Eastern Europe. E.J. Ward was suspicious of the Government, which, he said, had "committed Australia to a great deal."

The Australian Government's association with the new policy of resistance in Europe did not commit it to a similar policy in Asia. Menzies's speech of 26 April made it clear that Australia still hoped to conciliate Japan and henceforth would act more independently in the Pacific. While deprecating "exaggerated ideas of Dominion independence," the Prime Minister stated that in the Pacific "Australia must regard herself as a principal, providing herself with her own information and maintaining her own diplomatic contacts with foreign powers," especially the United States, China and Japan. The decision to open Australian legations, first in the United States and Japan, gave substance to the Prime Minister's words. The proposal for separate diplomatic representation was received with enthusiasm; at long last both the political spokesmen and the public of Australia were apparently becoming "Pacific-minded".

An important aspect of the Government's friendly attitude to Japan was the anxiety that any Anglo-French agreement with the Soviet Union not be extended to Asia, as such a step might further estrange Japan. Menzies alluded to the matter in Parliament when he said that (in regard to the negotiations
with Russia) "the special interests of Australia in the Pacific" had been properly emphasized. The Prime Minister had not been very explicit, but the policy of the Government was clarified by Gullett a few weeks later. "From the beginning of the negotiations for the inclusion of Soviet Russia in the European anti-aggression group, it was clear that the effects which an eventual agreement might have on Japan could not be disregarded... It is not intended that such an agreement shall have any application outside Europe, and in all the circumstances the Australian Government is satisfied that it would not prejudice the interests of Japan." Although a few newspapers, notably the Sydney Morning Herald, favoured an alliance with the Soviet Union, Australian opinion was mostly unenthusiastic; The Bulletin, predictably, was implacably opposed to the idea.

Undoubtedly the support of the Australian Government for an agreement with the Soviet Union was conditional upon its having no positive application outside Europe. Although Australia insisted that a pact with Russia must not provoke Japan, it is not suggested that this attitude contributed to the eventual break-down of the Anglo-Soviet negotiations.

In February 1939, only two months after the announcement that the increased figure for the three-year defence programme would be £63,000,000, the estimate had been further raised to £70,000,000 - an increase of about 330 per cent over the amount spent on defence in the three years 1934-1937. The
planned size of the volunteer militia, which had been increased from 35,000 to 42,000 immediately after Munich and shortly afterwards had been raised to 70,000, was again increased. Hughes announced on 20 February that recruiting would continue until the strength of the militia reached 82,000.

The Menzies Government still resisted strong pressure in favour of compulsory training, but at the end of March it was decided to establish a compulsory national register of all men between the ages of 18 and 64 in order to provide for the allocation of labour in the event of an emergency. The necessary bill was introduced in Parliament on 11 May by the Minister for Defence, who denied any attempt at industrial conscription. Labour opposed the bill because, said F.M. Forde, "it constitutes a grave danger, both in substance and by implication, to the freedom and democratic rights of the Australian people." Forde claimed that the national register would be a step towards industrial conscription, that it would be the fore-runner of compulsory military training, that it would make no provision with regard to wealth, that it would be unnecessary, and that it would ignore "the imperative need for an Australian contribution towards a solution of the economic and social problems which have led to the present world unrest." But in view of the fact that eight months before, Curtin had called for a manpower survey because it was "essential that the number of men able to carry out all forms
of work be known," Labour's opposition was probably directed more against the Government than against the bill itself. The debate dragged on for many days; Labour members were united in distrust of the Government's motives. In defence of the bill Street maintained that a register of wealth was unnecessary and impractical. The taxation powers of the Government in relation to national wealth and income were "unlimited" and in times of emergency "could be exercised in any manner desired without the necessity for any preliminary examination as to its distribution." None the less, in the hope of removing the hostility to the plan for a national register, the Government eventually accepted an amendment which provided for the inclusion of a "census of property". In due course the legislation was passed on a party vote. From the time it first had been foreshadowed, Labour groups repeatedly protested against the national register. A few weeks after its enactment, a meeting of the Australasian Council of Trade Unions in Melbourne called on all trade unionists to "boycott" the national register. The Bulletin condemned such resistance as "unpatriotic as well as lawless", but the Government was unable to obtain full compliance with the law until after the outbreak of war.

The Government's defence plans included an important expansion of the air force. In addition to the purchase of aircraft from Great Britain and the United States, at the end
of March 1939 it had been announced that Australia would begin
the manufacture of aircraft in 1940 and would complete an
initial order for 400 by 1942. The number of air force
personnel was to be doubled. Provision was made for the
construction of two destroyers and a number of motor torpedo-
boats, all to be completed by the middle of 1941. The naval
programme also envisaged the manufacture of mines, the strengthening of coastal and harbour defences, the building up of fuel
and munitions reserves, and the expansion of facilities at Darwin. The new Ministry of Supply and Development, headed by
R.G. Casey, had as its task "to put Australia in a position to
be able to withstand a siege", by making the nation "industrially self-supporting" and "quite independent" of imported materials.

By the beginning of Parliament's winter recess the three-year
defence estimate had risen again, this time to £78,000,000. One particularly embarrassing item of business for the Prime
Minister before the start of the recess was the indefinite postponement of the national insurance scheme. In the light of Menzies's previous stand on the matter, Earle Page called the
new attitude "perhaps the greatest volte-face ever made by a public man in the political history of Australia." Although
the proposed expenditure on defence (as a proportion of national income) was not very high when compared with the efforts of other countries, conservative groups opposed to national insurance used the rising cost of defence as a justification
for deferring an expansion of social services. 159, 9 May 1939, p. 198.

6. Throughout the final months of peace in Europe, Australia adhered to a conciliatory stance towards Japan while watching the fatal drift in Continental affairs. The policy of the Government in regard to Japan, as expressed by the Prime Minister, was "to increase our cultural relationships, our personal contacts, to improve all of those things which go to make up a real and permanent understanding." 32 Britain, however, in view of the steady encroachment of Japan on British interests in China, began to take exception to the Australian policy. In August 1939 a British spokesman complained that Australia's policy towards Japan appeared to be one of "constant retreat, neither likely to succeed in the long run nor consistent with the dignity or the interests of the British Empire." 33

The principal gain for Australia in the year which elapsed between Munich and the outbreak of war in Europe was the narrowing of the gap which separated the Government and the Opposition on major issues of external policy. Emphases still differed, but there was a wide measure of agreement about action to be taken. The moral of Munich was clear for almost all to see. 8 June 1939, pp. 1544-1545.

2. Ibid., p. 173.
4. Melbourne Age, 27 April 1939.
Trade considerations still influenced the Australian attitude to Japan. In mid-1939 one journal wrote: "A hopeful sign for the future is that Japan is prepared to purchase two-thirds of her wool requirements from Australia... On the other hand, the military policy of Japan is somewhat disturbing, particularly in view of the uncertainty of British naval power in the Pacific." "In the Pacific", Australian National Review, vol. 6, no. 31, July 1939, p. 2. See also Lionel Wigmore, Australia in the War of 1939-1945: The Japanese Thrust, Canberra, 1957, p. 11.
For some months the Australian public had been led to expect the adherence of the Soviet Union to the Anglo-French alliance. 1 The news of the Hitler-Stalin Pact came, therefore, as a profound shock. Newspapers which had supported the abortive Anglo-Soviet negotiations reacted with disbelief to the sudden reversal. The Sydney Morning Herald, for example, hesitated to place a sinister interpretation on the pact because "Russia has shown time and again that she believes her ultimate interests to lie in the preservation of peace through collective action against aggression." 2 The outspoken opponent of any dealings with the Soviet Union, The Bulletin, called the Hitler-Stalin Pact a "thunderbolt" which fell "under the very noses of a press which saw salvation for the democratic world in a Russian alliance." 3 Many Australians were in fact relieved to learn of the pact, which was regarded as an assurance that there would not be an immediate breach of the peace in the Pacific. Japan for the time being remained "neutral".

Australia had been forewarned that Great Britain would stand by the undertaking to Poland. 4 The Australian Government accordingly put into effect previously planned emergency arrangements, and on 25 August 1939 the Prime Minister broadcast a warning that "the next few hours may find the world
at war. "Australia would be involved, said Menzies, "because, in plain English, the destruction or defeat of Great Britain would be the destruction or defeat of the British Empire and would leave us with a precarious tenure of our own independence." 5

The days slid by; in contrast to the week which preceded Munich, Europe was diplomatically quiet; there were no serious attempts to avert imminent war. A glimmer of hope remained to the very end, but Australia was hardly surprised by the German attack on Poland. "No matter how grim and hazardous the struggle may prove, the Nazi challenge has now to be met," declared the Sydney Morning Herald. 6 Yet Chamberlain delayed British action almost to the point of losing the support of the British Parliament. Finally, on 3 September, Britain implemented her self-imposed obligation to Poland by declaring war on Germany. Shortly after Chamberlain's announcement to this effect, Menzies broadcast to the Australian people: "It is my melancholy duty to inform you officially that in consequence of a persistence by Germany in her invasion of Poland, Great Britain has declared war upon Germany, and that as a result Australia is also at war." A review of the situation made it clear that Hitler had been set upon war. But he would "undoubtedly learn, as other great enemies of freedom have learned before, that no empire or dominion can be soundly established upon a basis of broken promises or dishonoured agreements." 7 The press endorsed the Prime Minister's statement. The Sydney Morning Herald said:
"The guilt of Germany for the invasion which began on Friday, and for the appalling consequences which must follow, is as clear as the crime itself is heinous." The Bulletin accepted Australia's entry into the war reluctantly and resented the position of the United States. "Now that support for Poland has involved Britain in war," wrote The Bulletin, "Australia, New Zealand and Canada will not shirk their share of the responsibility, whatever the English-speaking republic that has twice the white population of the British Commonwealth may choose to do." Though the Australian Parliament was in session, it was not summoned to ratify or endorse the nation's entry into the war, because in the opinion of the Menzies Government no separate declaration of war by Australia was required. Why was Australia at war? Not because of any commitment to Poland. Australia entered the war partly because of the Non-Labour view of her membership of the British Commonwealth, partly because she saw that the overthrow of Great Britain in Europe would eventually mean a direct threat to Australia either by Germany or Japan, and partly because of her view of international morality and the foundations of a stable community of nations. When Parliament met on 6 September Menzies submitted copies of the documents which had been exchanged between Britain and Germany. "Nobody can foretell how this war is going to be fought, what special dangers Australia may encounter, or what are the best services which we can render to Great Britain and
the Empire," said the Prime Minister. "But we do know that
we are together in this struggle, and we are confident that
our unity and determination, being based upon justice, are
bound to succeed." The Labour Party refrained from challenging
the manner in which the Menzies Government associated Australia
with the war. In his speech Curtin promised full support for
the war effort; his party stood for the defence of Australia
and the British Commonwealth. At the same time Curtin reiterated
Labour's traditional refusal to serve in a national government,
on the ground that the real interests of a democracy could be
most effectively safeguarded even in time of war by the existence
of a vigilant Opposition. The Labour leader called for Govern-
ment ownership of factories producing war materials, and for
control of commodity prices, rents, interest rates and the
national debt. There should be "the very minimum of interference
with the civil liberties of the people" in carrying through
measures for national security; Parliament should remain in
session. Other Labour speakers stressed the need for vigilance
in regard to war profiteering; some United Australia Party
and Country Party members suggested the raising of an expedition-
ary force. In general the debate indicated greater agreement
and unity of purpose as to external policy than Parliament
had witnessed for many years. The chief concerns of Parliament
in the first weeks of the war were the training and organization
of military forces, the maintenance of democratic practices
and liberties, and the financing of the war effort. In addition to the foregoing, the Government was occupied with the general question of establishing the administrative organization for war. 14

The outbreak of war coincided with the termination of Earle Page's long term as leader of the Country Party. Following an unsuccessful attempt to re-establish the coalition on Country Party terms (understandably rejected by Menzies on the principal ground that he could not contemplate a hostile Page in the Cabinet), Page's position had become untenable, and he submitted his resignation on 13 September. 15 A.G. Cameron became the new party leader, but Menzies declined further negotiations for a coalition. Thus the Country Party remained out of office, although it undertook to support the Government on all essential matters.

Less than a fortnight after Australia's entry into the war, the Government came under fire for "lack of leadership". Many believed that despite the considerable measures already initiated, the Menzies Government's attitude was still essentially "business as usual". "In many quarters people are slow to realize what this war means," complained The Bulletin. "They behave as if they were taking up an old familiar round after a long sleep." 16 The Sydney Morning Herald noted that the immediate anxiety was that "the Government is lagging behind the people of Australia in determining the part Australia
should prepare herself to play." 17 Outside of Sydney the press was generally satisfied with the performance of the Government, but the Sydney Morning Herald and The Bulletin repeatedly attacked the Prime Minister. "There may have to be a war leader taking over," asserted The Bulletin on 4 October, "or Mr. Menzies will need to change." 18 Parliament adjourned from 22 September until mid-November, leaving the discussion of foreign affairs to the press.

When the Soviet Union invaded eastern Poland as envisaged in the Hitler-Stalin Pact, the Sydney Morning Herald commented that if any condonation of Russia's violent opportunism was possible, "it must be found less in her attempt to reclaim minorities and recapture lands which had been hers for 125 years, than in her unavowed determination not to risk a German absorption or domination of all Poland." 19 A month later the same newspaper made further observations on the position of Russia: "Hitler's main diplomatic aim is now clearly to embroil the Soviet Government with the Allies, but Stalin's astute diplomacy suggests that he is unlikely to be manoeuvred into assisting Germany to fight her battles." 20

The rapid success of German blitzkrieg tactics in Poland, coupled with the inability of the Allies to directly aid the latter and their unwillingness to take the initiative on the western front, contributed to a growing sense of frustration in Australia. From early October onwards there was talk of the
GENERAL MUDDLE IN CONTROL.

"Come, come, my man—I’m doing all I can."
possibility of a negotiated peace, and although Hitler's proposals were rejected by the British and Australian Governments, the idea found some support from sections of the press, some trade unions, some business men and some intellectuals.

The Melbourne *Age* observed approvingly that in rejecting Hitler's overtures, Chamberlain "shrewdly did not close the diplomatic door." A "compromise settlement" would not have been opposed by The *Bulletin*: "For Australia there is one war aim and one only - security with guarantees... To take less would be weakness. To insist on more would be madness." For some time there was no fighting anywhere in Europe, and people began to refer to the "phony war". Then at the end of November 1939 the Soviet Union attacked Finland, much to the discomfort of those Australians who believed that eventual Allied co-operation with the Russians was unavoidable. "Whatever justification may have existed for Stalin's action in forestalling the occupation by Nazi troops of eastern and preponderantly Russian Poland," said the *Sydney Morning Herald*, "is entirely lacking in the case of Finland." The *Age* thought that "the war being waged on Finland is not for any morally defensible principles, but merely in response to a Soviet urge for imperial expansion by violence." As usual only The *Bulletin* claimed not to be surprised by developments: "Nowhere did 'parlour pinks' fall heavier for the Soviet peace swindle than in Australia. Right up to the day of Stalin's invasion of Finland they were apologists..."
for the alleged apostle of peace and his works. They have since been turning somersaults all over the place."  

Initially the Menzies Government had no plans for the despatch of Australian forces overseas to the theatre of war, but it had been announced on 15 September that a second Australian Imperial Force of 20,000 men would be recruited for service in Australia or overseas as circumstances required. The Labour Party welcomed the Prime Minister’s repeated assurances that there was "no question of conscription" for overseas service, but continued to formally oppose compulsory home service and expeditionary forces. Curtin did not think compulsory training was necessary because the Government had been "turning away volunteers" for the militia and had "failed to pay the volunteers decently." The expeditionary force was unwise because the maximum armed forces were needed at home to ensure Australia's own safety. But the Government prevailed, and Labour opposition to the two measures gradually weakened as the weight of public sentiment became apparent.  

Although, after much hesitation, it was announced that the Australian Imperial Force would leave for overseas in the beginning of 1940, the end of the year found Australia in a mood similar to that which prevailed in Great Britain and France – uncertain, confused, waiting for Germany to make the next move.
PART VI—SETBACK IN EUROPE, 1940

1. "Australia at War", Round Table, no. 117, December 1939, p. 190.
2. Sydney Morning Herald, 23 August 1939.
4. Hasluck, p. 149.
5. Melbourne Age, 26 August 1939.
8. Sydney Morning Herald, 4 September 1939.
10. Hasluck, p. 156.
12. Ibid., pp. 36-40.
13. Ibid., pp. 40-79.
15. See Page, pp. 282-284; Ellis, pp. 244-249.
17. Sydney Morning Herald, 19 September 1939.
20. Ibid., 28 October 1939.
24. Melbourne Age, 1 December 1939.
27. Sydney Morning Herald, 16 September 1939.
29. Ibid., 16 November 1939, p. 1195.
30. Hasluck, p. 166.
PART VI- SETBACK IN EUROPE, 1940

Chapter 19- The Outlook in Australia

The more the international situation deteriorated, the more Australians became aware of their isolation in the Pacific. Increasingly concerned about the relative decline in British power, graphically demonstrated in both Europe and Asia, the Australian Government had begun to work for the development of closer ties with the United States. The lessons of the politically inept policy of trade diversion had been learned, and by May 1937 an Australian liaison officer had been appointed to serve in Washington. But for a long time the officially isolationist United States remained the "enigma of the Pacific"; there was much speculation in Australia about the probable American reaction to a war between Japan and the British Commonwealth.

Finally, in January 1940, the long-delayed appointment of an Australian Minister to the United States was announced, and there was general satisfaction at the selection of R.G. Casey. The United States reciprocated with the appointment of Clarence Gauss, considered an authority on Asian affairs. In due course Casey resigned from Parliament and travelled to Washington, where in his first interview with President Roosevelt he was disappointed but not surprised to hear that "the element of distance denoted a declining interest in Australia on the part
IN DARKEST AMERICA.

"Mr. Casey is to be sent to Washington as Australia's representative. ... The U.S.A. 'neutrality zone' is to be increased from 300 miles to 800 miles."

"Dr. Livingstone, I presume?"
of the United States,5 in comparison to American interest in Canada and Latin America. The departure of Casey necessitated a by-election for the vacant seat of Corio, a mixed constituency in Victoria. The principal candidates were J.J. Dedman for the Labour Party and J.T. Vinton Smith for the United Australia Party; the by-election attracted national interest as a test of the popularity of the Menzies Government after almost a year in office and as an indicator of possible future trends. Although the Government accepted a Labour challenge to treat the Corio by-election as a forum for debating external policy, the issue was complicated by domestic matters including a damaging charge of scandal involving the Minister for Trade and Customs, and the United Australia Party conducted a campaign "full of blunders."6 None the less, on the day of the election the Melbourne Argus said that it was generally admitted by the contestants that "the great issue before the Corio electors is decision between the divergent war policies of the Menzies Ministry and the Labour Party."7 In the event Labour won the encounter, Dedman emerging with a substantial majority of more than 3,000 votes.8 Commenting on the result the Argus was at variance with its polling day opinion: "A great opportunity has been missed... The result is not a definite pronouncement against a virile and worthy war effort by Australia - far from it."9 The Bulletin, however, thought that "the electors were determined to show the Government
that they objected to it on grounds unrelated to the war." The
moral was that the people wanted a Labour Government; Menzies
ought to resign and advise the Governor-General to "send for
Mr. Curtin, as the leader of the largest party" in the House. 10

But the Government declined to accept the advice of the
critical press. Instead Menzies boldly exploited the electoral
set-back by announcing that the size of the Australian Imperial
Force would be greatly increased from one to three divisions,
requiring a total enlistment for overseas service of about
90,000 men. It was then estimated that the cost to Australia
of two years of war would be at least £180,000,000. Corio also
produced a renewed attempt to re-establish the coalition with
the Country Party; Menzies was especially anxious to "harness"
A.G. Cameron, who had been as persistent and vigorous a critic
as the leader of the Opposition. 11 In a letter dated 7 March
1940 the Prime Minister offered more liberal terms to the
Country Party than had been available the year before 12— the
eclipse of Page having removed an important personal obstacle
to United Australia Party–Country Party co-operation. Menzies's terms
were accepted and on 14 March five Country Party members
(Cameron, Thorby, John McEwen, A.W. Fadden and H.K. Nock)
joined the Government. For a time the reconstruction of the
Government yielded the desired increase in stability, but the
improvement proved to be short-lived, and the Menzies Government
faced the coming election with declining confidence.
The so-called "phony war" ended with a jarring suddenness when the Germans invaded the neutral countries of Denmark and Norway on 9 April 1940. "Unity may have weakened and the spirit of sacrifice flagged while the war has slowly gathered momentum," wrote the *Sydney Morning Herald*, "but now that it has broken in fury over Scandinavia the time has come to close up the ranks and give battle as united and resolute peoples to the enemy of mankind." Yet the Menzies Government was slow in realizing the gravity of the situation, as indicated by the sanguine view of current events taken by the new Minister for External Affairs, John McEwen, in the House of Representatives ten days after the beginning of the attack on Norway. McEwen conceded the possibility of an early invasion of Belgium and the Netherlands, but he believed that in the preceding seven months the Allies had made up part of the initial German advantage. "If the attack comes the Allies are ready to meet it." In regard to Asia, McEwen "noted with gratification the American declaration to the effect that intervention by Japan in the affairs of the Netherlands East Indies would be "prejudicial to peace in the whole Pacific area." Despite Allied attempts at resistance in northern Norway and despite a British naval success at Narvik, it was soon clear that Norway would be lost. On 10 May the full fury of a German blitzkrieg was directed against the Low Countries, but again the Australian people at first seemed to be unperturbed.
The resignation of Chamberlain, a logical and indeed long overdue end to the leadership of a man who was the symbol of a bankrupt policy, and his replacement by Winston Churchill was regarded in Australia as a ground for renewed confidence in the Allied cause. "The news of the formation of the Churchill Government is a welcome offset to the anxious tidings received from the western front," commented the Sydney Morning Herald. The rapid advance of the German forces through Holland and Belgium into France caused apprehension to displace the former optimism in Australia. If somewhat overdrawn the reaction of the Sydney Morning Herald still reflected the fears of a great many Australians: "The future of Australia hangs in the balance of the fearful struggle in which the Allied and German armies are now locked in France and Belgium." Because of the often equivocal and inaccurate reports which appeared in the Australian press, the news of the cutting off from the coast of the British army came as a great shock to the Australian public. The consequent relief felt at the evacuation of 330,000 British, French and Belgian troops from Dunkirk tended to obscure the reality of the Allied defeat. Subsequently France's resistance crumbled, and on 10 June 1940 Italy entered the war. "Now that the black hand of Fascism has grasped the red hand of Nazidom, the ideological line-up is complete," wrote the Sydney Morning Herald. "The issue is more than ever clear; and the nations who are for justice and freedom must stand together or fall separately
beneath the totalitarian heel." Yet The Bulletin maintained
its belief that the opportunity for such a spectacular set-back
to British prestige should never have occurred: "Non-intervention
in the affairs of Europe was the policy of the wisest of our
ancestors, and it has been departed from with results which
have staggered all, except perhaps those who departed from it." The fall of France and the massive German air assault on
Great Britain had a far-reaching effect on Australia. The nature
of the war had changed and from then on the watchword was
"all in". Labour opinion was on the move. At a party conference
on 19 June a series of resolutions was passed which, inter alia,
called for complete co-operation with the Allies, demanded a
total war effort, and - significantly - endorsed the Government's
policy on compulsory training for home defence and the use of
a volunteer expeditionary force. Following the formation of
the British National Government there were renewed demands for
a similar arrangement in Australia, but Curtin adhered to the
traditional Labour attitude against participating in a coalition.
The conservative press, in part motivated by fear of the defeat
of the Government in the coming election, frequently attacked
the Labour position. For example, the Melbourne Argus said:
"Mr. Curtin fails to perceive that every word he has ever uttered
in favour of a maximum war effort, of Labour's part therein,
and of Australia's worthy participation in the Empire's great
task has been an argument in favour of a national government."
On the Government side, new measures aimed at a general acceleration of Australia's war effort and an urgent stepping-up of aid to Britain were announced.27 For several months in mid-1940 the Asian policies of the United States and the British Commonwealth diverged. The Americans were increasing their support of China, while the British and the Australians were finding it expedient to temporize and to appease Japan.28 On 27 and 28 June Casey and the British Ambassador, Lord Lothian, met the American Secretary of State, Cordell Hull, to review the situation; the two diplomats wanted to know how far the British could go in making a settlement with Japan without antagonizing the United States; it was suggested that American warships be sent to Singapore. Hull replied that American ships would not be sent to Singapore, for that would seriously weaken Atlantic defences, but the United States would continue the policy of economic pressure on Japan. Thus "the answer to Japan's demands was largely left to Britain."29 The most controversial Japanese demand was for the closing of the Burma Road, a major supply route to China. Having concluded that the American Government "would not blame us in the least if we gave way on the issue of the Burma Road,"30 Britain and Australia yielded to Japanese pressure. The Burma Road was closed for three months from 17 July—the climax of British appeasement of Japan. This further revelation of Britain's weakness in Asia caused the Australian press to take up again
The appointment of J.G. Latham as the first Australian Minister to Japan in August 1940 indicated the desire to improve relations with Japan and to acquire independent information about the policies and intentions of the Japanese. But the Government stressed that this step did not imply a departure from British Commonwealth "close co-operation and collaboration". General approval of Latham's appointment was voiced throughout Australia. The appointment "recognizes this country's need to cultivate more harmonious relations with a powerful Pacific neighbour," commented the Argus.

Despite the set-back in Europe, mid-1940 found the Menzies Government still faced with the problem of mentally preparing the people for war. While a section of the press and public opinion believed that the Government needed to be stirred up, almost everything the Government attempted met with strong resistance from one section or another of the public. The life of the community went on much the same as if there were no war. To remedy the situation the Prime Minister on 8 June announced the appointment of a leading publisher, Keith Murdoch, to the post of Director-General of an expanded Department of Information. However, a serious tactical error compromised Murdoch's position.
and led to his early resignation. "The nation had been deeply stirred by danger but had not yet changed many of its peacetime habits." On 13 August 1940 the Menzies Government was dealt a cruel blow by the death in an air crash of three important Ministers, Gullett, Fairbairn and Street. In their places P.A.M. McBride, A.W. Fadden and Senator Collett entered the Ministry, the first two also becoming members of the War Cabinet.

The Government and some newspapers briefly entertained the idea of deferring the constitutionally required national election on the ground of wartime necessity; Curtin's reaction was that the Labour Party would agree to a postponement if conditions warranted, but he saw no need for such an extraordinary step at that time. Menzies soon came round to the view that a postponement was impracticable, and on 20 August he announced that the general election would be held on 21 September. Whether or not the Government's period of indecision had anything to do with apprehension over the outcome of the election, there can be no doubt that the Labour Party's attitude was influenced by a growing confidence in the result. Although the Lang faction was still outside the fold, the Labour Party was moving with determination towards unity, and the authority of Curtin was being more firmly established. The month before the election Curtin confronted the New South Wales dissidents on their own grounds. He reminded a meeting of trade unionists
in Sydney that Australia was a "workers' country" and that the Labour Party had given "its utmost support for the defence of the country and for the prosecution of the war." They might be opposed to the Government but they were not opposed to the country which the Government governed. Australia, New Zealand and Great Britain were the only places in the world where Labour supporters could raise their heads and be articulate. Curtin pleaded for unity and said that victory was within the party's grasp.

1. J.G. Crawford in Duncan (ed.), Australia's Foreign Policy, p. 94. See also George Fairbanks, Aspects of American Foreign Policy, 1933-1941, Sydney, 1963 (unpublished paper).
3. E.g. Melbourne Age, 9 January 1940.
6. Hasluck, p. 205.
7. Melbourne Argus, 2 March 1940.
8. Melbourne Age, 4 March 1940.
9. Melbourne Argus, 4 March 1940.
10. The Bulletin, 6 March 1940.
11. "Australia: Political Changes", Round Table, no. 119, June 1940, p. 690.
13. Sydney Morning Herald, 10 April 1940.
15. In fact the opposite had occurred.
17. Ibid., pp. 205-206.
18. Hasluck, p. 211.
19. Sydney Morning Herald, 13 May 1940.
20. Ibid., 23 May 1940.
22. Sydney Morning Herald, 12 June 1940.
23. The Bulletin, 10 July 1940.
25. "Australia: Political Chronicle", Round Table, no. 120, September 1940, pp. 916-918.
27. Hasluck, pp. 213-216.
28. See Grattan, The United States and the Southwest Pacific, pp. 165-171; Esthus, pp. 73-78.
29. Casey, Personal Experience, pp. 34-35.
30. Ibid., p. 35.
31. Melbourne Argus, 2 August 1940.
33. Melbourne Argus, 19 August 1940.
34. Hasluck, p. 237.
35. Melbourne Age, 10 June 1940.
37. Ibid., p. 242.
40. Sydney Morning Herald, 29 July 1940.
42. See Hasluck, pp. 246-254.
43. Sydney Morning Herald, 9 August 1940.

The Prime Minister replied on 2 September with a strong defence of his wartime administration. He made no attempt to match Labour's promises, saying that greater sacrifices would be required. Menzies dealt at length with the refusal of the Labour Party to agree to the formation of a national government, and implied that the electors should take note of this "irresponsible" attitude and return the Government with an increased majority. The Government campaign referred to economic policy in general, finance, price control, primary production and marketing, manufacturing and aircraft construction;
Chapter 20—Political Instability

Because of the exigencies of war the election campaign of September 1940 had to be brief. ¹ The Labour campaign began officially on 23 August, when Curtin broadcast to the nation from Perth. The Labour leader adhered closely to the policy adopted at the June party conference, and he stressed that the Labour Party, if elected, would vigorously prosecute the war in co-operation with the other British Commonwealth countries. Curtin also undertook to increase the pay of the armed forces, raise invalid and old-age pensions, and guarantee higher prices for wheat producers; profiteering would be ended. ² Labour charged the Menzies Government with inefficient conduct of the war effort and with special favour for privileged groups.

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the disunity of Labour was emphasized. The endless talk about the alleged need for a national government was largely specious, for such an arrangement was outside the scope of practical politics and could not be brought into existence by any vote at the election. Inseparable from the foregoing was the main issue of the governing of Australia at war. One indicator of national sentiment was the general attitude of the metropolitan press, which in 1940 showed less enthusiasm for the Non-Labour parties than at any time since 1929. The Bulletin, for example, observing that "the one outstanding question for decision is which party is likely to make the better war effort," declined to make any recommendation. It was simply predicted that the general feeling of the nation might be that "the Government's achievements in the very limited time deserved a fair reward." In its next issue The Bulletin remained neutral, although it thought that the Labour Party had done its worst to lose the definite advantages with which it had started electioneering. "The best Government would be one drawn from all parties." The Sydney Morning Herald, which even more than the rest of the Sydney press had been persistently critical of the Menzies Government (in part because of a pervasive feeling in New South Wales that the Government was under Victorian domination and that New South Wales interests were suffering accordingly), expressed a cautious attitude. "Labour's present enthusiasm for 'all-in' war is excellent,
but it hardly gives them the right to criticize the Government's past performance... The real need at this critical time is not for a change of Government, but for a strengthening of the Ministry... Pending the creation of a national government, the Menzies Government should be given an unequivocal mandate to carry on."10

In the other capital cities the press was generally much less restrained in supporting United Australia Party and Country Party candidates. The Brisbane Courier-Mail said: "The war record of the Menzies Government is a record of solid achievement."11 In Perth the West Australian claimed that what mattered most in the election was "not what Mr. Curtin and the majority of his followers think — they are probably sound enough — but what the other sections of the Labour Party think, and the unknown extent to which they may be able to impose their wills upon official Labour."12 The Melbourne Age, another fairly regular critic of the Government, thought that despite its mistakes "the Menzies Government has served Australia acceptably through a period of unparalleled anxiety and strain."13 Further, "all Australia is aware that political Labour is a tripartite body, and that it could not form a Government except by attempted fusion of groups whose political differences are deep and whose personal antagonisms are bitter."14

There was a record number of candidates in all states for election to the House of Representatives and the Senate; in...
New South Wales the situation was further complicated by several unusual developments. On the Government side the appearance of multiple endorsements of United Australia Party candidates in some electorates led to confusion and dissension. The prime mover behind this occurrence was the *Sydney Morning Herald*, which assiduously promoted the candidacies of "independently-minded men" who would "strengthen the Ministry" (e.g. the former Premier, B.S.B. Stevens), in opposition to officially-selected "party stalwarts". On the other side the electors of New South Wales were faced with the unedifying spectacle of no less than three Labour parties contending for their votes.¹⁵ To begin with the federal Labour Party nominated candidates in every electorate. Then there was the Lang-Beasley group, which had shifted to the right and now called itself the Non-Communist Labour Party, maintaining a separation from the federal Labour Party which had existed almost continuously since 1931. The third entrant was the so-called Hughes-Evans Labour Party, an extreme left-wing body which had emerged as a result of the suspensions and expulsions following the March 1940 state party conference (which had endorsed anti-war and "hands off Russia" resolutions, much to the embarrassment of the federal Labour Party).¹⁶ The Hughes-Evans group served as a haven for Communists, for on 15 June 1940 the Menzies Government had proclaimed the Communist Party an illegal organization because of its opposition
The election was clear and the fate of the Menzies Government almost a fortnight after polling day—without postal votes and preferences. The Government was in much weakened positions.

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House of Represenatives

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Elections

ALL SET FOR THE SINK-OR-SWIM HANDICAP.
to the war. The election was closely contested, and the fate of the Menzies Government was in doubt for almost a fortnight after polling day - until the final count of postal votes and preferences. The Government was returned in a much weakened position:

<table>
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<th>Party Membership in Parliament, 1940</th>
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<tr>
<td><strong>House of Representatives</strong></td>
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<td>Independent</td>
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<td>Total, Government</td>
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<td>Labour Party</td>
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| **Senate**                          |
| United Australia Party              | 16  | 16  |
| Country Party                       | 4   | 4   |
| Total, Government                   | 20  | 20  |
| Labour Party                        | 16  | 16  |

Thus after furnishing a Speaker the Government had a majority of only one, and would be dependent upon the support of the two Independents.

The swing against the Government was largely confined to New South Wales, where the Labour Party won five seats formerly held by the Government parties. Menzies enjoyed a greatly increased majority in his Victorian electorate of Kooyong, but Curtin was only saved from apparent defeat in Fremantle by the arrival of soldiers' postal votes. The most significant individual
results for the Labour Party were the election of Dr. H.V. Evatt, who had added a great deal of prestige to the Labour Party by resigning from the High Court to become a candidate, and the return of J.B. Chifley to Parliament after nine years in the political wilderness.

There were varying interpretations of the significance of the outcome of the 1940 election. Earle Page thought that the vote in New South Wales was "not so much a vote for Labour as a vote against the domination of national affairs by Victoria." Another observer, sympathetic to Menzies, wrote: "The real issue of the election was not between two parties, but between the Government and particularly that part of it led by Mr. Menzies, and certain sections of the community and the press."

Much of the difficulty could be traced to the allegedly arrogant personality of the Prime Minister. "It is quite clear that the late J.A. Lyons would not have got as much done as Mr. Menzies has; there is no doubt, however, that Mr. Lyons would have satisfied the Australian democracy at the present moment." Whether or not the people intended it, the narrowness of the Government's win in the election revived the question of a national government; the metropolitan newspapers were in the vanguard of the debate. The Brisbane Courier-Mail believed that "the people of Australia, by refusing to put all their trust in any single party, have remitted to a new Parliament the task of welding its elements into a united national front."
The West Australian agreed: "The vote means as plainly as such a vote could express a meaning that Australia wants a national government." Less emphatic, the Sydney Morning Herald thought that "differences of method, not of principle or patriotism, divide the parties. They can and should be reconciled." The Bulletin asserted that the Government was "morally bound to invite the Labour Party to take a proper share of responsibility for the direction of the war effort." A rather more realistic view was taken by the Melbourne Age: "The formation of a national government would be welcomed if a basis of harmonious teamwork were to be discovered...otherwise its practical merits vanish."

The weeks following the election were occupied with political manoeuvring. On 7 October the Prime Minister met separately with Curtin, Cameron and Beasley to explore the possibilities of a national government. Three days later a meeting between Menzies and Page resulted in a truce in their long-standing feud. When the Country Party met in mid-October a bizarre sequence of events led to the ending of Cameron's leadership and his replacement by A.W. Fadden. In due course Curtin was re-elected leader of the Labour Party. Although Curtin personally had begun to accept the idea of a national government, the majority of his party remained fundamentally against such an arrangement; thus a national government could have been brought about only by splitting Labour and leaving the Opposition in the hands of a small, vociferous left-wing group.
A compromise solution to the impasse over the national government question was provided by the creation of the Advisory War Council, which was composed initially of four Ministers (Menzies, Fadden, Hughes and Spender) and four members of the Opposition (Curtin, Forde, Makin and Beasley). The Advisory War Council was to consider in conditions of secrecy high matters of state, especially in regard to the national war effort, without accepting responsibility. On the day of the official formation of the Advisory War Council, 28 October, the Prime Minister announced a reconstruction of the Government. The most important changes were the entry into the Cabinet of the new Country Party leader, Fadden, as Treasurer, the return to office of Page as Minister for Commerce, and the shift of Spender to the Army portfolio. Thus the second Menzies Ministry began to function and - on the understanding that there would be reasonable co-operation from the Opposition - the Government applied itself to the imperative problems associated with the financing of the war.

Although in late 1940 the need for a maximum war effort was almost universally accepted in Australia, there remained a basic division on social policy - a division which influenced the external policy and defence debate. The people and their representatives in Parliament were divided into those who maintained that plans for higher living-standards, better housing, improved social services, etc. would conflict with war preparations,
and those who contended that privileged groups and vested interests were using the war as a pretext to deny the just claims of millions of ordinary citizens. The result was a crisis in Parliament over the budget and general economic policy. On 21 November the Treasurer submitted a £150,000,000 budget which extended income tax downwards and also increased the rate on higher incomes. After some hesitation the Labour Party decided to challenge the budget; Curtin told the House on 28 November that the Opposition did "not seek to reduce" by a single shilling "the provision which the Government regarded as necessary" for the conduct of the war. But the Labour leader objected to the method of raising the "staggering sum" and moved that the proposal to tax previously exempted incomes be dropped, that rates for higher incomes be further raised, that wheat growers receive an additional payment, that large companies pay higher taxes, that pay and allowances for soldiers and dependants be improved, and that the resources of the Commonwealth Bank be given preference over those of the private banks. Menzies accepted the challenge, but it soon became obvious that the Government was in grave danger of defeat if the Labour amendment came to a vote. So the issue was not forced, and there followed a week of urgent consultation and bargaining in which belated use was made of the Advisory War Council. The Government offered some concessions in the form of small increases
in old-age pensions and allowances for soldiers' wives, a moderate raising of the income tax exemption level and a further advance to wheat producers. 36 Within the Labour caucus Curtin won acceptance of the compromise by a reportedly narrow margin over a group led by Evatt, who was impatient and anxious to propel Labour into power. 37 In due course the budget was passed, and Parliament adjourned on 13 December. The Prime Minister thanked the Labour leader for his consistent courtesy and understanding, and expressed his special admiration for Curtin's capacity to "reconcile with the duties of political warfare the proper interests of the nation." 38 Curtin replied with the assurance that he would do his best to promote the good government of the nation, and would give complete co-operation to those charged with the responsibility of ensuring the safety of Australia. 39

The generous remarks of the two party leaders notwithstanding, the prospects for political harmony in the coming year were hardly promising. The Government coalition "rested on a mass of shifting discontents." 40 A section of the Labour Party awaited another opportunity to try to force a change of Government. Meanwhile Great Britain - greatly bolstered by American aid - had successfully emerged from the worst of the German air attacks and had dealt grievous blows to the Italian navy. Fear of Japanese intentions now began to be a source of rapidly growing concern to Australia.
3. Melbourne Age, 3 September 1940.
5. Hasluck, p. 256.
6. The election coincided with massive German bombing raids on London; the Australian press gave much more prominence to the Battle of Britain than to the election campaign.
8. Ibid., 18 September 1940.
10. Sydney Morning Herald, 18 September 1940.
11. Brisbane Courier-Mail, 16 September 1940.
12. West Australian, 18 September 1940.
14. Ibid., 20 September 1940. On the other hand, the Labour Party tried to take advantage of side issues (e.g. the campaign against petrol rationing and the grievances of wheat producers) which tended to divide the Non-Labour parties.
15. See Jupp, pp. 79, 90.
17. Sydney Morning Herald, 17 June 1940. For a detailed account of the role of the Communist Party in the early period of the war, see Hasluck, pp. 583-592.
18. Melbourne Age, 4 October 1940.
22. Brisbane Courier-Mail, 23 September 1940.
23. West Australian, 23 September 1940.
26. Melbourne Age, 24 September 1940.
27. Melbourne Argus, 11 October 1940.
28. For two versions of the role of Earle Page at this time, see Ellis, p. 257; Page, pp. 290-291.
30. Ibid., pp. 270-271.
31. Sydney Morning Herald, 29 October 1940.
32. See Hasluck, pp. 275-280.
1940, pp. 77-94. This figure was later raised to £180,000,000.
34. Ibid., 28 November 1940, p. 260.
35. Ibid., pp. 259-269.
37. See the analysis in the Sydney Morning Herald of 9 December 1940.
39. Ibid., p. 1116.
40. Hasluck, p. 280.

...the vulnerability of the British position in Asia and the " alarming situation in regard to the defence of Singapore". However the Australian Government was unable to take any substantial action to repair the weakness; instead, the Advisory War Council agreed that Menzies should go to London for urgent talks with Churchill. In Washington Casey took advantage of every opportunity to both publicly and diplomatically promote the cause of the British Commonwealth, and to convince the Americans of the importance to the United States of bases in the southwest Pacific. But the United States continued to avoid new Pacific commitments.

In January 1941, while popular attention remained focused on the activities of the Australian Imperial Force in North Africa, the Government increasingly turned its attention to the Pacific. The Prime Minister left Sydney by air for London on 21 January; at about the same time the Minister for the Army, P.C. Spender, stated in a speech in Singapore that Australia had no quarrel with Japan. Spender's remarks received wide publicity, but in general the Australian press refrained from either criticizing or endorsing the statement. Subsequently the Acting Prime Minister, Fadden, spoke of "peoples
A defence conference held in Singapore in late October 1940 had shown all too clearly the vulnerability of the British position in Asia and the "alarming situation in regard to the defence of Singapore". However the Australian Government was unable to take any substantial action to repair the weakness; instead, the Advisory War Council agreed that Menzies should go to London for urgent talks with Churchill. In Washington Casey took advantage of every opportunity to both publicly and diplomatically promote the cause of the British Commonwealth, and to convince the Americans of the importance to the United States of bases in the southwest Pacific. But the United States continued to avoid new Pacific commitments.

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between whom there is no direct conflict finding themselves on opposite sides in the universal struggle," a reference to Japan's growing ties with the Axis. And the Minister for External Affairs, F.H. Stewart (who had succeeded McEwen), described Australia's relations with Japan as cordial, but added that "Australia could not lightly contemplate disturbance of the status quo" in neighbouring territories. 4

Following a statement by the Japanese Foreign Minister, Matsuoka, implying a divergence in the policies of Great Britain and Australia, and a public denial by the Australian Minister to Japan, Latham, a feeling of tension began to affect the leaders of Australia. At a meeting of the Advisory War Council on 29 January a statement was released warning that the war was entering a more critical phase which might "directly affect" Australia. 5 A week later the Council met again to examine the likelihood of a Japanese thrust in the immediate future. At the instance of Curtin, who felt an urgent need "for the public generally to be shocked into a proper realization of the position," 6 the Council issued a long and rather ambiguous statement which triggered war scare headlines in some newspapers. 7

The Advisory War Council next met on 12 February, when it received further disturbing reports of Japanese intentions. Again the prime mover was John Curtin, whose acute concern with Australia's danger was probably the result of his own contemplation of the war rather than because of the possession of confidential
information. Plans for a partial mobilization were already under consideration, and the Labour leader pressed the Council to prepare for an immediate mobilization should the necessity arise. Fadden and Curtin, who had established warm personal relations and "worked with a harmony rarely found among the leaders of opposing parties," with the concurrence of Beasley, issued a statement which warned that the war had "moved to a new stage involving the utmost gravity." And following a War Cabinet meeting on 13 February the Acting Prime Minister said: "In plain words, we find ourselves in serious danger of hostile action near if not upon our own coastline." In Washington Casey advised Hull that the danger to Australia was steadily increasing. The Australian press indulged in rumours and speculation.

However, the Australian leaders were not in possession of definite information which vitally altered the immediate prospects in the Pacific, and, in fact, Japan was not yet completely committed to an extension of the war. Thus it was inevitable that the "scare" in Australia would be followed by a let-down. W.M. Hughes was frankly sceptical of the situation; in London on 21 February Menzies, somewhat out of touch with developments in Australia, was optimistic about the chances for a peaceful agreement with Japan. The Bulletin summed up the feelings of many by observing that the judgements of members of the War Cabinet and the Advisory War Council were not infallible. "There
is a very widespread feeling that during the last agitated fortnight some of these gentlemen said too much or too little. People not hitherto friendly to Mr. Menzies have been heard to remark that if he had been in Australia there would have been no such amateurish handling of official pronouncements."[16] On 3 March Menzies advised a meeting of journalists in London not to become victims of "the very pernicious habit of believing that a possible conflict becomes inevitable." Australians "aimed and are aiming at getting near to Japan."[17] This caused the Sydney Morning Herald to comment that the Prime Minister seemed to have fallen into the error of "minimizing the seriousness (of a delicate situation), to the bewilderment of public opinion in Australia, and in contradiction of his own assertion that there should be no pretence about international relations."[18]

Apparently there were three main factors which account for what turned out to be the false alarm of February 1941.[19] One was the aim of the Labour Party to put a stop to recurring industrial disputes by encouraging trade unionists to develop a better realization of the need for a greater war effort. A second factor was the special concern with the preparation of the country for a possible direct Japanese attack. And finally, the Labour Party was not unmindful of the possibility of taking office in the near future, and was understandably anxious to demonstrate that it was more concerned with the defence of Australia than the Menzies Government.
Labour's prospects were greatly bolstered by the healing of the decade-old breach in New South Wales. In early February 1941 the Lang-led Non-Communist Labour Party meeting in Sydney decided overwhelmingly to return to the federal Labour Party fold. This step was a belated recognition of the changed times and was a personal triumph for Curtin - the achievement of a goal towards which he had been working for more than five years. When Parliament reassembled Beasley formally acknowledged that he and his several colleagues were now included in the official Opposition led by Curtin. And so the stage had been set for the Labour Party to return to power after ten years of political frustration. The Government parties obliged by maintaining a course which was to lead to their self-destruction in little more than six months.

Parliament sat for only three weeks from 12 March to 3 April, and a number of its meetings were held in camera - which aroused annoyance and suspicion on the part of some Labour members. The Labour Party leaders tried to show a co-operative spirit (and Evatt, who joined an enlarged Advisory War Council on 18 March, was pacified for the time being), but extremists like E.J. Ward would not be restrained. No sooner had Parliament resumed than Ward accused the Government of having issued the February warnings in an endeavour to hoax the public. Ward claimed that the Government had no information which justified the issuance of such warnings; the situation had been exploited
for political purposes. Possibly Ward was unaware of the part played by Curtin in the "scare", but the Labour leader assured the House that he had "subscribed (to the February statements) with a full sense of the meaning of every word" in the warnings therein.

For a time the political atmosphere in Australia appeared to be more harmonious, and much of the credit for this went to the affable Fadden and the close relationship he maintained with Curtin. Fadden also took the initiative in guiding the public towards a better appreciation of the United States. Upon the passage by the American Congress of the Lend-Lease Act and President Roosevelt's pledge of full support for the Allied cause, the Acting Prime Minister told the House on 19 March that it was indeed a "powerful stimulus" to know that the "tremendous resources" of the United States were to be used unreservedly to aid the Allies. Australia felt a "deep and abiding gratitude" for the timely help. Curtin agreed entirely.

On 20 March two American cruisers and five destroyers arrived in Sydney for a goodwill visit which elicited a tremendous response. Parliament adjourned and the entire Government went to Sydney to greet the visitors. Fadden reflected the hopes and fears of his countrymen when he said in his speech of welcome: "Nothing in the life of Australia has so stirred, inspired and thrilled the nation as has this visit of part of the great United States navy."
7. E.g. Sydney Daily Telegraph, 6 February 1941.
8. Hasluck, p. 315.
12. Ibid., 14 February 1941.
14. E.g. Sydney Daily Telegraph, 13 February 1941; Melbourne Argus, 14 February 1941.
18. Sydney Morning Herald, 5 March 1941.
20. Sydney Morning Herald, 3 February 1941.
22. Ibid., 13 March 1941, p. 51.
23. Ibid., p. 53.
24. Ibid., 19 March 1941, pp. 118–119.
25. Ibid., pp. 119–120.
27. Sydney Morning Herald, 21 March 1941.
The failure of the Greek campaign led to a good deal of criticism in Australia.¹ The hopefulness of February 1941 turned into the gloom of May 1941, as a result of the success of the German counter-attack in North Africa and the overwhelming German victory over the Allied forces in Greece and Crete; Australia lost more than 6,000 men in the latter campaigns.² Some Sydney newspapers and a section of the Labour Party contributed to an impression of strong dissatisfaction in Australia, implying that badly-needed troops had been sacrificed as the result of a series of British blunders. In fact, the Advisory War Council had been seriously misled about Australian involvement in Greece,³ but this did not deter Fadden from denouncing the "insidious and harmful statements emanating from a section of the Sydney press," because "a wholly wrong and most unfortunate impression had been conveyed overseas."⁴ To some extent the bad feeling generated by the disastrous outcome of the fighting in Greece was dispelled by the favourable result of the short Allied campaign in Syria—though fighting the Vichy French was hardly the same as fighting the Germans.

Greece illustrated the lack of co-ordination between Britain and the Dominions on the strategy of the war, and Menzies left London displeased with Australia's role in the making of war.
policy. For example, Australia had absolutely no say in the Anglo-American decision that in the event of American involvement in war with both Germany and Japan, a decision would have to be sought first in Europe, which would mean a holding war in the Pacific. Menzies also felt that Churchill had too much power in the conduct of the war; Churchill had no conception of the Dominions as "separate entities", and "the more distant the problem from the heart of the Empire the less he thought of it." In consequence the Australian Prime Minister pressed his advocacy of an imperial war cabinet including representatives from each of the old Dominions, but Canada, New Zealand and South Africa were not interested. Speaking in Parliament on 18 June after the return of Menzies to Australia, J.B. Chifley indicated that Labour was equally unhappy with Britain's alleged domination of war policy.

The Prime Minister, profoundly influenced by what he had seen of the war in Britain and North Africa, wasted no time in initiating preparations for an unlimited war effort. Menzies outlined the new programme in a national broadcast on 17 June, saying: "The only way in which we can win this war is by being prepared to put into pawn every right that we have until victory is attained... If we are to live as usual and largely leave the war to others, we cannot deserve to win, and the perfect equipping of our men overseas must be left largely to others." Some of the measures foreshadowed were a positive
direction of manpower, expanded participation of women in the war effort, a reduction in civilian consumption and the elimination of non-essential imports. Petrol rationing would be stricter, the production and distribution of coal would be controlled, strikes and lock-outs would be prohibited and prices would be controlled. 10

Having won a sweeping victory over the Non-Labour Government in the state election held in New South Wales in May 1941, the Labour Party - further encouraged in its anticipation of office - was little disposed to respond to Menzies's renewed appeal for the formation of a national government. Nevertheless Curtin ensured that his party adhered to its proclaimed policy of co-operation, and he fully endorsed the Menzies Government's demands on the nation. 11 The Labour leader made recommendations of his own, particularly in regard to the trade unions, and welcomed the proposal for parliamentary committees designed to promote Labour-Non-Labour co-operation in a number of fields. "The great truth to remember," Curtin told the House, "is that this Parliament will have no opportunity to serve the people unless our cause is crowned with victory." 12 Subsequently, and in spite of disharmonious utterances from men like Ward and Beasley, Curtin managed to convince the Government of the inadvisability of a prohibition of strikes, in view of the Australasian Council of Trade Unions' assurances of the "determined loyalty of the trade unions". 13
In general, the metropolitan press responded favourably to the Prime Minister's call for an unlimited war effort. A typical observation was that of the Melbourne Age: "Big industrialists and businessmen, shop assistants and housewives all appear to endorse this new speeding-up, all-in-lia" programme, and declared themselves ready to accept - and accept cheerfully - the burdens and sacrifices it must mean... 'We can take it - and more if necessary,' was the general attitude, 'and now let's get on with the job.'" The Bulletin referred to a "good, if belated, programme", but criticized the Prime Minister for not proposing to extend conscription to overseas service.

Less than a week after the call for an unlimited war effort, Australian public opinion was confronted with the German invasion of Russia, which began on 22 June 1941. The feeling which prevailed in Australia upon receipt of the momentous news was one of considerable relief mixed with surprise. Uncertainty about Stalin's intentions and about the extent of Russian preparedness, coupled with vivid memories of the success of German blitzkrieg tactics elsewhere, prevented optimistic forecasts. But there was a widespread feeling of anticipation at the prospect of a respite for the British and Australian forces in North Africa. In hard-pressed Great Britain only a few hours after the launching of the German attack on the Soviet Union, Churchill broadcast an offer of
whatever help Britain could give to Russia and the Russian people. Menzies explained to Parliament on 24 June that there had not been time for Churchill to consult the Dominions, but "the statement by the Prime Minister of Great Britain is one which is completely accepted by the Government of Australia." Still Menzies made it quite clear that the welcoming of any aid that can be given by Russia in the way of destroying German military power" was "not equivalent to saying that we identify our political views with those of Russia." Curtin agreed with Menzies, but interjections by the former Country Party leader, Cameron (now a private member), indicated that not all members of the House had lost their ideological hostility to Communism. The official attitude passed without serious criticism in the metropolitan press, although the fervently anti-Communist The Bulletin wrote that there could be "no question of an alliance" with the Soviet Union. Attempts by militant anti-Communists to distinguish between an "ally" and an "associate" collapsed following the signing on 12 July of an Anglo-Soviet agreement, which provided for mutual assistance against Germany and no separate peace. Again the daily press accepted the position as an expedient arrangement, but The Bulletin objected that Australia had merely been "kept informed" of the negotiations instead of having been properly consulted. Churchill was accused of high-handedness. Such arguments were more than offset by mounting...
respect for the Russian military achievement throughout July; to most Australians the fact of continued Russian resistance meant more than the ideological issue. Some Australian Communists began to participate in public meetings which urged all possible aid to the Soviet Union and sometimes attacked the Menzies Government. The latter refused to remove the ban on the Communist Party as an illegal organization. Generally speaking, the German invasion of the Soviet Union made clearer to Australians of all political persuasions the dominant element of nationalistic aggression in the war. Confidence grew in the ultimate defeat of Germany, but there were new uncertainties in regard to Japan. 22

A side effect of the extension of the war was a heightened interest in such matters as war aims and the shape of post-war society. The signing of the Atlantic Charter on 14 August, in which Churchill and Roosevelt agreed to an idealistic statement of war aims, was welcomed by the press. The Sydney Morning Herald spoke of "a charter of liberation to the enslaved peoples of Europe", 23 and the Melbourne Argus strongly approved of "this fine human programme". 24 Indeed, Australian political leaders had only just begun to see the connection between post-war reconstruction and the strategy of propaganda. The Prime Minister had said in June: "People who imagine that at the end of the war we will shrug our shoulders and go back to our old privileges and comfortable living have a lot to learn...
When the war is over pioneering work will have to be done in this country, and I hope we shall do it justly."  

And on behalf of Labour, Evatt had defined the main internal problem of reconstruction as one of providing social security and constant employment. But Beasley wanted to know "why must it always be after the war?"
Much of the enthusiasm for the unlimited war programme announced in June 1941 had dissipated by the beginning of August. Despite its undeniable achievements, it was now more than ever apparent that the Menzies Government did not possess the full confidence of the nation. A scientifically organized public opinion survey conducted in mid-1941 indicated, inter alia, that "confidence in our political leaders must be regained... It is the duty of our leaders to create trust in the leadership question. Menzies succeeded in side-stepping himself and for Parliament and the political parties to help them do this. They must also show an understanding of the sense of disillusion, disappdntment, futility, distrust, disgust, diffidence and indifference which so many possess with regard to politics and society in general and the war in particular." The reasons for such a situation were many and varied: the blatant office-seeking of some members of the Government parties, the ambitions of the Labour Party, the ineffectiveness of the Department of Information, certain personal shortcomings of the Prime Minister, etc. Rather than grapple with a complex problem many preferred to find a scapegoat, and Menzies was the obvious choice.

The drive to depose Menzies began in July at a time when the Government was worried about raising the £250,000,000...
which would be required for war expenditure in 1941-1942. 4

A small group of United Australia Party members promoted the idea that Menzies should return to London (presumably for the duration of the war), leaving Fadden in charge in Canberra. The dissidents found a ready mouthpiece in the Sydney Morning Herald, which wrote: "It is being freely questioned among the Prime Minister's supporters whether his judicial tolerance, his keen analytical brain and the sparkling dialectic are not better suited to the higher council chambers of the Empire rather than to the post of man of action." 5 On 28 July, at a party meeting which had been specifically called to consider the leadership question, Menzies succeeded in side-stepping the challenge to his position. 6 But the matter did not rest there.

In early August the Menzies Government was confronted by a grave turn of events in Asia caused by the Japanese occupation of Indo-China and the consequent threat to Thailand. Upon receipt of news of the latest crisis the Prime Minister abandoned plans for a tour of the capital cities, and at a Cabinet meeting held on 11 August it was decided that he should proceed to London. 7 The Labour deputy leader, Forde, promptly declared that in view of the dissatisfaction on the Government side in regard to his leadership, Menzies's proposed return to London was "a compromise to save the face of the Prime Minister and of his Government." 8 The Advisory War Council
NOT UNDERSTOOD.
"You couldn't have understood me, sir. I said 'Single or return.'"
considered the proposal on 14 August; Curtin thought that Menzies should be allowed to go to London, but the other Labour members (Evatt, Forde, Makin and Beasley) argued that the Prime Minister should remain at his post in Australia. The debate shifted to Parliament where on 20 August Menzies reviewed the progress of the war and recent developments in Asia, and then asked for the approval of all parties to the suggestion that he leave Australia. The House then discussed the position in a secret session and subsequently in a public session. Curtin accepted his party's view that it was essential for Australia to have its Prime Minister "here to direct the administration in the organization of a total war effort," but offered to co-operate in alternative arrangements for the representation of Australian interests in London. Forde was less tactful, however, claiming that "the people should be told the whole story of the political manoeuvring to get rid of the Prime Minister." (Eventually Earle Page went to London in place of Menzies.)

Menzies's days were now numbered, but on 22 August he made a final attempt to retrieve the situation by again inviting Labour to join in a national government. The Labour Party predictably declined, and the wording of Curtin's reply clearly indicated that he had finally overcome his personal reluctance to assume the burdens of the Prime Ministership (without a definite majority in the House of Representatives). An impasse
had been reached. The press divided on the question; the Brisbane Courier-Mail, for example, severely criticized the Labour Party for "a refusal of the finest service it could render to the people of Australia in time of war at the small sacrifice of suspending a party rule." The Sydney Daily Telegraph wrote: "Only by a general election can Australia get itself a Government - Labour or United Australia Party - which is capable of dominating the House and implementing a full war programme."

An election was the last thing the political parties wanted, however, and the showdown came at a Cabinet meeting on 28 August, which resulted in the resignation of the Prime Minister. Who deposed Menzies? Despite the later claim that neither Fadden nor the Country Party were involved, it seems more likely that Fadden had the idea that he, although leader of the minority party of the coalition, "should, against all precedent and political reason, displace Menzies and thus solve the problem of an insecure Government led by an 'unpopular' Prime Minister." The most vocal anti-Menzies members of the United Australia Party had been W.V. McCall, W.J. Hutchinson and C.W. Marr, and in the end they were joined by a number of others, particularly Spender, Hughes and Holt. The Prime Minister accepted his defeat with good grace and issued a statement which said, in part, that many of his colleagues in the Cabinet had felt that he was "unpopular with large
sections of the press and the people and that this unpopularity handicaps the effectiveness of the Government." The statement referred to "divisions of opinion in the Government parties themselves which would not or might not exist under another leader." Fadden became Prime Minister on 29 August and Menzies took the post of Minister for Defence Co-ordination; there were no other changes in the Government; Curtin described the whole operation as only a "face-lifting". The former Independent (soon to resume that status), A.W. Coles, left the decisive meeting of the United Australia Party and later said: "Mr. Menzies has been offered as Australia's scapegoat on the altar of political ambition, under the coercion of constantly applied pressure... It was nothing but a public lynching." Indeed, momentous decisions affecting Australia had been subordinated to attempts to bargain and wrangle over place.

Naturally all of the metropolitan newspapers had something to say about the change in leadership. The Melbourne Argus wrote: "By his resignation of the Prime Ministership in favour of Mr. Fadden, Mr. Menzies has performed the most generous and public-spirited act of his career." Provincial pride was expressed by the Brisbane Courier-Mail (Fadden was from Queensland): "What is felt in Queensland is that the choice of a successor to Mr. Menzies has fallen upon a man who has the best prospects of consolidating the nation's confidence." In Sydney the Daily Telegraph accurately predicted that Fadden's
troubles were "just beginning". The Bulletin was rather dubious about the whole affair: "One of the things that made Mr. Menzies's period of office so uncomfortable was that he chose Ministers who were square pegs in round holes and was too loyal to them... Mr. Fadden is popular enough, if to be popular in a jovial way is to be statesmanlike... Australians would prefer to see Curtin get the chance. Above all things they want a Government that will govern whatever its party label or labels, and the Fadden makeshift doesn't look that sort of Government." Upon taking office Fadden promised to do everything in his power "to bring home to Parliament and the people a realization of the urgent need to close our ranks." Unfortunately for the new Prime Minister the process of disintegration within the Government parties was too far advanced to be controlled, and the two Independents who held the balance of power (Coles and Alex Wilson) were drifting inexorably towards the Opposition camp, with strong encouragement from Evatt. The Labour Party was now anxious to administer the coup de grâce to a dying Government; Curtin, waiting for the right moment, had to use all his influence to restrain his eager followers.

Before the Opposition could challenge the Fadden Government on its budget, a minor sensation was caused by the disclosure of a "secret fund" which the Government had allegedly established for the bribery of trade union officials, as part of a campaign...
to dampen industrial unrest. What came to be known as the Winkler Case caused an uproar in Parliament on 24 September and was used to discredit the Government, especially Fadden, Menzies and Hughes. The Government managed to defeat an amendment condemning the use of the fund by only one vote, and the affair was referred to a royal commission. Thus the stage was set for the final confrontation which came, as expected, on the budget.

On 25 September Fadden submitted to the House a budget for the financial year 1941-1942 which proposed a total outlay of £322,000,000, including £217,000,000 for war expenditure (compared with £170,000,000 for the preceding year). Fadden planned to finance the war expenditure mainly on the basis of new taxation and loan money; other sections of his budget speech mentioned munitions contracts, price control and excess profits. On 1 October Curtin attacked the budget on a number of grounds (soldiers' pay, taxation of lower income groups, banking policy, etc.), but it was obvious that the real issue was the future of the Government, not the budget. Labour promised to administer the nation's war effort on the principle of "equality of sacrifice", which in effect meant "the greatest possible taxation of incomes of £500 or £600 and over." The debate ebbed and flowed for three days, but Curtin probably knew already that the two Independents had decided to vote the Government out of office. At last, on 3 October, Coles rose
to address the House. There was a "loss of confidence in the Government's ability to carry on and to wage the maximum war effort" of which the nation was capable, he said; Coles declared that he would support the Labour position in order to achieve stable leadership. In the event the Government was defeated 36-33, and shortly thereafter Fadden resigned. The Independents pledged their support to Labour, which made possible the formation of the Curtin Government. But it was not Coles or Wilson but the dissident Non-Labour groups that wrecked the Fadden Government and its predecessor.

There was a general disposition to hail Curtin's advent to office with approval and relief, although some commentators were sarcastic about the role of Coles and Wilson. The Sydney Morning Herald thought that "other motives than reasoned objection to the budget animated those who were bent upon the Government's downfall... Mr. Fadden has received a shabby deal in his efforts to form a stable administration in a Parliament latterly given over to personal intrigue and partisan manoeuvre... The Labour Government will not lack liberal and discriminating assistance from the Opposition so long as, eschewing electioneering manoeuvres, it concentrates on a total war effort." "Australia will give the Labour Party its chance," said the Daily Telegraph, "but it doesn't want a continuance of the present political set-up under a new label."
wrote: "Mr. Curtin is entitled to the support and co-operation of the whole community so long as he maintains a vigorous war effort." 48 The Bulletin commented that the Curtin Government deserved "an opportunity to show what it can do." 49 Perhaps the best summary of the position was given by the Sydney Morning Herald in its editorial of 9 October: "Lacking an independent majority, Mr. Curtin possesses much else - the present trust of his whole party, the liking and respect of the Opposition and the hopeful goodwill of the nation." 50

The Curtin Government formally took office on 7 October 1941. John Curtin became both Prime Minister and Minister for Defence Co-ordination; other important posts were allocated to Forde, Minister for the Army; Chifley, Treasurer; Evatt, Attorney-General and Minister for External Affairs; Beasley, Minister for Supply and Development; Makin, Minister for the Navy and Minister for Munitions; and Ward, Minister for Labour and National Service. 51 On the other side of the House Fadden became leader of the Opposition and Hughes, now almost 80 years old, leader of the United Australia Party - a graphic illustration of the state of collapse of the principal Non-Labour party.

2. See Hasluck, pp. 381-386.
3. Ibid., pp. 491-505.
5. Sydney Morning Herald, 26 July 1941.
6. See Melbourne Argus, 29 July 1941.
7. Melbourne Age, 13 August 1941.
8. Sydney Morning Herald, 14 August 1941.
11. Ibid., 21 August 1941, pp. 77-100.
12. Ibid., pp. 77-79.
13. Ibid., pp. 87-88.
15. Brisbane Courier-Mail, 27 August 1941.
17. See Sydney Morning Herald, 29 August 1941.
22. Melbourne Age, 29 August 1941.
24. Melbourne Age, 30 August 1941.
25. Hasluck, p. 504.
26. Melbourne Argus, 29 August 1941.
27. Brisbane Courier-Mail, 29 August 1941.
29. The Bulletin, 3 September 1941.
30. Sydney Morning Herald, 30 August 1941.
31. Hasluck, p. 506.
32. Whittington, The House Will Divide, p. 84.
33. See Sydney Morning Herald, 18 September 1941, 19 September 1941, 21 September 1941.
35. See Hasluck, pp. 614-615.
37. Ibid., pp. 564-581.
38. Ibid., 1 October 1941, pp. 609-617.
39. Ibid., p. 616. (The subsequent Curtin Government budget, as prepared and submitted by Chifley, differed in degree but not in substance from the Fadden budget. Within two months it was decided that lower income groups would, after all, have to pay higher taxes.)
40. See Whittington, The House Will Divide, p. 84; Hasluck, pp. 513-514.
In view of the traditional Labour orientation towards home defence, it was not surprising that the new Curtin Government was even less disposed than the Menzies and Fadden Governments to yield to the prevailing Anglo-American view, which relegated the Pacific area to secondary status.\(^3\) (By this time F.W. Eggleston had taken up his post as the first Australian Minister to China - yet another example of Australia's growing concern with Pacific affairs.) Meanwhile the Washington talks between American and Japanese representatives had made little headway.\(^4\) And in Manila Earle Page (who was on route to London) met the American commander, General MacArthur, and received a mildly optimistic assessment of the chances of maintaining the status quo in the Pacific, at least for the
During the political disturbances of September 1941 there had been a moderate tendency in Canberra to neglect foreign affairs. The viewpoint of the Australian press remained fairly consistent in this period, however. The West Australian, for example, wrote on 29 September: "The plain fact remains that while Japan maintains her affiliation with the Axis and while she persists in her aggression in China, there is no real basis for a firm understanding which could guarantee peace in the Pacific."  

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time being. This view reflected opinions held in Washington and London, for in early October there was a widespread belief that war with Japan could be averted.

The vague optimism of the Australian Government persisted throughout October, but most newspapers continued to express considerable anxiety. The advent of General Tojo's Cabinet in Tokyo in mid-October was viewed with alarm. "The commissioning of General Tojo to form a new Government in Japan, following the resignation of Prince Konoye, presages a ruthless pro-Axis policy on the part of Tokyo," predicted the Sydney Morning Herald. In Melbourne the Argus wrote that Japan's change of Government could only hasten the denouement of the world's tragedy. "War in the Pacific, in which Australia is vitally interested, appears to be looming ominously." The Bulletin, however, was rather more hopeful: "There will be no war in the Pacific unless the Japanese start one; and if they start one it will not be in their power to determine the shape that the war will take. That will be done by the American Government, with the peoples of the Empire giving it their full support."

The United States and the Soviet Union received much editor...
but persistent effort to win over his fellow countrymen to his own realistic grasp of the needs of the situation."

Speculation about the future course of American policy was accompanied by a debate on the question of aid to Russia. In the light of the determined Russian resistance to the German invasion, most Australian newspapers (with the exception of The Bulletin) had begun to reflect the general conviction in Australia that previous information about the Soviet Union had been, to say the least, misleading. The Sydney Morning Herald played a leading part in the reorientation of Australian opinion. Its editorial of 13 October 1941, for example, stressed that "the consequences of a Russian collapse would be so serious for the plans and the hopes of the Allies for next year that in any counteraction now, designed to relieve pressure on the Soviet army, the risks involved might well be justified." A fortnight later the Sydney Morning Herald repeated the pertinent question: "Where will the British nation be if Russia is unable to hold out?" Other newspapers, however, claimed that the agitation for aid to Russia was inspired by political motives, and had other ends in view than that of stimulating the flow of actual aid to the Soviet Union. Thus the Courier-Mail attacked those "whose only real interest in the heroism and suffering of the Russian people is to get a public hearing for political propaganda." Yet the alliance between Britain and the Soviet Union caused comparatively little internal trouble.
in Australia. The accession of the Curtin Government brought no immediate drastic changes in this regard; the ban on the Communist Party remained in force, although the control of Communist literature was exercised with more tolerance.

By the latter part of 1941 some 250,000 men had enlisted for overseas service in the Australian forces, and a further 150,000 were training in the militia; about 200,000 men and women were directly or indirectly engaged in war industries.\(^{16}\)

In spite of their rapid expansion the services were in urgent need of further reinforcements, but Curtin was not yet in a position to deviate from the Labour tradition of voluntary service. The strongest critic of the Government on this point was The Bulletin; typical of this weekly newspaper's outlook was its leading article of 26 November, which said, in part:

"The position today is that, because they place shibboleths \(i.e.\) the objection to conscription for overseas service) before country, the political leaders are striving desperately to avoid facing up to the facts as long as possible."\(^{17}\)

The evolution of an American policy towards Japan which eventually was to involve the United States in the defence of Australia was a development of enormous significance. For some time American strategists had been dubious about holding the Philippines in the face of a Japanese assault, and thus had been reluctant to send further reinforcements to the area. By mid-1941, however, General MacArthur had managed to convince
A GOOD HORSE IN HIS DAY.
"You'll need better dope than those, mates—he's a pretty sick horse."
Washington that the Philippines could be successfully defended. This resulted in a plan to integrate the defence of the Philippines with the defence of Australia, the Dutch East Indies and Singapore, by means of a chain of air bases and supply depots throughout the area. In late September the United States asked about the availability of air bases at Rabaul, Port Moresby, Rockhampton and Darwin, but the initial inquiry was addressed to Great Britain, not to Australia - a revealing commentary on the status of the latter in American eyes at that time, for Britain of course had no authority over the places in question. Eventually the American request for bases reached the Australian Government, which on 18 October readily agreed and promised the "fullest co-operation possible". Although plans were prepared, no actual work was done on the bases before the outbreak of war in the Pacific. The importance of the bases agreement was that it was regarded by the Curtin Government as a strong indication that Australia would receive American support in the event of war with Japan. In November the American Congress accepted (by a narrow margin) Roosevelt's request for changes in the Neutrality Act, bringing the United States closer to actual participation in the war. The Sydney Morning Herald wrote: "The further intervention of the United States navy in the Atlantic struggle, arising from the amendment of the Neutrality Act, may well have a result of profound importance to Britain and to Australia, in that it may permit the transfer
of powerful British naval units to the Pacific." 21

In November 1941 Australia's relations with Great Britain were showing signs of strain. Despite heavy pressure from Churchill, the Curtin Government had refused to reverse the decision of the Menzies and Fadden Governments to withdraw Australian soldiers from Tobruk in order to integrate the Australian Imperial Force into a single force. 22 Page arrived in London on 4 November and promptly submitted to the British War Cabinet Australia's case for the urgent strengthening of the Singapore defences as a means of deterring Japan. 23 On 10 November Churchill made public the despatch of British capital ships to Asian waters, but when the British War Cabinet discussed Page's submissions two days later the result was inconclusive. Churchill was unwilling to commit reinforcements (in particular air detachments) to Singapore; the naval support en route would have to do for the time being. Nor was the British Prime Minister willing to depart from the policy of allowing the United States to be responsible for the handling of the Japanese problem. 24

The attitude of the Curtin Government in late November was outlined in Parliament by H.V. Evatt, who was making his first statement as Minister for External Affairs. 25 Evatt assured the House that there had been no vital change in Australia's foreign policy. After reviewing the progress of the war in Europe and North Africa, Evatt said that, in regard to Japan,
"we are quite content to allow the leadership and initiative to be retained by the United States." 26 The Minister for External affairs referred hopefully to the American-Japanese talks, which was an ironic coincidence - for at approximately the same time that Evatt was speaking in Canberra, Casey learned from Hull in Washington that the search for a modus vivendi with Japan had broken down and been abandoned. 27 When the Australian Government learned of this Casey was asked to intervene in a last-minute attempt to salvage matters. On 29 November Casey met the Japanese envoys to Washington, Kurusu and Nomura, but to no avail. 28 The next few days were dominated by urgent efforts to align British and American policies in regard to war with Japan, for the American Government knew that Japan was poised to strike (presumably in the first instance at Thailand and the Dutch East Indies), and that it was now too late to prevent this. 29 Australia learned from the British Government on 5 December that the United States would commit armed support if Japan attacked in any of certain specified ways. 30 In the hope of using the American assurance as a deterrent, Casey saw Roosevelt on 6 December and urged him to issue a joint American-British Commonwealth warning to Japan. The President deferred this suggestion, however, in favour of a direct personal appeal to the Japanese Emperor which was sent the same evening. 31 Unfortunately the Japanese Government had long since made the final decision
to go to war.

1. Hasluck, p. 541.
2. West Australian, 29 September 1941.
3. Mansergh, Problems of Wartime Co-operation and Post-War Change, p. 120.
4. See Casey, Personal Experience, pp. 54-58.
5. Page, pp. 303-304.
7. See Hasluck, pp. 542-545.
8. Sydney Morning Herald, 18 October 1941.
10. Ibid., 20 October 1941.
14. Ibid., 28 October 1941.
15. Brisbane Courier-Mail, 6 November 1941.
18. See Esthus, pp. 120-121; Fairbanks, Aspects of American Foreign Policy, p. 31.
20. Esthus, p. 121.
21. Sydney Morning Herald, 10 November 1941.
22. See Hasluck, pp. 616-624.
26. For a detailed account of the speech and a favourable editorial, see the Sydney Morning Herald, 28 November 1941. The newspaper thought that Evatt had spoken with "refreshing candour" and that the Curtin Government was pursuing a "vigorous and continuous" course.
27. Esthus, p. 130.
29. For some time the United States had been able to intercept and decode Japanese diplomatic despatches and was thus aware of the general nature of Japanese plans (but not specific military details). See Hasluck, p. 545.
30. Ibid., pp. 555-556.

The news of the surprise Japanese attacks on Pearl Harbour and Malaya reached Australia on the morning of 8 December 1941; Curtin promptly declared that the Japanese thrust had brought about the "gravest hour of our history".¹ The Australian reaction, as reflected in the press, was a mixture of shock, determination and relief. "Treachery so calculated and on so vast a scale was previously unknown in the history of international relationships," commented The Bulletin. "In their madness the Japanese have done what neither Hitler nor the last Kaiser, with immeasurably greater resources, dared to do — launch felon assaults on the greatest republic and the greatest empire in history... Australia, for its part, has fighting men at attacked or threatened points who will fight like demons to keep the war from their native shores. It may nevertheless come to Australia; if so, it will find the nation united and ready."² And, as the Melbourne Age pointed out, "this tragic development serves to remove some of the ambiguity that has prevailed in the international foreground" — the United States was now irrevocably committed to the defence of the Pacific.³

Although some newspapers thought that capital cities might be bombed,⁴ and others warned their readers to be prepared for "heavy losses",⁵ there was as dismay in Australia.⁶ A
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Although some newspapers thought that capital cities might be bombed, and others warned their readers to be prepared for "heavy losses", there was no dismay in Australia.
contemporary commentator noted that the Australian forces were at battle stations and the Government was proceeding according to plan to do everything necessary for the defence of Australian, British and American interests. Yet, as the Prime Minister later recalled, Australia's "small naval forces were divided in several areas. Our militia forces were only partly trained and were very short of modern equipment. We lacked air support, possessing no fighters whatever, and our bomber and reconnaissance aeroplanes had been reduced to about 50 machines." Australia's trained forces were overseas and her long coastline was virtually undefended.

It was a time for leadership, and in a national broadcast on 8 December Curtin declared that the efforts of Australians in the past two years must be as nothing compared with the efforts they must now put forward. Australians would maintain and vindicate their imperishable traditions. "We shall hold this country and keep it as a citadel for the English-speaking race and as a place where civilization will persist." The Brisbane Courier-Mail saw the Prime Minister's speech as a "call to self-preservation"; it must be answered by "everyone who is not a traitor to his fellow citizens." And the Sydney Morning Herald observed approvingly that Curtin had developed the "qualities of real leadership" and was "acting with promptitude and energy in disposing of the nation's defensive resources."
The Curtin Government asserted its view of the sovereignty of Australia on the occasion of the outbreak of war with Japan. Rejecting the claim that Australia would automatically be involved by a British declaration of war (cf. the Menzies Government in 1939), Labour resolved to act separately. Curtin cabled London on 8 December for a royal instrument authorizing a declaration of war, adding that as time was short "the Australian Government may act here in anticipation of the issue of such instrument" - a clear indication that the authorization of the King was regarded as no more than a formality. The Government then proceeded to issue on 9 December a separate declaration of war on Japan, all documents being countersigned by the Prime Minister. The procedure had been devised by Evatt, who maintained that the indisputable sovereign status of Australia had been determined "once and for all" in the Balfour Report of 1926. As Evatt told Parliament later, it was a necessary consequence of independent status that "the vital decision as to peace or war with any country should be determined exclusively by the Australian Government." The Opposition did not demur.

Within a week of Pearl Harbor the Allied position had rapidly deteriorated. Two British battleships, the "Prince of Wales" and the "Repulse", were sunk by Japanese aircraft, Hong Kong and Singapore were bombed repeatedly, and the invading enemy forces were advancing relentlessly in Malaya and the...
Philippines. Long-term prospects still appeared favourable, as *The Bulletin* observed on 17 December: "In the long run it will be shown that the Japanese lost more than they gained when they attacked Hawaii in the night, while their negotiators in Washington were still within the precincts of the State Department. They and their European allies will in good time realize what it means to have aroused the American spirit." But short-term prospects were another matter, and the Australian Government was understandably alarmed. Curtin directed Page in London and Casey in Washington to do everything possible to obtain reinforcements — especially air detachments — for Malaya and Australia. President Roosevelt told Casey on 17 December that he agreed with the proposition that the southwest Pacific was one unit. "Australia was just as important as the Philippines," although if the latter's defences could be restored it might well be possible to "save the whole southwest Pacific area." Churchill arrived in Washington a few days later, and it was quickly agreed that a unified command for the American-British-Dutch-Australian area should be set up. The American navy would be responsible for the southwest Pacific Ocean including the east coast of Australia. Curtin and Evatt immediately began to press the case for Australia having an adequate voice in the southwest Pacific command and in the general direction of the Pacific war, but a long time was to pass before this question was resolved to Australia's satisfaction.
By mid-December 1941 Australia was virtually in a state of siege. Christmas holidays had been cancelled; a black-out was in force and air-raid shelters were being hastily erected in the cities; all non-essential travel was banned; record numbers of men (and women) were enlisting in the forces; hospital patients and elderly people were evacuated to inland centres. At Government request newspapers were printing silhouettes of Japanese warships and aircraft, urging the people to keep a look-out for enemy intruders. The metropolitan press wrote a great deal about the imminent prospect of "bombing" and "invasion", and this undoubtedly contributed to the growing exodus from the capital cities. The Bulletin (which had a long tradition of disparaging the daily newspapers) responded on 24 December with a condemnation of "press jitters". "Australian newspapers have marked the discovery that the country is in a war by an outburst of hysterics, an orgy of jitters and a hags' chorus of squeals... While the war was remote they were marvellously brave and as bold as lions... They never could understand, any of them, that getting tangled up in modern war could mean nothing else but getting involved in a struggle for survival... Not one of them had the courage to make a business of telling Australia that this was total war, and that the only answer to it was total national effort... Search Australian press files over the past 20 years, and it will be found that there has been one newspaper only that has
consistently spoken for Australian defence throughout." That newspaper was claimed to be none other than The Bulletin. A wildly exaggerated charge, of course, but it was nevertheless indicative of the intense feelings caused by the onrush of Japan. The message was essentially an Australian challenge to... As the year 1941 drew to a close most of the press continued to express confidence in Curtin's leadership. An exception was the Courier-Mail, which tried unsuccessfully to revive a dead issue: "Mr. Curtin will not lead Australia fully into war until he leads a national government!" But though the Government was strengthening the home front in general and its own position in particular, the situation in the war zones was deteriorating more rapidly than ever. Hong Kong fell and it seemed unlikely that the Japanese tide would be stemmed in Malaya. "Singapore must be maintained at all hazards and at any cost," declared the Sydney Morning Herald on 27 December, echoing the widespread apprehension felt at the time. In fact Curtin had already acted on the matter, for the day before he had sent an urgent appeal directly to President Roosevelt (and to Churchill, who was in Washington at the time) requesting immediate American assistance for Malaya. "Reinforcements earmarked by the United Kingdom for despatch to Malaya seem to us utterly inadequate, especially in relation to aircraft... It is in your power to meet the situation. Should the Government of the United States desire, we would gladly accept an
American commander in the Pacific area." In order that Australia should remain a base, "Singapore must be reinforced." On 28 December 1941 Curtin released a New Year's "message" to the Australian people, which was widely reprinted and broadcast. The message was essentially an Australian challenge to the fundamental Anglo-American policy of giving priority to the war in Europe. "The Australian Government's policy," wrote the Prime Minister, "has been grounded on two facts. One is that the war with Japan is not a phase of the struggle with the Axis powers, but is a new war. The second is that Australia must go on to a war footing. Those two facts involved two lines of action - one in the direction of external policy as to our dealings with Britain, the United States, Russia, the Netherlands East Indies and China in the higher direction of the war in the Pacific. The second is the reshaping, in fact the revolutionizing, of the Australian way of life until a war footing is attained quickly, efficiently and without question... We look for a solid and impregnable barrier of the democracies against the three Axis powers, and we refuse to accept the dictum that the Pacific struggle must be treated as a subordinate segment of the general conflict. By that it is not meant that any one of the other theatres of war is of less importance than the Pacific, but that Australia asks for a concerted plan evoking the greatest strength at the democracies' disposal, determined upon hurling Japan back. The Australian Government
therefore regards the Pacific struggle as primarily one in which the United States and Australia must have the fullest say in the direction of the democracies' fighting plan. Without inhibitions of any kind, I make it quite clear that Australia looks to America, free of any pangs as to our traditional links or kinship with the United Kingdom. We know the problems that the United Kingdom faces. We know the constant threat of invasion. We know the dangers of dispersal of strength. But we know too that Australia can go, and Britain can still hold on. We are therefore determined that Australia shall not go, and we shall exert all our energies toward the shaping of a plan, with the United States as its keystone, which will give to our country some confidence of being able to hold out until the tide of battle swings against the enemy.  

Curtin had undoubtedly overstated his case, and it was widely misinterpreted at home and overseas; Churchill later claimed that Curtin's message was "flaunted round the world by our enemies." The Australian press resented the reference to the ties between Australia and the United Kingdom. "Mr. Curtin's 'Looking to America' message has created a most unfortunate impression," complained the Courier-Mail. The West Australian wrote: "Australians will not readily believe that Mr. Curtin meant to express or imply any disparagement of Britain, her efforts or her intentions; they will fully approve his efforts to draw closer to the United States in
these serious times." And the Sydney Morning Herald commented that "Mr. Curtin cannot be supposed to have intended that his maladroit references to the British connection should be interpreted as suggesting that Britain is indifferent to Australia's fate or unable to give us any real help." One newspaper, the Melbourne Age, was more perceptive: "Mr. Curtin's orientation of our Pacific outlook would be generally accepted throughout this country, even though Australia's sense of unity with our kinsfolk of Britain and the other Dominions is undiminished. But there is scope for an educative process in correcting insular views, and in promoting among peoples in other parts of the world a proper understanding of the Pacific conflict." Indeed, the Prime Minister's views were a sensible recognition of existing realities, even though his somewhat undiplomatic phrasing disturbed the traditionalists. Curtin had in fact unknowingly prophesied the shape of things to come; for the American alliance proved to be much more than a temporary expedient, and in the succeeding years the United States increasingly displaced Great Britain in importance to Australia.

1. Sydney Morning Herald, 9 December 1941.
2. The Bulletin, 10 December 1941.
3. Melbourne Age, 9 December 1941.
4. E.g. Sydney Morning Herald, 9 December 1941, 12 December 1941.
5. E.g. West Australian, 9 December 1941.
16. See Page, pp. 319-324.
17. Casey, Personal Experience, pp. 78-79.
18. Ibid., pp. 80-81.
19. E.g. Brisbane Courier-Mail, 18 December 1941; Adelaide Advertiser, 18 December 1941; Melbourne Argus, 19 December 1941; Sydney Morning Herald, 22 December 1941; Sydney Daily Telegraph, 23 December 1941
21. Sydney Morning Herald, 20 December 1941; Melbourne Age, 22 December 1941.
25. Melbourne Age, 29 December 1941.
29. West Australian, 31 December 1941.
30. Sydney Morning Herald, 29 December 1941.
31. Melbourne Age, 30 December 1941.
PART VIII- CONCLUSION

Chapter 26- Summary

In the latter part of the nineteenth century Australian nationalism was manifested, inter alia, in the federal movement, immigration restrictions, and the attitude to New Guinea and the islands of the southwest Pacific; nationalism implied a concern with foreign policy and defence. When federation was finally consummated in 1901 the population of Australia was only about two-thirds British, and the large Irish Catholic minority was inclined to be anti-British in outlook. Prior to the First World War both Non-Labour and Labour governments had begun to develop a separate defence policy, but foreign relations remained firmly under British control. The war changed many things; Australian nationhood was confirmed, yet the two conscription referenda divided the country as never before. W.M. Hughes played an aggressive part in the peacemaking in 1919-1920 and asserted a distinctly Australian policy. The six-year term of the Bruce-Page Government was marked by internal stability, economic growth and a diminished concern with external matters. The Balfour Report of 1926 affirmed the full sovereignty of the Dominions, but Australia showed little enthusiasm for this development. The Government undertook a moderate defence programme, while the Labour Party drifted further into isolationism; Australia was active in the League
of Nations. The beginning of the depression coincided with
the accession of the Scullin Labour Government, which two years
later was destroyed by a split in its ranks. While the economic
crisis necessitated a severe reduction in defence spending,
Scullin asserted Australian sovereignty by forcing through
the appointment of an Australian Governor-General.

The 1931 election brought to power the Lyons Government,
a fusion of Non-Labour and right-wing Labour forces under the
banner of the United Australia Party. A year later a very
gradual start was made on rearmament. The attention of most
Australians remained focused on domestic affairs, but the
Japanese invasion of Manchuria in 1931-1932 was a source of
anxiety. The press and the political parties were divided in
their interpretations of the affair, which only later was
clearly seen as a serious blow to collective security. The
passage of the Statute of Westminster gave official sanction
to the status of the Dominions, yet many newspapers opposed
the step, and the Government delayed adopting the Statute by
legislation. The Ottawa Conference of 1932 attempted to stimulate
trade within the British Commonwealth, nevertheless by 1934
Japan had become a major Australian trading partner and the
object of trade treaty negotiations.

The Lyons Government, a coalition with the Country Party
since the 1934 election, maintained a cautious attitude to
the Abyssinian war, which broke out in October 1935. The British
sanctions policy was supported but restraint was urged; the Labour Party opposed any Australian involvement, as did several newspapers. In 1936 the Government blundered into a short-lived policy of trade diversion, which accomplished little beyond antagonizing both Japan and the United States. Australian opinion was aroused by the Spanish Civil War and conflicting emotions were stirred, although little could be done about it. The abdication of King Edward VIII in December 1936 created a sensation bordering on hysteria and - because of the obvious divisions in Australian opinion - a worried Government and its supporters tried to suppress the debate. Meanwhile the defence issue was gaining in prominence, with increased argument between proponents of a naval strategy and advocates of a land-air defence of Australia. The Lyons Government continued to adhere to the former, and the Labour Party (now under the leadership of John Curtin) supported the latter view.

At the 1937 Imperial Conference it was apparent that Britain intended to give priority to the strengthening of defences against Germany, leaving the position in regard to Japan unsatisfactory for at least five more years. Australia's growing concern for the stability of the region was shown by the Prime Minister's proposal for a Pacific non-aggression pact, however the suggestion lapsed following the renewal of the Japanese attack on China in July 1937. The Government pursued a conservative policy towards the Sino-Japanese conflict;
the press took a firmer line against Japan than in the earlier Manchurian affair, especially after the Japanese began air attacks on Chinese cities. A section of the Labour movement endeavoured to apply "working-class sanctions" against Japan but met with Government resistance. The question of Australia's foreign policy and defence played a greater part in the 1937 election campaign than in any other campaign since the last war. Curtin had considerably augmented the defence policies of the Labour Party, but had not yet repudiated isolationism, a fact made much of by the Government. The election gained the Opposition only one additional seat in the House, but it almost achieved a majority in the Senate.

Australia was closely associated with the ill-conceived Anglo-French policy of appeasing Germany (and Italy) in 1938-1939. Although some newspapers expressed strong misgivings, most of the press accepted the Munich Agreement with relief. In April 1939 a change in the Prime Ministership was brought about by the death of Lyons. After much public and press uncertainty the succession went to R.G. Menzies, whereupon the Country Party withdrew from the coalition. Menzies came to power just after faith in appeasement had been rudely and irreparably shattered by the German seizure of Prague. The Government decided to accelerate the defence effort in line with the new policy of resistance in Europe, symbolized by Britain's unilateral guarantees to Poland, Greece and Rumania.
(without British Commonwealth consultation). At the same time the Menzies Government retained a conciliatory policy towards Japan, even though this began to give offence to Great Britain, whose interests in China were under heavy Japanese pressure. When Britain declared war on Germany in September 1939 the Menzies Government took the position that this act automatically involved Australia; although clearly contrary to its traditional policy, the Labour Party acquiesced because of the exigencies of the situation.

In early 1940 R.G. Casey was chosen to be the first Australian Minister to the United States, and the Labour Party won the subsequent by-election. Menzies promptly acted to strengthen the position of the Government by inducing the Country Party to rejoin the coalition. The overwhelming successes of the German blitzkrieg in Europe in April-June 1940 and the Italian entry into the war had a drastic effect on Australian opinion, especially that of the Opposition, which now favoured complete co-operation with the Allies and a total war effort. Australia still adhered to a cautious policy to Japan; the appointment of J.G. Latham as Minister to Japan in August 1940 was part of the effort to preserve tolerable relations with that country. The Labour Party, which had made substantial progress in the direction of unity under the strong leadership of Curtin, made impressive gains in the September 1940 election, and the Menzies Government kept control of the House only with
the support of two Independents. The Labour Party was steadfast in its refusal to enter a national government, and a compromise was effected by the formation of the Advisory War Council.

With Menzies en route to Britain, Australia was caught up in a Japanese war scare in February 1941. A.W. Fadden and Curtin co-operated in the issuance of warnings by the Advisory War Council, but the result was a false alarm, and from London Menzies criticized what had happened. At the same time the Labour Party's prospects were enhanced by the formal reincorporation of the Lang group. Upon returning to Australia the Prime Minister announced a programme for an unlimited war effort. Australian opinion had hardened following the severe losses in Greece and Crete; the German attack on Russia in June 1941 was received with surprise and relief. Meanwhile dissension within the United Australia Party had been growing steadily, and at the end of August Menzies was forced to resign the Prime Ministership, being replaced by Fadden. This shaky arrangement endured for only five weeks; by the beginning of October the Labour Party had won over the two Independents and was able to take office under Curtin. At first the new Government was hopeful of keeping the peace in the Pacific, but from mid-October 1941 onwards the situation rapidly worsened. Demands were made for British reinforcements and American co-operation was urgently sought; Casey was active in Washington. When the Japanese struck in December 1941 the
Curtin Government used the occasion to assert its view of Australian sovereignty by issuing a separate declaration of war. The immediate prospects in the Pacific were grim, and this impelled the Prime Minister to release a statement at the end of the year which proclaimed the vital importance of the United States to the survival of Australia.

It may have been expedient to allow Britain to retain control of Australia's external policy up to the First World War (on the ground that Britain could and would defend Australia), although as early as the 1900s it should have been realized that the Anglo-Japanese Alliance was a tacit admission that the British navy was no longer supreme in the Pacific. The results of the two conscription referenda of 1916 and 1917 may be interpreted as a partial rejection of the implications of the British connection. And under the leadership of Hughes Australia played an aggressively independent part in the second half of the war and particularly at the peace conference. Yet, in spite of the fact that the relative power of Great Britain clearly had been greatly reduced as
Democratic government is dependent upon an informed citizenry. Foreign policy and defence are among the most important responsibilities of governments, yet in this regard the citizens of Australia (albeit like those of most other democracies) more often than not have been apathetic and ill-informed. Interest in external affairs has been allowed by default to be the preserve of an élite - a section of which persisted in denying the need for and/or the basis of an Australian foreign policy.

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a result of the war, the peace settlements and the Washington treaties, Australia reverted to a passive attitude to external policy which was based on assumptions that were no longer valid. The Balfour Report of 1926 should have settled the question of Australia's sovereign status once and for all, but tradition, sentiment and vested interests prevailed, and the challenge of an Australian foreign policy was left in abeyance. On some occasions Australian sovereignty was upheld, as in the appointment of an Australian Governor-General, and even this was achieved in the face of determined resistance.

In view of the severe depression it was perhaps understandable but certainly deplorable that external policy was virtually ignored in the early thirties. Australia deliberately evaded the responsibilities conferred by the Statute of Westminster in 1931, entered into short-sighted arrangements at the Ottawa Conference, and was content to regard the Japanese invasion of Manchuria as a British problem — instead of as an ominous development in Pacific security. Support was given to ineffective British policies during the Abyssinian conflict and the Spanish Civil War in 1935-1936 and thereafter; proposed Opposition policy was no better than actual Government policy, and the press did little to enlighten the Australian people about external realities. The trade diversion affair of 1936 was a costly and easily avoidable mistake. Had the Government allowed an objective test of public opinion in relation to
the King's abdication, it is likely that a split as deep as that over conscription would have been revealed. The Lyons proposal for a Pacific pact, put forward at the Imperial Conference of 1937, had to be handed over to a Britain strongly preoccupied elsewhere and eventually lapsed, in part because Australia had failed to establish separate diplomatic machinery. The Australian response to Japanese aggression against China simply showed that little had been learned from the events in Manchuria, Abyssinia and Spain.

To a considerable extent the election of 1937 was a test based on defence and foreign policy; the people endorsed the manifestly out-dated ideas of the Lyons Government and rejected Labour policy, which under Curtin's leadership was now beginning to evolve in a positive direction. Most - but not all - Australian newspapers rendered a disservice to their readers in uncritically accepting and commending the change of British policy signified by Eden's resignation in early 1938. Involvement in the disastrous policy of appeasement was facilitated by an unenlightened press, and consequently Australia must share in the opprobrium of Munich. Only with the German occupation of Czechoslovakia in March 1939 was the utter failure of appeasement conceded by those who should have known better. At the same time the Menzies Government was forced to pursue a conciliatory policy to a recently-provoked Japan, as the only available reaction to the deteriorating position in the
Pacific. When war broke out in Europe in September 1939 the Government in associating Australia acted in a manner which ignored the constitutional changes of the preceding 25 years.

In 1940 Australia at long last took the first tentative steps towards an independent external policy. The despatch of Casey to the United States and the appointment of Latham as Minister to Japan were belated moves in the right direction. With the set-backs of mid-1940 in Europe the Australian people finally realized the weakness of their position and began to sense the folly of having depended so heavily on Britain; but the Menzies Government (whose majority was reduced to almost nil in the September 1940 election) was greatly handicapped in its task of national leadership by the short-sighted and selfish attitudes of many members of the coalition. By early 1941 Australia had forfeited much of the freedom of action which might have been usefully employed earlier. The political upheavals of August-October 1941 may be regarded as evidence that only a few months before the Japanese thrust was to pose an unprecedented threat, Australia's leaders were still more concerned with internal politics than with national security. The Curtin Government inherited an onerous task when it took office, but it was unable to proceed with all speed to strengthen the nation's defences because of the lingering "business as usual" attitude of so many Australians. In a sense,
therefore, Australia may well have been saved from even worse consequences of the years 1931-1941 by the fortuitous events of 7/8 December 1941.

Of the newspapers (ten daily and one weekly) surveyed in this study, it is important to note that only one, the Sydney Labor Daily, reflected a Labour viewpoint — in this case that of the extremist Lang Labour Party in New South Wales. Thus a scholar was able to claim in 1938 (with the single preceding exception) that "editorials on foreign policy and world affairs can never be accepted as representing more than the Non-Labour point of view." However, the question of the political bias of the Australian press was a more complex matter than the above implies. For although it had to be admitted that the press was "menacing enough in its one-sided presentation of both foreign and domestic news," such important and influential newspapers as the Sydney Morning Herald, the Melbourne Argus and the Melbourne Age still had a "family-created sense of responsibility and regard for truth, trammelled though it may be by a natural conservatism." The demonstrably anti-Labour bias of the press during the depression years weakened considerably in the late thirties; by 1941 the Sydney Morning Herald and (to a lesser extent) The Bulletin were openly calling for the resignation of the Menzies Government.

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on such fundamental matters as Australia's membership of the
British Commonwealth, the maintenance of the White Australia
Policy and the use of protection to develop Australian industry.

But there were clashes of view between the Labor Daily and
Non-Labour newspapers on issues of defence policy, immigration,
the handling of the abdication, involvement in world affairs,
etc. Among Non-Labour newspapers there were many differences
of emphasis, with the Sydney Daily Telegraph showing a sense
of international obligation and political liberalism, the
Sydney Morning Herald and the Melbourne Argus sounding traditional
notes of British imperialism, and the Melbourne Age and The
Bulletin\textsuperscript{5} exhibiting a self-conscious, assertive Australian
nationalism.\textsuperscript{6} Metropolitan morning newspapers in the four
smaller states tended to follow the pattern of the Sydney
Morning Herald (and the Melbourne Argus).

In the 1930s Australian newspapers seldom maintained their
own overseas correspondents, which left the press almost wholly
dependent on two cable services for foreign news.\textsuperscript{7} The cable
reports were usually so disconnected as to make impossible
a coherent view of world affairs. Further, the functioning
of the cable services was such that Australians generally
received the official British interpretation of foreign
developments - a serious defect, except to those who held
the anachronistic view that Australian and British interests
were necessarily identical. The space devoted to cable reports
in Australian newspapers, in a decade in which the destiny of Australia was increasingly influenced by developments in the United States and in Asia, continued to be dominated by news from Great Britain and European countries. 8

The formation of public opinion and the extent to which public opinion is influenced by the press are questions which can be debated at length. 9 It is very difficult to determine where to strike a balance between newspapers as an influence on their readers and newspapers as a reflection of their readers' interests, prejudices and apathies. 10 The mere fact that a substantial proportion (sometimes a majority) of readers ignore the exhortations of their newspapers at election time is an indication that the direct influence of the press is much less than is often claimed. Little material on this subject is available for the thirties, but a scholarly survey conducted in 1941 produced evidence of a widespread sceptical attitude to the press at that time. 11 It can be inferred that this was also the case in the preceding years.

5. For a left-wing analysis and criticism of the editorial policy of The Bulletin in the late thirties, see Kevin Connolly,
"The Tragedy of 'The Bulletin', " Point, no. 1, April 1938, pp. 9-12.

10. See Mayer, The Press in Australia, pp. 228-239.
11. See Elkin.

The Adelaide Advertiser was founded in 1858 and since the beginning of the thirties the newspaper was controlled by The Herald and Weekly Times Ltd. of Melbourne under Keith Murdoch. Circulation 100,000 (1938), 111,000 (1941).

The Brisbane Courier-Mail was formed by a merger in 1933 from components dating back to 1846 and 1903. From the date of the merger the newspaper was under the effective control of The Herald and Weekly Times Ltd. Circulation 70,000 (1938), 85,000 (1941).

The Bulletin, Sydney, a weekly, was founded by J.F. Archibald in 1880, and by the turn of the century had a national readership and was known as the "bushman's bible", featuring many well-known writers and artists. In the thirties the weekly was directed by H.K. and P.H. Prior, J.E. Webb and David Adams. Circulation 50,000 (1936 estimate), 55,000 (1940 estimate).

The Canberra Times began publication in 1926 under T.M. Shakespeare. Circulation 10,000 (1939 estimate).

The Hobart Mercury was founded in 1854 and has been under the continuous control of the Davies family. Circulation

24,000 (1941).

The Labor Daily, Sydney, first appeared in 1924 under the
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sponsorship of the Labour movement in New South Wales, eventually coming under the personal control of J.T. Lang. The newspaper remained under Lang's domination until 1938; in 1940 it ceased publication. Circulation 130,000 (1932), 84,000 (1935).

The Melbourne *Age* first appeared in 1854 and was still owned by the Syme family during the 1930s. Circulation 100,000 (1938), 99,000 (1941).

The Melbourne *Argus* was started in 1846 and remained under the control of the Wilson and Mackinnon families in the thirties. Circulation 105,000 (1938), 108,000 (1941).

The Sydney *Daily Telegraph* began publication in 1879 and was a leading opponent of federation in the 1890s. Since 1935 the newspaper has been controlled by Consolidated Press Ltd., founded by Frank Packer and E.G. Theodore. Circulation 101,000 (1935), 160,000 (1938), 213,000 (1941).

The Sydney *Morning Herald* first appeared in 1831 and has been under the control of the Fairfax family since 1841. The newspaper wielded considerable influence in the 1930s. Circulation 216,000 (1935), 230,000 (1938), 225,000 (1941).

The *West Australian*, Perth, first appeared under its present name in 1879 and has been owned by a public company since 1926. Circulation 70,000 (1938), 78,000 (1941).

Histories—W. Sprague Holden, *Australia goes to Press*,
Detroit, 1961, pp. 235-245.


2. Ibid., p. 395.

16 December 1922
14 November 1925
17 November 1928
12 October 1929 (House only)

19 December 1931
15 September 1934
23 October 1937
21 September 1940

Terms of Office

Bruce-Page Government, 9 February 1923-22 October 1929
Scullin Government, 22 October 1929-6 January 1932
Lyons Government, 6 January 1932-7 November 1934
Lyons-Page Government, 7 November 1934-7 April 1939
Page-Hughes Government, 7 April 1939-26 April 1939
Menzies Government, 26 April 1939-14 March 1940
Menzies-Cameron Government, 14 March 1940-28 October 1940
Menzies-Fadden Government, 28 October 1940-29 August 1941
Fadden-Menzies Government, 29 August 1941-7 October 1941
Curtin Government, 7 October 1941-6 July 1945

R. White, Minister for Trade and Customs
V. M. Hughes, Minister for Health and Minister for Repatriation

Leading Ministers

May 1931 (Labour Party)

J.H. Scullin, Prime Minister and Minister for External Affairs
E.G. Theodore, Treasurer
Frank Brennan, Attorney-General
A.E. Green, Postmaster-General and Minister for Works
P.M. Forde, Minister for Trade and Customs
J.B. Chifley, Minister for Defence
3- Federal Governments

Election Dates

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<td>14 November 1925</td>
<td>15 September 1934</td>
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<td>17 November 1928</td>
<td>23 October 1937</td>
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<td>12 October 1929</td>
<td>21 September 1940</td>
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<td>(House only)</td>
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Terms of Office

Bruce-Page Government, 9 February 1923–22 October 1929
Scullin Government, 22 October 1929–6 January 1932
Lyons Government, 6 January 1932–7 November 1934
Lyons-Page Government, 7 November 1934–7 April 1939
Page-Hughes Government, 7 April 1939–26 April 1939
Menzies Government, 26 April 1939–14 March 1940
Menzies-Cameron Government, 14 March 1940–28 October 1940
Menzies-Fadden Government, 28 October 1940–29 August 1941
Fadden–Menzies Government, 29 August 1941–7 October 1941
Curtin Government, 7 October 1941–6 July 1945

Leading Ministers

May 1931 (Labour Party)

J.H. Scullin, Prime Minister and Minister for External Affairs
E.G. Theodore, Treasurer
Frank Brennan, Attorney-General
A.E. Green, Postmaster-General and Minister for Works
F.M. Forde, Minister for Trade and Customs
J.B. Chifley, Minister for Defence
June 1932 (United Australia Party)
J.A. Lyons, Prime Minister and Treasurer
J.G. Latham, Attorney-General and Minister for External Affairs
S.M. Bruce, Resident Minister, London
Senator G.F. Pearce, Minister for Defence
J.E. Fenton, Postmaster-General
H.S. Gullett, Minister for Trade and Customs

June 1933 (United Australia Party)
J.A. Lyons, Prime Minister and Treasurer
J.G. Latham, Attorney-General and Minister for External Affairs
S.M. Bruce, Resident Minister, London
Senator G.F. Pearce, Minister for Defence
R.A. Parkhill, Postmaster-General
T.W. White, Minister for Trade and Customs

November 1934 (United Australia Party–Country Party)
J.A. Lyons, Prime Minister and Treasurer
Earle Page, Minister for Commerce
Senator G.F. Pearce, Minister for External Affairs
R.G. Menzies, Attorney-General and Minister for Industry
R.A. Parkhill, Minister for Defence
T.W. White, Minister for Trade and Customs
W.M. Hughes, Minister for Health and Minister for Repatriation

1935–1936 (United Australia Party–Country Party)
J.A. Lyons, Prime Minister
Earle Page, Minister for Commerce
Senator G.F. Pearce, Minister for External Affairs
R.G. Menzies, Attorney-General and Minister for Industry
R.A. Parkhill, Minister for Defence
W.M. Hughes, Minister for Health and Minister for Repatriation
T.W. White, Minister for Trade and Customs
R.G. Casey, Treasurer
F.H. Stewart, Minister for External Affairs

1937-1938 (United Australia Party–Country Party)
J.A. Lyons, Prime Minister
Earle Page, Minister for Commerce and Minister for Health
R.G. Menzies, Attorney-General and Minister for Industry
W.M. Hughes, Minister for External Affairs
T.W. White, Minister for Trade and Customs
R.G. Casey, Treasurer
H.V.C. Thorby, Minister for Defence

April 1939 (United Australia Party)
R.G. Menzies, Prime Minister and Treasurer
W.M. Hughes, Attorney-General and Minister for Industry
R.G. Casey, Minister for Supply and Development
G.A. Street, Minister for Defence
H.S. Gullett, Minister for External Affairs
J.N. Lawson, Minister for Trade and Customs

November 1940 (United Australia Party–Country Party)
R.G. Menzies, Prime Minister and Minister for Defence Co-ordination
A.W. Fadden, Treasurer
W.M. Hughes, Attorney-General and Minister for the Navy
P.C. Spender, Minister for the Army
Earle Page, Minister for Commerce
F.H. Stewart, Minister for External Affairs
E.J. Harrison, Minister for Trade and Customs

August 1941 (Country Party–United Australia Party)
A.W. Fadden, Prime Minister and Treasurer
R.G. Menzies, Minister for Defence Co-ordination
W.M. Hughes, Attorney-General and Minister for the Navy
P.C. Spender, Minister for the Army
Earle Page, Minister for Commerce
F.H. Stewart, Minister for External Affairs
E.J. Harrison, Minister for Trade and Customs

October 1941 (Labour Party)

John Curtin, Prime Minister and Minister for Defence
F.M. Forde, Minister for the Army
J.B. Chifley, Treasurer
H.V. Evatt, Attorney-General and Minister for External Affairs
J.A. Beasley, Minister for Supply and Shipping
Norman Makin, Minister for the Navy and Minister for Munitions

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