Introduction

ALISON BASHFORD AND STUART MACINTYRE

The Commonwealth of Australia was inaugurated on the first day of the twentieth century. Devised by elected representatives of the colonies, adopted by popular plebiscites and enacted by the imperial parliament at Westminster, this federal union created a nation-state that enjoyed exclusive possession of an island continent. It practised a system of democratic self-government that was both advanced and durable. The defining characteristics – a constitutional monarchy, a bicameral legislature elected on a common franchise, the executive responsible to the lower house, its activity restricted to federal functions – have resisted alteration. Similar constitutional arrangements persist in the six States, which have withstood repeated calls to redraw their boundaries and revise their functions. Despite the accretion of central government, the Constitution remains as it was on I January 1901, making Australia one of the oldest uninterrupted democracies.

The continuities extend beyond the framework of government. In 1901 there were 3.8 million Australians and they constituted 0.23 per cent of the world's population; by the end of 2012 the Australian population had risen to 22.8 million, still only 0.32 per cent of the global population. Occupying a vast landmass, the new nation used advanced methods to extract minerals and produce raw materials for the world market; mineral and energy exports still underwrite the nation's prosperity. Throughout the century the great majority of people lived not in the interior but along the coast, most of them in the south-east corner of the continent. In 1901 they enjoyed a comparatively high standard of living, with incomes that allowed most to participate in discretionary expenditure; many commentators are once again celebrating the exceptional character of Australian economic affluence and growth in a world still coming to terms with the global financial crisis (GFC) of 2007–08. In 1901 there were already high levels of literacy and advanced systems of communication. The citizens of the new Commonwealth were also

Introduction

British subjects with an awareness of their place in the world, the imperial links partly easing their anxieties but not satisfying their desires for national affirmation.

Settler colonialism had established vigorous patterns of settlement, growth and prosperity, but the new Commonwealth was formed in adversity and turmoil. A severe Depression in the early 1890s was followed by a prolonged drought that lasted until 1903. With the fall in export income and withdrawal of investment, immigration stopped and did not resume until well into the first decade of the new century. Trade unions confronted employers in violent disputes and the subsequent collapse of the labour market brought widespread destitution. Both the formation of the Labor Party and the demands of feminists for fuller citizenship rights and greater protection of women and families arose out of these tribulations.¹

Chapter I relates how the early Commonwealth parliament devised new national institutions to provide respite from these vicissitudes. It imposed a tariff on imported manufactures to promote local industries, created an Arbitration Court to resolve disputes, encouraged the Court to determine a fair and reasonable wage for male breadwinners, and provided an old-age pension and a maternity benefit. Bowing to race nationalism, it also devised a scheme to prevent the entry of Asians, ended the use of Pacific Island labour in the north, and denied both the vote and welfare benefits to Aboriginal and Torres Strait Islander people. The States meanwhile tightened institutional control over Indigenous people, and introduced a range of health and eugenic measures to nurture and improve the 'quality' of the national population.

The new forms of state activity gave Australia the contemporary reputation of an egalitarian social democracy. More recently, they have been described as marking out a particular way of affording social protection by means of a 'wage-earners' welfare state',² and of imposing a regulatory regime, 'the Australian Settlement', that lasted without significant challenge

I Susan Magarey, Sue Rowley and Susan Sheridan (eds), Debutante Nation: Feminism Contests the 1890s (Sydney: Allen & Unwin, 1993); Helen Irving (ed.), A Woman's Constitution? Gender & History in the Australian Commonwealth (Sydney: Hale & Iremonger, 1996); Marilyn Lake, Getting Equal: The History of Australian Feminism (Sydney: Allen & Unwin, 1999); Raymond Markey, The Making of the Labor Party in New South Wales, 1880–1900 (Sydney: UNSW Press, 1988); Frank Bongiorno, The People's Party: Victorian Labor and the Radical Tradition 1875–1914 (Melbourne University Press, 1996).

² Francis G. Castles, The Working Class and Welfare: Reflections on the Political Development of the Welfare State in Australia and New Zealand, 1890–1980 (Sydney: Allen & Unwin, 1985).

Introduction

into the 1970s and condemned Australia to insular mediocrity – 'a young nation with geriatric arteries'.³

Several contributors contest the idea of a lasting settlement. They interpret the new institutional arrangements as an exercise in nation building, and identify repeated challenges that led to substantial changes in their operation. World War I brought an extension of state activity but its heavy toll – 60,000 deaths in Australia's population of 4.5 million - fractured the national consensus. World War 2 was less divisive and cost fewer lives - 38,000 in a population of 7 million – yet it stimulated much greater change. Under the demands of a total war following Japan's entry into the conflict, the federal government imposed far-reaching controls over every aspect of national life. The planning and administration of the war effort required new forms of expertise, with lasting effects on public policy. The mobilisation of the country changed an excess of labour into a shortage, pointing up the abject failure of the protective arrangements during the Depression of the 1930s and indicating the need for a new kind of economic management that would maintain full employment along with an expanded provision of education and social welfare.4

It is noteworthy that the two wars and the Depression in between created political turmoil but did not alter a two-party alignment that has proved remarkably resilient. The rise of the Labor Party, the first of its kind anywhere to win office, with an electoral majority in 1910, forced the two older parties to combine. The Protectionist and Free Trade parties were voluntary associations of like-minded parliamentarians linked loosely to a limited extra-parliamentary organisation, whereas Labor was a party of a new kind, built on a mass base and with a binding structure. The fusion of the Protectionists and Free Traders into the Liberal Party in 1909 enabled them to compete on equal terms.⁵

Labor split during World War I and the prime minister, William Morris Hughes, took part of its support base across to the other side, which rebadged itself as the Nationalist Party. The wartime disruption of agriculture exacerbated the discontent of farmers with the city-based Nationalists. They responded by forming their own Country Party, but after Hughes was

³ Paul Kelly, The End of Certainty: The Story of the 1980s (Sydney: Allen & Unwin, 1992), p. 13.

⁴ Paul Smyth; Australia Social Policy: The Keynesian Chapter (Sydney: UNSW Press, 1994); Nicholas Brown, *Governing Prosperity: Social Change and Social Analysis in Australia in the* 1950s (Cambridge University Press, 1995).

⁵ Paul Strangio and Nick Dyrenfurth (eds), Confusion: The Making of the Australian Two-Party System (Melbourne University Press, 2009).

Introduction

removed from office it entered into a coalition arrangement that was maintained almost unbroken to the present. The Depression brought a similar reconfiguration. Labor, again in office, split under the pressure of austerity measures imposed by the crisis, and Joseph Lyons, its guardian of financial orthodoxy, crossed over to head the new United Australia Party. That party, in turn, fell apart when it was unable to provide effective leadership during World War 2, and was replaced in 1944 by the Liberal Party. Apart from the Country Party's change of name to the National Party in the 1970s, that completed the evolution of Australia's major political parties.

The two-party system was consolidated in the first half of the twentieth century by institutional arrangements expressive of the Australian political culture. Parliamentarians were paid generously from the outset, and the franchise was extended quickly to all white adults. In 1911 they were required to enrol as voters, and in 1924 they were compelled to vote. Preferential voting for the House of Representatives was introduced in 1918, accommodating multiple non-Labor candidatures for the single-member electorates. Labor survived its setbacks, non-Labor was regenerated by its periodic metamorphoses, and both tempered their ideologies to the requirements of an electoral majority.

The self-adjusting nature of this form of politics was cast in doubt by the long period of Liberal–Country Party Coalition government between 1949 and 1972. After the domestic effects of the Cold War brought about another Labor split in 1955, it seemed in danger of becoming a permanent opposition. The Coalition, on the other hand, was so firmly embedded in office that it resisted forces for change. Chapter 5's treatment of this impasse is complemented by other chapters that deal with gender, Indigenous Australia, cultural life and relations with the Asia-Pacific region. The sudden release of these pressures following the retirement of the long-serving prime minister Robert Menzies in 1966, and then the hectic period of government under the Labor prime minister Gough Whitlam from 1972 to 1975, coincided with the downturn of the world economy and the breakdown of both economic protection and Keynesian economic management.

The problems that confronted Australia in the 1970s after 25 years of sustained growth and full employment might be added to the two world wars and the Depression of the 1930s as a fourth crisis stimulating change, but on this occasion the change was contained within the established party system. Chapter 6 is concerned with the extended period of instability following the Menzies era, while Chapter 7 describes the new bipartisan consensus emerging around the neoliberal reforms of the 1980s and 1990s

Introduction

as first the Labor government of Bob Hawke and Paul Keating and then the Liberal–National Party Coalition government of John Howard reshaped Australia's arrangements to meet the new circumstances of globalised economic competition.

Both Labor and the Coalition enjoyed long stretches of electoral success, but with a shrinking membership base and declining political participation. Capable of effecting major policy changes and reshaping the operation of government, they were far less successful in altering core institutions. The failure of the campaign for a republic at the end of the century left Australia as a constitutional monarchy, with partisan argument over the symbols, status and even the identity of its head of state suggestive of an exhausted capacity for innovation. Efforts to enlarge citizenship or codify rights have also failed. The federal system endures, despite the continuing fiscal imbalance between the Commonwealth and the States that has duplicated the administration of government services and weakened accountability.

From early in the twentieth century Australia aspired to overcome its reliance on the export of raw materials. Not only were these subject to the uncertainty of demand and vagaries of climate – so starkly demonstrated in the Depression and drought of the 1890s – but they signified a condition of dependence that the new nation aspired to overcome. The protection of local industry would support a larger population, create a bigger domestic market, build expertise and promote self-sufficiency. The protection of living standards would underwrite a prosperous and harmonious Commonwealth. This regime of protection and state assistance brought an expansion of the manufacturing sector over the first half of the century, but in the second half manufacturing peaked and began to decline. That decline accelerated from the 1980s so that Australia's trade is once more dominated by commodity exports. But as the chapter on the economy explains, it is the services sector that has grown throughout the century to its present commanding position.

Australia's economic performance in the early part of the twentieth century was weak. National income stagnated on a population basis for the first three decades, fell during the Depression and only began to increase in the late 1930s. It grew rapidly after World War 2, and most citizens shared the benefits of the long boom that spanned the third quarter of the century. A further period of sustained growth since the beginning of the 1990s has lifted per capita income to nearly six times that in 1901, and broader indicators of wellbeing confirm the improvement. An earlier generation of economic historians explored the search for stable growth and the trade-off between

Introduction

regulation and competition.⁶ More recent work is concerned with explaining the determinants of growth, and the relative contributions of the increase in the factors of production and improvements in the efficiency of their use.⁷ The importance of land and natural resources, a factor with which Australia is so richly endowed, has implications for a range of subjects taken up in this volume, including the environment, transport and communications, and the civic and economic status of Indigenous Australians.

The improved economic performance after World War 2 brought greater equality of wealth and income. It is less clear that the growth over the past two decades has been shared so widely; indeed, the available measures of inequality suggest a widening gap. Occupations in the service sector are more diverse than those in manufacturing, for they range from lucrative professions to poorly paid process work. The effects of deregulating the labour market and replacing public with private provision are apparent in chapters on social structures, class and education.

While Australia remains a prosperous trading nation, the patterns of trade have changed decisively. In the early twentieth century the country sold commodities to the industrial economies of Europe, and especially Britain. Britain bought wool, wheat, meat and dairy products and sent manufactures, capital, technology and expertise. Similar imports were drawn from the United States as it overtook Britain as the leading industrial power. But the rise of Asia in the closing decades of the century transformed Australia's trading links.

For most of the twentieth century, strategic alliances were linked closely to economic relations. As the chapter on security explains, Australia's global outlook was shaped by its membership of the British Empire, and it asserted regional interests by seeking to influence imperial and later US strategic policy. A chapter on the British connection suggests how the imperial ties frayed rapidly during the 1960s – just as President Nixon signalled a reduction of military involvement in Southeast Asia. Finally, the chapter on Australia's relations with Asia suggests how this withdrawal forced a belated but incomplete engagement with the countries of the region, and attempts to enter and shape regional forums. Australia was also drawn into the affairs of the smaller island nations immediately to its north, such as East Timor, Papua New Guinea and the Solomons, as they wrestled with the consequences of

⁶ N.G. Butlin, A. Barnard and J.J. Pincus, *Government and Capitalism: Public and Private Choice in Twentieth-Century Australia* (Sydney: George Allen & Unwin, 1982).

⁷ Ian W. McLean, Why Australia Prospered: The Shifing Sources of Economic Growth (Princeton University Press, 2013).

Introduction

decolonisation. Australia has thus assumed the mantle of a middle power, with the demands and consequences that entails. Still cleaving to the alliance with the United States, it faces the unwelcome prospect of a confrontation between its strategic ally and China, since 2009 its principal trading partner.

An incubus of the early Commonwealth was the aspiration for a white Australia. As the opening chapter of this volume explains, there was no need to pass the *Immigration Restriction Act* in 1901 since the colonies had already adopted measures to prevent Asian immigration. It was legislated partly because migration was now a Commonwealth responsibility, partly to serve political purposes, but mostly as a declaration of national integrity. This need to proclaim the principle of consanguinity became a habit when Australian leaders appeared on the world stage. All of the British settler societies, including the United States, restricted immigration on a racial basis but W.M. Hughes stood out at the Paris Peace Conference in 1919 for his obdurate hostility to any concession. Herbert Vere Evatt, a later external affairs minister in a Labor government, defended the domestic jurisdiction over migration policy at the founding conference of the United Nations in San Francisco in 1945, and Robert Menzies continued to uphold discriminatory policy and practice into the mid-1960s.⁸

The white Australia policy was slowly dismantled during the post-war period but this was a protracted process with no clear marker of its demise. 'It is dead', the minister for immigration insisted in 1973. 'Give me a shovel and I will bury it'.⁹ By this time the policy's repugnance was widely recognised, and a new generation of historians documented its pervasive significance across the long stretch of Australian history. This critique became a standard component of a revisionist account of Australian nationhood that drew attention to ethnic minorities as victims of prejudice and discrimination.¹⁰ More recent work has explored the diverse experiences of Chinese, Pacific Islander, Indian and other settlers, and the ways in which they interacted within local communities.¹¹

- 9 Quoted in Gwenda Tavan, *The Long, Slow Death of White Australia* (Melbourne: Scribe, 2005), p. 1.
- 10 For example, Humphrey McQueen, A New Britannia: An Argument Concerning the Social Origins of Australian Radicalism and Nationalism (Melbourne: Penguin, 1975); Raymond Evans, Kay Saunders and Kathryn Cronin, Exclusion, Exploitation and Extermination: Race Relations in Colonial Queensland (Sydney: Australia and New Zealand Book Company, 1975).
- II Ruth Balint, 'Aboriginal Women and Asian Men: A Maritime History of Color in White Australia', Signs, 37, 3 (2012): 544–54; Regina Ganter with Julia Martínez and Gary Lee, Mixed Relations: Asian–Aboriginal Contact in North Australia (Perth: UWA Press, 2006); John Fitzgerald, Big White Lie: Chinese Australians in White Australia (Sydney: UNSW Press, 2007); Heather Goodall, 'Shared Hopes, New Worlds: Indians, Australians

⁸ Sean Brawley, The White Peril: Foreign Relations and Asian Immigration to Australasia and North America 1919–78 (Sydney: UNSW Press, 1995).

Introduction

White Australia has been reinterpreted not just as a story of exclusion of Asians but also the exclusion of some British people defined as 'undesirable immigrants'. The 'whiteness' of white Australia was, for example, explicitly a matter of public health, of selecting out the unsound of mind and body, as well as selecting in the 'fit'.¹² Building, managing and shaping the population was core business for Commonwealth and State governments, pursued in part through encouragement of natural increase – though fertility rates remained low – and in part through immigration policies and laws. The slogan 'populate or perish' spoke to both. And 'perish' referred not just to a looming economic decline that might accompany low population density, but also to national security. Over several generations, the Commonwealth pursued projects that aimed to create infrastructure and introduce people to the sparsely populated north and west. In this respect, the patterns of nineteenth-century settler colonialism extended well into the twentieth century.

Although migrants trickled in from continental Europe for much of the period, immigration schemes drew exclusively on Britain until after World War 2. There were large intakes in periods of prosperity: a surge on the eve of World War 1 (280,000 between 1909 and 1914) was followed by sustained numbers (320,000) in the 1920s. But departures outnumbered arrivals in the first years of the century and again during the Depression. The government planned for an increased intake after World War 2 but was able to achieve its target of 1 per cent of the population per annum only by looking beyond Britain and accepting migrants from other European countries. Along with displaced persons resettled after the war, a generation of northern and southern Europeans significantly changed Australian culture. It was the end of the Vietnam War that initiated substantial Southeast Asian movement to Australia, with people coming initially as refugees, and the immigration program extended later to East and South Asia. Numbers continued to fluctuate according to the demand for labour, with troughs in the 1970s and early 1990s, but the long-term effect was to increase the proportion of overseas-born Australians to the present level approaching 30 per cent.

For the first quarter-century of the post-war immigration program there was an expectation that newcomers would adapt and conform to

and Indonesians in the Boycott of Dutch Shipping 1945–1949', in Shanti Moorthy and Ashraf Jamal (eds), *Indian Ocean Studies: Cultural, Social, and Political Perspectives* (London: Routledge, 2010), pp. 158–96; Julia Martínez, 'Indonesians Challenging White Australia: "Koepangers" in the North Australian Pearl-Shell Industry, 1870s to 1960s', *Indonesia and the Malay World*, 40, 117 (2012): 231–48.

¹² Alison Bashford, Imperial Hygiene: A Critical History of Colonialism, Nationalism and Public Health (Basingstoke: Palgrave Macmillan, 2004), chs 5–6.

Introduction

'the Australian way of life'.¹³ Cultural 'assimilation' – understood by policy makers at the time as progressive – was abandoned in the 1970s in favour of multiculturalism. This term was borrowed from Canada where it was designed primarily to accommodate Québécois demands. Multiculturalism in Australia had a different purpose: the recognition of ethnic diversity and the provision of services to meet the needs of multiple migrant communities. Its supporters regarded multiculturalism as the acceptance of an accomplished fact and expected it to promote harmony, tolerance and inclusiveness. Those expectations were challenged in the 1980s, when there was public controversy over Asian migration, and from 1996, when the new Coalition government led by John Howard abolished several multicultural agencies and eschewed use of the term. These were minor skirmishes, however, in a far-reaching adaptation of policy and practice to the changed composition of the population.

In Indigenous policy, also, there was a shift from an idealised homogeneity to recognition of difference. It was assumed in 1901 that Aboriginal and Torres Strait Islander people would either assimilate into white society or die out. Responsibility for their welfare remained with the States, and for much of the first half of the century each State implemented its own policy. Queensland's system remained consistently idiosyncratic, generally abjuring assimilation and maintaining separate government reserves, but Indigenous people's lives everywhere were highly constrained. Assimilation policies with a rationale similar to those designed to turn migrants into 'new Australians' were pursued after World War 2. Formal discrimination was dismantled in the 1960s as the federal franchise was extended to Aboriginal and Torres Strait Islander people, as they became eligible for Commonwealth welfare benefits and as they achieved wage equality in new industrial awards.

The constitutional referendum of 1967 that empowered the Commonwealth to make special laws for Aboriginal Australians might be taken as a watershed. It allowed the government to provide new forms of support and assistance for Indigenous communities, but disappointed those who expected the Commonwealth to use its new power to override the discriminatory practices of the States. It was at this point that the goal of achieving full citizenship and equal rights gave way to demands for recognition, restitution and self-determination. The ensuing struggle was accompanied by a renaissance of Aboriginal and Torres Strait Islander culture, and a wider awareness and

¹³ Richard White, Inventing Australia: Images and Identity 1688–1980 (Sydney: Allen & Unwin, 1981), ch. 10.

Introduction

appreciation of the Indigenous dimension of Australian history.¹⁴ As the final chapter of this volume explains, this would recast the country's historical consciousness.

The nation's responsibility to Australians of Aboriginal and Torres Strait Islander descent had long been confined by the peculiar nature of its foundations as a settler society. In contrast to the earlier European settlement of North America and the subsequent British occupation of New Zealand, it proceeded without negotiation with its Indigenous people and in the absence of treaties recognising their prior occupancy; the implications of this failure have attracted attention in a growing body of comparative histories.¹⁵ New histories that cast doubt on the legal doctrine of terra nullius fed into the finding of the High Court in the 1992 Mabo judgment that native title had not ended with the assertion of British sovereignty.¹⁶ Additional research into the management of Indigenous people during the twentieth century stimulated official inquiries into the enduring effects of past wrongs, such as the 1997 Bringing Them Home report on the removal of Aboriginal and Torres Strait Islander children who had been taken from their parents, a practice that continued well into the second half of the twentieth century. As with multiculturalism, there was resistance to these changes, and fierce criticism of the historians who contributed to them for impugning the national honour.¹⁷

These and other reappraisals contributed to efforts to bring about a formal reconciliation. Yet while the Commonwealth parliament adopted a statement of apology to the Stolen Generations in 2008, it was no longer clear how reconciliation was to be secured. The recognition and restoration of land rights were hedged by competing claims for property and resources, while the policies of self-management gave way to government intervention following the 2007 report *Little Children Are Sacred* on the abuse of children in Indigenous communities. Indigenous leaders with links to government and resource industries supported the intervention. In criticising welfare

- 14 Henry Reynolds, *The Other Side of the Frontier: An Interpretation of the Aboriginal Response to the Invasion and Settlement of Australia* (Townsville: History Department, James Cook University, 1981).
- 15 For example, Peter H. Russell, *Recognising Aboriginal Title: The Mabo Case and Indigenous Resistance to English-Settler Colonialism* (Sydney: UNSW Press, 2006); Peter Russell, 'Colonization of Indigenous Peoples: The Movement toward New Relationships', in Margaret MacMillan and Francine McKenzie (eds), *Parties Long Estranged: Canada and Australia in the Twentieth Century* (Vancouver: University of British Columbia Press, 2003), pp. 62–95; Lisa Ford, *Settler Sovereignty: Jurisdiction and Indigenous People in America and Australia 1788–1836* (Cambridge, MA: Harvard University Press, 2010).
- 16 Henry Reynolds, The Law of the Land (Melbourne: Penguin, 1987); Tim Rowse, After Mabo: Interpreting Indigenous Traditions (Melbourne University Press, 1993).
- 17 Bain Attwood, Telling the Truth about Aboriginal History (Sydney: Allen & Unwin, 2005).