

Going it alone

c. 1967–92

On 20 January 1966, R.G. Menzies retired after more than sixteen years of continuous service as prime minister. The Queen had already honoured him with an exclusive knighthood, the Order of the Thistle. To this was soon added the even more exclusive title, unique for a colonial, of Lord Warden of the Cinque Ports. In 1973, long after his retirement, the imperial Japanese government conferred on him the Order of the Rising Sun (First Class) for his services to Japanese-Australian friendship. Critics and admirers agreed it was only fitting that the erstwhile “Pig-Iron Bob” should end his days loaded with overseas honours.

When at a Canberra dinner for the Queen in 1963, he had quoted the couplet:

I did but see her passing by
And yet I love her till I die

Some had questioned his good taste, but none his sincerity. Before the bungled Anglo-French attack on Suez in 1956, he had allowed himself to be appointed chief spokesman to Egypt’s President Nasser for the British, French and other governments deeply interested in the use of the canal. In one of his last speeches in the Australian parliament, he went a little out of his way to proclaim: “it is well known that I am British to my boot-heels”. Indeed he was both deeply British and deeply conservative. During the first decade or two of this century, Australia and New Zealand were the most “advanced” democracies in the world. Intelligent travellers came here to study welfare state measures in much the same way as they now visit Sweden or Denmark or China to see possible shapes of the future. By the time Menzies retired in 1966, Australia, in this respect, had fallen far behind Britain and many other European democracies. Full employment and unprecedented prosperity continued, but a growing number of people were questioning the out-of-date assumptions on which the Liberal-Country Party governments’ domestic and foreign policies had rested for so long.

At the time of federation, belief in the innate and absolute superiority of British blood and institutions seemed, at least to most British people, merely common sense. By 1966, as we have seen, many white people in Australia, as elsewhere, had begun to wonder whether they had the right to guide, govern or coerce black, brown and yellow people “for their own good”. During the long Menzies reign, the government did practically nothing to recognise the full humanity of Aboriginal Australians. Preparations for the independence of Papua New Guinea proceeded slowly and, it often seemed, unwillingly. South Africa’s racist policies, condemned by world opinion, were supported by Australia to the point where Menzies was fondly christened “Oom Robert” – Uncle Bob – by the Afrikaaner nationalist press. The “white Australia” policy continued – in fact, if not in public proclamations – as the basis of our immigration arrangements.

With Menzies’ departure from public life, there departed also the old white Australian assumption that Britain, still “Home” to many conservative people, was the centre of the whole world, not merely of the British Empire, recently renamed the Commonwealth of Nations. It was obvious to thoughtful Australians, if not at once to all politicians and public servants, that thenceforth we had increasingly to make our own decisions. Unthinking reliance on British advice or tradition would no longer serve. We had, however reluctantly, to begin learning to go it alone.

Among Menzies’ last deeds as prime minister were two with long-term consequences he could hardly have foreseen. Late in 1964 his government passed an act by which liability to

military conscription for overseas service in peacetime was imposed on young Australian males between the ages of 20 and 22. Then on 29 April 1965 he announced that his government had decided to send a battalion of diggers to help the growing American military intervention in Vietnam.

On Sir Robert's retirement, the Liberal Party immediately elected to replace him its deputy leader, Harold Holt. The 59-year-old "young Harold", as Menzies called him, had been his protégé and heir-apparent to the party leadership for many years. A fellow Victorian and prefect at his chief's old school, Wesley College, Holt had been a member of all cabinets since 1949 while other men, who might have posed a threat to Menzies' leadership, were persuaded to accept more secure positions elsewhere. Thus three able ministers for external affairs left politics: Percy Spender was sent as ambassador to Washington in 1951, eight years later becoming a judge, and then president, of the International Court of Justice at the Hague; R.G. Casey retired to the British House of Lords in 1960 and became Australia's governor-general in 1965; and Garfield Barwick became chief justice of the High Court of Australia in 1964. Holt had been an astute and successful minister for labour in several of Menzies' governments before being promoted to treasurer. Sociable, straightforward and something of a playboy in private life, Holt had more of the common touch and was less conservative than his old chief. He reshuffled some portfolios, but retained in office all members of the previous cabinet.

Nothing much seemed to have changed, but, despite Liberal-Country Party victories at the next two general elections, the conservative forces had lost internal cohesion and much electoral appeal. It seemed that the parliamentary Liberal Party could produce no leader with the political sagacity and commanding prestige of its old master. Sir John ("Black Jack") McEwen, the Country Party leader, might have saved the day for conservatism, but the Liberals would not countenance the idea of handing over the prime ministership to the junior partner in the coalition. So Holt was left to modify some of Menzies' old policies and to pursue others more vigorously. Like the next two prime ministers, Gorton and McMahon, but emphatically unlike Menzies, he looked to Washington, not London, as the centre of the universe and fount of all good things.

One of his first acts was to ease slightly the conditions under which non-European residents in Australia could be naturalised and, unlike Menzies, he made positive efforts to cultivate good relations with some Asian governments: yet at the same time he committed Australia even more firmly to total, uncritical support of America's "anti-communist" crusade in Vietnam and elsewhere. In March 1966 he announced that Australian forces in Vietnam would be increased from 1500 to 4500 men and that the relieving battalions would include conscripted national servicemen. A few months later, at a state dinner in Washington, he promised President Johnson that Australia would go "all the way with LBJ". Even among the majority of citizens who agreed with the government's foreign policy, many deplored the sycophantic tone of his remark. Menzies, they felt, would never have been so undignified; but there was worse to come.

Holt arranged for President Johnson to visit Australia a month before the general election of November 1966. Naturally Arthur Calwell, leader of the Labor opposition, and others charged that the first event was designed to influence the outcome of the second. Perhaps it did. The president's train included 400 American journalists and photographers, plus an unknown but great number of secret policemen, spies and security guards. The Australian poet Dorothy Auchterlonie satirically compared the visit with an imperial Roman triumph in tributary territory.² Vast and vociferous crowds choked the streets, sometimes bringing the presidential cavalcade to a halt. At one point Johnson turned aside from acknowledging the cheers long enough to put a patronising arm round the shoulders of the smirking Holt, whom he drew forward with the condescending words, "Look! This is your prime minister!" But not all the noise and grimaces were made by supporters of the war. The president's car was spattered with red paint symbolising blood, and more than once brought to a halt by hostile demonstrators

lying across the roadway in the path of the procession. The Liberal premier of New South Wales, Robin Askin, earned some notoriety by loudly urging his chauffeur to “drive over the bastards!”³ The community was deeply and bitterly divided.

For the Democratic Labor Party, the Liberal and Country Parties and most of their supporters, the issue was simple. The Australian way of life was based on private enterprise, “white” blood and Christian traditions. They held it to be self-evident that these things were threatened by international communism, particularly Asian communism, and that they could be defended only by almost unconditional dependence on a great “white” power. Therefore Australia must fight shoulder to shoulder with her “great and powerful” friend to contain communism in Asia, for only thus could she be assured of the protection of a grateful America in some future crisis. Labor supporters and a rapidly increasing number of young people, students, artists, intellectuals and even business people seeking profitable trade with communist countries, dissented vigorously. International communism, they believed, was a mythical monster, since events daily demonstrated tensions between the major communist powers, China and the Soviet Union, as great as any between either country and the United States. The Vietnamese “enemy” was as much nationalist as communist, and Vietnam and China had been enemies for millennia. In any case, by intervening against popular national movements in Asia, Australia was earning the enmity of her neighbours and so undermining her own long-term security. Finally, we and the Americans were clearly the aggressors in an unequal and unjust war condemned as such by practically the entire weight of world opinion. During the election campaign Calwell emphasised opposition to the war, and to conscription for overseas service, as central issues: yet he was an old-fashioned type of Labor man, more racist in his outlook than many of his Liberal or Country Party opponents. To young voters he seemed to belong to a past, provincial age, while Holt presented a much more sophisticated “swinging” image. The DLP warned that the “red” peril had become “yellow” also. All parties stressed the need for development of Australia’s northern areas. In November 1966 the conservative coalition was returned to power with its greatest majority since 1949. The new House of Representatives contained sixty-one Liberal, twenty-one Country Party and forty-one Labor members.

With his stewardship thus endorsed, many looked to Mr Holt for new initiatives. Early in 1967 he gave his blessing to a move whereby the Senate took up the American practice of appointing select committees to inquire into specific problems. Political observers generally agreed that this step both produced useful results and helped to revitalise the second chamber. Then in May the government put to the people two referenda for amendments to the constitution. The first, which had long been shelved by preceding governments, sought Commonwealth power to legislate for Aborigines and to abolish apparent constitutional discrimination against them. It was easily carried: no other referendum in history has been assented to by every electorate in every state of the Commonwealth, though pessimists noted that the “no” vote was highest in those electorates containing a large number of Aborigines. The other referendum sought power to alter the “nexus” or constitutionally fixed ratio of approximately one to two, between the number of senators and members of the House of Representatives. To this question most citizens answered “no”, as they usually have in Australian plebiscites.

The result of the referendum of 1967 marked the beginning of a new era in relations between black and white Australians. It did nothing immediately – or for some years afterwards – to improve the unspeakable conditions in which most Aborigines had long lived, but it did for the first time recognise them in law as full and equal citizens of the Commonwealth, and it showed politicians and other timid people that the great majority of white Australians regretted their ancestors’ genocide of so many Aboriginal tribes, and so would support governmental measures designed to help Aboriginal advancement. From this time onwards more and more black Australians took part in public agitation for the basic human rights so long denied them.

Tribal Aborigines in the north and west, reserve and mission-dwellers, “fringe-dwellers” near the country towns and partly assimilated people in the city slums all began to make their presence felt by the whole white community. Decent whites did what they could to help, as they always had done, but for every one Daisy Bates before 1967 there were a dozen after that year like “Nugget” (H.C.) Coombs, the greatest public servant Australia has known, who devoted his “retirement” to advocating Aboriginal land rights and the signing of a treaty between whites and blacks. Don Dunstan, Labor premier of South Australia, in 1976 appointed to the governorship of that state a distinguished Aborigine, Pastor Sir Douglas Nichols. More importantly, Labor governments in South Australia and New South Wales passed laws making it a criminal offence to discriminate against a person in any way because of his or her race. Up until 1990, however, no such laws had been passed by Liberal-Country Party governments in Queensland or Western Australia – where most Aborigines lived.

Despite the modest kudos it gained from having sponsored the “Aboriginal referendum”, the federal government’s standing was continuously undermined by internal divisions, by bitter disagreement with its Country Party component and above all by its increasing commitment to a doctrinaire and outmoded foreign policy. The British government announced the withdrawal of all but token forces from the Indian Ocean and Southern Asia, but this only strengthened Holt’s belief that Australia’s military presence in the area should be increased. On 17 October 1967, when it had already become obvious that American public opinion was swinging massively against the war, Holt announced that his government would send another 1700 men, a tank squadron and several more helicopters to Vietnam, bringing the whole Australian force up to about 8000 men. Two months later, on Sunday 17 December, he was drowned in the surf near Portsea in his native Victoria. His friend L.B. Johnson and other heads of state came to the memorial service. The prime minister had always kept himself physically fit, working hard and playing hard. He entered the surf alone on a wild day, watched by a woman friend on the beach, and was never seen again. Some thought it shocking that the leader of the government could ever be unaccompanied by a retinue of aides and security guards, but other Australians felt a measure of gladness, despite the tragic circumstances, that they dwelt in a country where even the prime minister might still live his own private life, at least at weekends.

As deputy head of the coalition, Sir John McEwen, leader of the Country Party, was sworn in as prime minister for a few weeks while the Liberal parliamentarians contended for the vacant leadership of their party, and so for the prime ministership. Partly because McEwen let it be known that Country Party members would not accept office under Holt’s deputy leader, William McMahon, but partly for other reasons, the Liberals chose their Senate leader, John Grey Gorton, as Holt’s successor and he duly replaced McEwen as prime minister on 10 January 1968. Subsequently he was elected to the Lower House as the member for Holt’s vacant Victorian seat.

Born in Melbourne in 1911, the new prime minister was a product of Geelong Grammar School and Brasenose College, Oxford. As a fighter pilot in the Royal Australian Air Force during World War II, he had served with distinction in Britain, Singapore, Darwin and Milne Bay. He had been severely wounded and was to carry the scars for the rest of his life. His face, reconstructed by plastic surgery, expressed at once toughness, good humour and devil-may-care challenge. When to this were added his height of 6 foot 2 inches (or 188 centimetres in the metric mensuration being introduced at the time), his rather gangling gait, casual dress and easy manners, it is easy to see why he was nicknamed “Jolly John” and why he possessed far more electoral appeal than any of his party rivals. It is doubtful whether any of them could have mixed as easily with his fellow citizens in street or pub as Holt had done and Gorton was to do.

On a nationwide television program a few days after his election to the Liberal leadership, he consciously contrasted himself with Menzies by saying, “Well, you might say I am Australian to my boot-heels”. And indeed he was a nationalist and a centralist, but it was precisely these qualities which before long were to destroy his standing, not with the voters, but with his own party. In Australian history it is the Labor Party which has generally stood for Australian nationalism, while the more conservative non-Labor parties have just as generally – and naturally – stood for loyalty to, and dependence upon, the “mother country”, or its surrogate overseas. As the conservative scholar, Dr Frank Knopfelmacher, wrote after the following election of 1969 when the Gorton government’s majority was cut dramatically:

the party of ex-colonial loyalists with no mother country to be loyal to is in a state of moral crisis and political paralysis ... there seems to be nothing to replace the old, shrewd, imperial-colonial patriciate of the Menzies era.⁴

This was true, but Gorton and his conservative successors were plagued by problems more intractable than their own state of “moral crisis” and “political paralysis”. A few months after he came to power, a worldwide youth revolt was both signalled and symbolised by an abortive revolution in Paris in the northern hemisphere spring of 1968. Students at the Sorbonne and other European universities protested vigorously at centuries of intolerable neglect and bad teaching. One eminent history professor boasted of supervising the work of fifty-six PhD students – in one afternoon a week for approximately half of each year.⁵ The students in Paris were joined by other groups of young people and then by trade union and radical political organisations. President De Gaulle surrounded the capital with army tanks and for a time it seemed possible that Paris would again lead the world into revolution. No such thing happened of course, but the “Paris Spring” did influence fashions and attitudes among young people all over the world. In Australia during the long Menzies regime and until 1968, young people voted on the average far more conservatively than their elders: after that time they voted far more radically.

Students at universities and colleges of advanced education led the youth revolt. Professors and lecturers, who for a generation had deplored the conservatism and conformism of their charges, were suddenly disconcerted by students who refused to sit for traditional examinations, conducted anti-war and anti-racist demonstrations and, worst of all, addressed their mentors familiarly by their first names as though they were equals. Thousands of young Australians who had grown up to take for granted full employment and a measure of affluence, began to ask what it was all for. Young men began wearing long hair and beards. Both sexes dressed in the same drab or colourful clothes, or in few or no clothes at all. Consumption of marijuana, rather than of alcohol or tobacco, became a popular symbol of sophistication and liberation. For some members of the new generation, these manners were fashionable, for others they were merely outward signs of a serious questioning of assumptions on which society seemed to rest.

Many of them came from comfortable, conservative, middle-class homes. Freed of the need that had bound their ancestors to worry about earning a living, they asked what was the point of affluence in a world where warfare, greed and injustice still seemed to be accepted by constituted authority as part of the natural order of things. Some merely “dropped out” of conventional patterns of living: but a great many challenged traditionally hallowed policies far more directly than previous generations of young radicals had done. Often sceptical of the value of political action, the “new left” believed passionately in “confrontation” politics. By physically demonstrating – in schools, universities, government offices and the streets – their disapproval of war, racial discrimination and authoritarianism, many believed they would hasten the day of “revolution”. Few observers shared this belief, but the “youth revolt” did demonstrably help to speed up the rate of change within the existing social structure.

At his first press conference on 17 January, Gorton declared that no more Australian troops would be sent to Vietnam and gave a “doveish” impression on the issue. However, when the Vietcong launched their Tet offensive at the end of that month, he declared that Australia would fight on with America to the end. Then some of his ministers made most bellicose statements about the bombing of North Vietnam on the very eve of President Johnson’s announcement on 31 March that he had ordered a bombing halt in the North, and that he would not be standing for re-election. Gorton was told of the first decision only on the same day it was announced to the world, and he learned of the second when he heard it on the radio. He and his government were embarrassed and angered by this cavalier treatment at the hands of their great ally, yet they continued, not without some vacillation on the prime minister’s part, to be “more royalist than the King” on the issue. In May, legislation to put more teeth in the *National Service Act* was introduced into parliament. The major result was to provoke more massive demonstrations of dissent by trade unionists, students, creative artists and others opposed to the war. Then Gorton was again angered by his distant patron in Washington.

On 1 November 1968, President Johnson announced the cessation of all military action against North Vietnam. This time the Australian government was apparently informed, though hardly consulted on its views, only about twenty-four hours before the public statement. The American ambassador in Canberra had previously invited Mr Gorton to call in at any time. At some time after midnight, and after attending a Canberra press gallery dinner as guest of honour, he did so, accompanied by his press secretary and a 19-year-old woman journalist. Others present were his private secretary, Miss Ainslie Gotto, his host the American ambassador and an American attaché. The visitors stayed for about two hours, practically the whole of which time was spent by the prime minister and the woman journalist in private conversation apart from the others. There was a great furore when the facts were made known early in the New Year by a Liberal back-bencher, Mr Edward St John. Some surmised that Gorton’s rudeness had been deliberate – that he had set out thus to make plain his displeasure with the Americans’ way of doing things – but even these apologists conceded that his choice of means was an unfortunate one. Others agreed with the righteous Mr St John’s statement in parliament, that the incident exhibited a “standard of conduct” totally unacceptable in the nation’s leader. Most, however, to judge from public opinion polls, were favourably impressed by his casual and spirited behaviour.

By May 1969, when Mr Gorton made his pilgrimage to Washington, all had apparently been forgotten and forgiven once more. Like Holt on an earlier occasion, he seemed to be over-awed and confused by the physical embodiment of American wealth and power. At a White House dinner he promised President Nixon that Australia would “go a-waltzing Matilda” with her great and powerful friend, a remark which drew derisive criticism even from conservative sections of the Australian press.

Thus by the time of the October 1969 general election, Gorton’s suitability for leadership of the Liberal Party was being questioned by more and more of its members both inside and outside parliament. Despite, or because of, his vacillations, he seemed less than wholly and uncritically committed to the American alliance, and his free-wheeling, impulsive, individual style of governing struck many of his colleagues as too high a price to pay for his electoral appeal. During the campaign his minister for foreign affairs, a Western Australian named Freeth, hinted at the possibility of opening discussions with Russia about collective security in the Asian and Indian Ocean regions. No non-Labor spokesman since World War II had ever dreamt of entertaining such a thought, though by 1969 Britain had prepared to leave the region and America showed some signs of doing likewise. Gorton seemed, though equivocally, to be endorsing Freeth’s initiative. In addition to his other troubles, he had developed a curiously repetitive, qualified and convoluted style of speaking, which was as hard to follow as it was

easy to parody. A month before the election this led the North Sydney branch of the Liberal Party to resolve:

We are of the opinion that our party, which cherishes the right of all members to freely express their views, cannot afford to be led by one who neither expresses his views clearly, nor appears to accept the official platform.

When preferences had been allocated, the coalition government's majority was reduced from forty seats to seven. Freeth was among the defeated Liberal members. Gorton was narrowly re-elected as party leader, but from this time on it seemed clear that he would sooner or later be displaced. Indeed, the minister for national development, an old schoolfellow from Geelong Grammar, Mr D.E. Fairbairn, a few days after the election publicly refused to serve under Gorton in the new cabinet.

During 1970 the prime minister lost further ground in the party room by pressing for national control of Australia's sea bed. This was a matter on which the Commonwealth constitution had nothing specific to say, since no one at the time of federation could have foreseen that rich fields of offshore oil and natural gas would one day be discovered and exploited. The government introduced legislation to give the Commonwealth clear sovereignty over the sea bed to the limits of the continental shelf. Gorton strongly backed the proposals, but was opposed by the state governments, by many of his own back-benchers and by the right-wing group in his own cabinet. The bill was shelved. The non-Labor parties have generally, though not always when in office in the states, been stronger advocates of state rights than have their opponents. In connection with this issue, Sir Robert Menzies, the retired Liberal elder statesman, damaged his reputation as a constitutional lawyer by claiming that "federalism", or support for state rights, was what distinguished the Liberal creed from "socialism", or strong central government. Thus Gorton alienated the support of more and more of his own colleagues.

In January 1971 he and William McMahon, the deputy party leader and minister for foreign affairs, flew to Singapore to attend a Commonwealth prime ministers' conference. However, they made the journey in separate aeroplanes, stayed on different floors of the same hotel and reportedly had no communication with each other, except at some plenary sessions of the conference. The minister for foreign affairs had the greatest difficulty in finding out what took place at heads of government sessions.

On 8 March Mr Malcolm Fraser, nicknamed "the Prefect" by his colleagues, resigned as minister for the Army, telling parliament next day that Gorton had been disloyal to him and that,

the Prime Minister, because of his unreasoned drive to get his own way, his obstinacy, impetuous and emotional reactions, has imposed strains upon the Liberal Party, the Government and the Public Service. I do not believe he is fit to hold the great office of Prime Minister, and I cannot serve in his Government.⁶

This was the end. At a meeting of Liberal Party parliamentarians on 10 March, two back-benchers moved a motion of confidence in Gorton's leadership. Thirty-three members voted for and thirty-three against the motion. With creditable grace, Gorton gave his casting vote against and ceased to be leader of the party and the government. McEwen having withdrawn his ban, the meeting then elected McMahon as party leader with Gorton as his deputy. The new cabinet was announced on 21 March.

Born in Sydney in 1908 and educated at Sydney Grammar School and the University of Sydney, William McMahon was – except for the "Labor rats", Cook, Hughes, and Lyons – the only Liberal Party prime minister in our history who was not a Victorian. A graduate in both Law and Economics, he had earned a good reputation as treasurer in the Holt government and had competently handled other portfolios; yet he was not of the stuff of which leaders are made. Diminutive in stature and slightly built, he had sharp and yet mouse-like features which were a cartoonist's delight. Deafness handicapped him in parliamentary debates, but even more at

press conferences or on the hustings. He was a good party man who, unlike his predecessor, set out to compose differences and smooth over difficulties; but it seemed that these qualities, which brought him to the leadership, were not those needed to exercise it effectively. Sharpness, tact and a perspicacious nose for the sources of power were not enough in his new role. His twenty-one months as prime minister were characterised by procrastination, indecisiveness and counter-productive efforts to please everybody, including the Democratic Labor Party, on the conservative side of the house.

The point is well illustrated by his appalling relations with Gorton. Having been instrumental in the deposition of the former Liberal leader, McMahon made him minister for defence in the new cabinet, but forced his resignation from office five months later on the stated ground that press articles by Gorton had breached “basic principles of Cabinet solidarity and unity”. Gorton soon afterwards referred to the prime minister as “Billy the Leak”. Next time the two men spoke, in May 1972, it was reported that McMahon approached Gorton in the House when the bells were ringing and said, “John, I’d like you to sit and talk to me during the division”. “Go to buggery,” replied the former prime minister. Questioned later about the incident, Gorton was reported to have said,

Well – it was a bit of a journalistic beat-up, but it was near enough ... He put his arm around me. And I don’t like that. I don’t like anyone putting their arm around me. And some are worse than others.⁷

It seemed that each of the three Liberal successors to Menzies was doomed to be progressively less effective than his predecessor. During 1971 the bill to give the Commonwealth control of the continental shelf was again brought forward and again shelved, because of dissension within the coalition, as happened yet again in 1972. Following President Nixon’s announcement of America’s withdrawal of her land forces from Vietnam, McMahon announced that Australia would follow suit, but naturally he received little credit for an action which had palpably been forced on the government by events beyond its control. Then, like his predecessors in office, he was severely embarrassed by a sudden switch in American policy.

In July, E.G. Whitlam, leader of the federal Labor opposition visited China, and had a public exchange of views with Zhou Enlai, the Chinese prime minister. For twenty-three years, faithfully following the American lead, Australian governments had refused to recognise diplomatically the existence of the Chinese mainland regime. McMahon, not the man for bold initiatives, denounced the Whitlam visit in unmeasured terms, claiming that he had put “personal notoriety before the national interests”. A few days later the world learned that President Nixon was about to visit Peking and that his personal envoy, Henry Kissinger, had been there making the preliminary arrangements at the same time as Whitlam; but this time the loyal Australian allied government had not been given even a hint of what was afoot until after the event. This untoward incident did not visibly inhibit McMahon when he made his pilgrimage to Washington only three months later. At a state dinner in the White House he surpassed his two predecessors in incoherence, if not also in obsequiousness. Menzies, one felt, must have writhed at the manner, if not the matter, of these performances.

In the winter of 1971, a racially selected South African football team, “the Springboks”, visited Australia and almost everywhere provoked massive demonstrations by students, trade-unionists and others deeply opposed to racist policies. Mr Bob Hawke, president of the Australian Council of Trade Unions, promised that boycotts would prevent the tour from proceeding and Mr McMahon promised to use the Royal Australian Air Force, if necessary, to see that it did. The tour did take place and RAAF planes were not used, but a good deal of police violence *was*, particularly in Queensland, where the Country Party premier of the state, Mr Joh Bjelke-Petersen, declared a “state of emergency”.⁸

McMahon contemplated calling a general election in the belief that his stand on “keeping politics out of sport” would win many votes, but events during the tour made this a doubtful hypothesis. With the approach of summer, plans were mooted for a tour of Australia by an

all-white South African cricket team. This time, the prime minister sought advice from the Australian Cricketing Board of Control. Its chairman, Sir Donald Bradman, a national sporting hero and in private life a conservative stockbroker, replied firmly that politics should indeed be kept out of sport as was notoriously not the case in South Africa, and that Australian sportsmen could help their white and black brethren in that country only by banning tours of racially selected teams. The government quietly accepted this advice but its paternalistic and *laissez-faire* attitude to race questions caused it further trouble.

Black Australians, as we have seen, were no longer content to be left alone. Some of them, recently counted as citizens for the first time in 180 years, set up an "Aboriginal Embassy" in tents on the shaven lawns in front of Parliament House in Canberra. They swore they would stay there to embarrass the government until it granted them "land rights" or until a new government was elected. They did remain for many months until the government was reduced to the indignity of gazetting a special ordinance to give itself legal power to have them removed.

However, Mr McMahon's troubles were most threatening in the very area where he was supposed to possess expertise – the state of the national economy. Ever since the great depression of the 1930s, Australian voters had demanded of all governments the maintenance of full employment. In the belief that business prosperity depended heavily on consumer spending power, employers were often quite as sensitive on the subject, as were employees. Thus, when in 1961 unemployment had been allowed to rise briefly above 2 per cent of the workforce, the conservative coalition (then led by Menzies at the height of his powers) had barely avoided defeat in the December elections of that year. Yet unemployment figures rose towards the end of 1971 and by July 1972 exceeded 2 per cent. Though this was a wonderfully low unemployment rate by American, Canadian or British standards, it was certainly a politically disastrous one in Australia, and despite repeated emergency measures and a spate of optimistic government forecasts, the figure remained in this vicinity right up till the general election.

Harassed by Labor on their left, by their DLP and Country Party allies on the right, and at odds amongst themselves, many Liberals became desperate. The election could not be postponed beyond the end of the year and successive public opinion polls spelt their doom. Faced with such impressive prime ministerial ineptitude, many remembered Gorton's strengths and forgot the not inconsiderable weaknesses which had helped to put him out of office. On the first Tuesday in November 1971, when he appeared at the Melbourne Cup, he received from the members' stand a spontaneous ovation of the kind usually awarded by Australians only to successful horses, jockeys or athletes. A "Get Gorton Back" committee sprang up, but when it came to the sticking point most Liberal politicians felt, probably correctly, that yet another change in leadership with the elections only months away would do their prospects more harm than good.

McMahon deferred until the last possible moment both the date of the poll and its public announcement. Before and during the campaign he shunned press conferences and "live" television appearances almost entirely – at first sight a puzzling course of action, but one which many of his strongest supporters applauded, such was his apparent genius for making verbal blunders when giving an unprepared speech. On 2 December 1972, the people of the Commonwealth elected a Labor government to power for the first time in a quarter of a century. Nothing became McMahon's prime ministership like his leaving of it. Late on that Saturday night when the electors' verdict was quite clear, he bowed out before the television cameras with a degree of dignity not conspicuous in him on so many other great occasions.

There were many reasons for the Labor victory, not the least of which were the glaring incapacity of their opponents and the apparent threat of rising unemployment. Many people, too, felt that, after twenty-three years of non-Labor rule, it was time for a change of government

to preserve the healthy functioning of democracy; and Labor capitalised on this feeling with the slogan "It's time". Another factor which favoured Labor's victory at the polls was the growth of the women's liberation movement. Neither the movement nor a much more tightly organised body, the Women's Electoral Lobby, declared support for any political party but, because Labor was seen as the party of change and innovation, it undoubtedly gained a great many women's votes. More importantly, from this time onward women began to take a much more active part in all political parties, both inside and outside parliament. In 1981 the National Conference of the ALP, meeting in Melbourne, resolved that for the future at least 25 per cent of all state delegations to this supreme governing body of the party must be women and, more vaguely, that by the end of a ten-year period at least 30 per cent of Labor parliamentary seats should be occupied by women.⁹

Contrary to the dictum of the Biblical preacher, the women's liberation movement *was* something new under the sun. Since time began, women in nearly all cultures known to us were treated as second-class people, not fully human in all respects and certainly not equal, either in rights or capacities, to the mighty males. In Australia for 50 000 years, black women were exploited and abused – were in fact regarded as a form of property by the men of the tribes. For nearly 200 years white women were treated in much the same way, though men often disguised this fact from themselves by acting chivalrously towards women, that is, by patronising, condescending to, and making allowances for the supposedly innate deficiencies of the "weaker vessels". It is appropriate therefore that the book which launched the movement for the liberation of all women, and the recognition of their equality with men, should have been written by an Australian. In 1970 an expatriate Australian lecturing in English literature at the University of Warwick, Dr Germaine Greer, published *The Female Eunuch*.

There had of course been earlier books about women's place in the modern world, books like Simone de Beauvoir's *Second Sex*, and there has been a spate of books on the subject since, but none of them was as well written, as influential or as devastatingly accurate in getting to the heart of the matter as *The Female Eunuch*. None of those written earlier *could* have been, because Greer's was the first major work to follow the widespread use of contraceptive pills. In the late 1960s, for the first time in human history, by abolishing the terrifying fear of unwanted pregnancies, "the pill" made it possible for women to exercise their sexuality as freely and fully as men had always done. Germaine Greer urged women to do just that – and to enjoy the consequent growth in self-respect and self-confidence which is rapidly according them at least equality with the other half of humanity. Many Australian women were quick to join the movement and most, except the most conservative, were more or less strongly affected by it. By 1968 sociological surveys showed that most Catholic women were using the pill despite the stern exhortation to the contrary issued by the Pope in July. Bishop Muldoon of Sydney, in newspaper interviews, stressed that the Holy Father's words, though not infallible and therefore not absolutely mandatory in this instance, were "only one step removed" from infallibility. This subtle male theological exegesis prompted Michelle Cronin, "a Catholic mother of two little children" to write to the *Sydney Morning Herald* seeking clarification. It sounded, she wrote, "like being one step removed from being pregnant. As any woman knows, that is very, very different from being pregnant".¹⁰

At the 2 December 1972 poll, Labor benefited also from the fact that conservative policies on foreign relations, race and associated questions, above all on the Vietnam War, had been overtaken by events. The world situation, public opinion, even the "conventional wisdom" of the time had changed, but the stance of the parties supporting the government had not. On most issues the Country Party, and even more the Democratic Labor Party, whose support was crucial to the government, were far to the right of many Liberal members. For example, Australian governments for many years had managed to negotiate the sale of enough wheat and wool to communist countries, especially China, to keep many Country Party voters solvent, if

not always prosperous; yet these same governments opposed official recognition of mainland China even after Nixon's embarrassing *volte-face*. The vast majority of white Australians, as shown by the 1967 referendum of this subject, had long believed that they and their ancestors were guilty at the very least of 180 years' culpable neglect of the Aboriginal Australian people:¹¹ not so the Democratic Labor party. During the election campaign, senator J.A. Little put forward that party's view of the matter in terms that managed to be at once irrational, obscure and reactionary. He said:

Nobody who has fairly considered the history of this country could say that the Australian aborigines, any more than the animal species of this disappearing continent before the white man came, would have survived through to this generation, had it not been for the intervention of the white people, bringing the knowledge and the skills of Europe with them which enabled them to tackle the deteriorating environment of this country and make of it what it is today.¹²

Labor promised that, if elected, it would abolish fees at universities and other tertiary institutions, and spend a great deal more money on primary and secondary education, while abolishing, or scaling down, financial grants to wealthy private schools. Thus the Labor Party, without sacrificing its trade union base, broadened its policies to attract support from large numbers of middle-class liberals (with a small "L") and young people, students, artists, nationalists, intellectuals, white-collar workers and professional people, and even a number of businessmen dissatisfied with the Liberals' management of the economy. More than any other person, the man responsible for this transformation was Edward Gough Whitlam, who had succeeded Arthur Calwell as federal leader of the Parliamentary Labor Party early in 1967. Son of a senior Commonwealth public servant, Whitlam was born in Melbourne in 1916, and brought up in Canberra and Sydney. Educated in both state and private schools, he graduated in Arts and Law from the University of Sydney, and served during the war as a flight-lieutenant in the Royal Australian Air Force from 1941 to 1945. After a brief but successful career at the bar, he entered the federal parliament in 1952 as a member for the safe Labor seat of Werriwa in Sydney's outer suburban area.

Whitlam was something of a classical and historical scholar. He read widely and used both the written and spoken word clearly and persuasively. He had a ready and devastating wit, as many an interjector found to their cost. An imposing 193 centimetres (6 feet 4 inches) in height, and with a commanding presence, he looked the part of a prime minister. Indeed, it was often remarked that he established a sort of moral domination in the house of representatives while he and his party were in opposition, especially during the McMahon government's tenure of office. His wife Margaret, daughter of a distinguished judge of the Supreme Court of New South Wales, was quite as intelligent as her husband and probably even better at relating to all kinds of people. Certainly no other Australian prime minister ever had such a publicly active and helpful spouse. With all these great gifts were joined two notable weaknesses. Like Menzies, with whom he was often compared by friend and foe alike, he too easily exhibited a broad streak of arrogance, or at best of unpleasant complacency. The other weakness was peculiarly his own. In rare moments of stress or frustration, he was apt to lose his temper, lashing out blindly at opponents with word and gesture and, for the moment, quite reckless of the consequences.¹³ Thus in September 1965, as deputy leader of the opposition, he was speaking in the house to an amendment to a government repatriation bill. The Labor amendment sought to extend full repatriation benefits to Salvation Army personnel who had served in the armed forces. With questionable taste, Mr Whitlam challenged the then minister for external affairs, Mr Paul Hasluck, to deny justice to his Salvation Army parents by opposing the amendment. Hasluck replied, apparently too quietly for the speaker to hear him, "You are one of the filthiest objects ever to come into this chamber"; whereupon Whitlam threw the contents of a glass of water in the minister's face. Both men then complied with the speaker's demand for apologies.

Within a few hours of the time when the overall national electoral verdict became clear, Whitlam and his deputy leader, the Tasmanian Lance Barnard, were sworn in respectively as prime minister and minister for foreign affairs and as minister for defence by the governor-general, Sir Paul Hasluck. History does not record whether reference was made to parliamentary water sports on this occasion. Not until preference votes had been allocated and the final result determined in all seats could the Labor Caucus meet to select the full cabinet, which was sworn in on 19 December 1972, after what some sourly called the duumvirate had begun giving effect to some of Labor's election promises. A new wind, which most found invigorating but some alarming, blew through Canberra's corridors of power. It may be doubted whether there is a precedent in the history of British-style democratic governments anywhere for the promptitude with which the new government implemented so many of its campaign promises.

Within a month of election it had ended the lottery of conscription for military service and released gaoled draft-resisters, negotiated an exchange of ambassadors with China, abolished race or skin colour as a criterion of Australia's immigration policy, banned racially selected sports teams from our soil, begun planning a new deal, including the grant of land rights, for the Aboriginal people, revalued the Australian dollar upwards, set about the reform of the national health service and of the divorce laws, moved to support equal pay for equal work for women, increased unemployment monies paid to the state governments, banned the slaughter of the nearly extinct Australian crocodile and the export of its skin and of kangaroo skins, steeply increased subsidies to the arts, put the contraceptive pill on the medical benefits list and abolished what Mrs Whitlam happily referred to as the "entertainment tax" on it, and abolished the excise, first introduced by the Gorton government, on unfortified wine. It also abolished the conferring of knighthoods and other British titles, as the Canadians had done a generation earlier, and instituted instead the Order of Australia whose members were to take precedence over holders of all other decorations whatsoever. For a time many Labor supporters were almost equally amazed and delighted, while opponents were seemingly bemused, by the authority, the confidence and the speed with which the new government set about making up for its twenty-three years in the wilderness.

In the nature of things, this euphoric situation for Labor could not continue indefinitely. Not all members of the complete Labor cabinet, elected by caucus two weeks after the election, worked together as harmoniously as Whitlam and Barnard had done. There were signs, quickly suppressed, that after twenty-three years of implementing Liberal-Country party policies, some senior public servants were less than happy and efficient in the service of their new masters. The situation was particularly bad in the Australian Security Intelligence Organisation (ASIO) – a secret police body supposedly responsible to the new attorney-general, Senator Lionel Murphy, and to the prime minister. On 16 September 1972, under the previous government, bombs had been detonated outside Yugoslav tourist agencies in Sydney and sixteen innocent bystanders had been seriously injured. The criminals were widely believed to belong to a Croat terrorist organisation, the Ustashi, which had collaborated with the Nazis during World War II, but the Liberal attorney-general, Senator Ivor Greenwood, vehemently asserted that his ASIO spies denied the existence of any Croatian terrorist organisation whatever in Australia. Six months later, in March 1973, the Yugoslav prime minister was to visit us. Concern for his safety, and worry about ASIO's ability to see sedition on the right after so long a period looking for it on the left, increased Murphy's worries. Then he found that the head of ASIO had met secretly with other senior departmental heads and come to an agreement that no statement would be made by any of them in such a form as to contradict official statements made by a department under the previous government. Murphy would have been unpardonably naive not to suppress this grossly disloyal behaviour in the chief spy. Accordingly, with a party of Commonwealth police, he made an unannounced early morning visit to ASIO headquarters in

Melbourne, seeking more evidence of its insubordinate and dubious manoeuvres. Murphy's attempt to enforce proper constitutional behaviour among his subordinates was painted by the news media as a wild-eyed attack on the "security services".¹⁴ Douglas Anthony, deputy leader of the opposition parties, made in this connection the astounding statement that the security services ought not to be responsible to any politician or, presumably, to anyone but themselves. The whole episode was labelled by the media, "Murphy's raid". It was the first, but by no means the last, indication that some conservatives were prepared to tear up the constitution and to undermine democracy itself in their efforts to regain power.

The government's greatest constitutional problem was the fact that its members constituted only a minority of the upper house. Again and again the majority of Liberal, Country party and DLP senators amended or rejected bills, embodying Labor legislation which had been explicitly promised in the prime minister's policy speech. One of these bills sought to establish a minerals and energy authority with power to exploit oil and other minerals in the national interest. Conservatives naturally saw this as an attack on the sacred principle of private enterprise. Two other rejected bills sought to set up a comprehensive national health service, to be financed from taxation, along the lines of the British and New Zealand health services established about a quarter of a century earlier. These bills were attacked by medical trade unions (professional associations), and rejected by Opposition senators on the same ground. The third group of bills sought to make the electoral system more democratic, or at any rate more equal, as promised in Whitlam's policy speech. Under the existing system the number of voters or persons in federal electorates could vary by up to plus or minus 20 per cent of the average figure. This had long meant in practice that on the average city electorates were very much larger than country ones – so much so that in some cases a city person's vote could count for little more than half as much as a country dweller's. In senate elections the position was worse. In 1901 there had been no federal capital territory, and only a handful of voters in the Northern Territory, and so the constitution made no provisions for them. By 1974 Canberra's population was about 160000 and the Northern Territory's population was approximately half that number. To many it seemed anomalous, not to say undemocratic, that all these citizens should have no vote for the Senate and none in national referenda: yet the Opposition rejected bills designed to rectify the situation because it seemed likely that their enactment would be disadvantageous to the Country Party.

There was much talk of going to the people again through the medium of a double dissolution. Labor leaders felt confident, but in the end it was the conservative opposition parties which forced an election for both houses of parliament. After its defeat in the 1972 general election, the Liberal party had lost no time in dismissing McMahon from its leadership; however, his successor, Mr Billy Snedden, at first seemed hardly more impressive. He apparently shared with most other opposition politicians the belief that the electorate wanted them back on the treasury benches. To a degree they appeared to believe their own rhetoric, as when they declared that the Labor government had antagonised the United States and other old friends by recognising China and withdrawing troops from Southeast Asia; but since the United States was itself engaged in the same manoeuvres, few voters were impressed.

So in April 1974 Her Australian Majesty's loyal opposition behaved more like a gang of fascist thugs than responsible politicians in a democratic country. They threatened to use their Senate majority to withhold supply to the government. Not even in the depths of the great depression, when the state of Australia was incomparably worse, had the opposition-controlled Senate even contemplated such a step. Many constitutional lawyers held that the fact that the Senate had never blocked supply during the whole seventy-four years of its existence established a binding precedent and proved that it had no power to do so. Yet Snedden's henchmen in the upper house carried the threat through to the point where Whitlam was virtually forced to seek a double dissolution eighteen months before an election should have

been necessary. The immediate reason advanced was that the DLP leader, Senator Gair, had just accepted from his political opponents, the Labor government, an appointment as Australian Ambassador to Eire. Of course, the government had hoped to gain another Senate seat as a result of Gair's resignation. Most people thought the incident reflected more discredit on the new ambassador than on the government, and that it certainly constituted no crisis of any sort, let alone one sufficiently serious to justify refusal of supply.

In any case, the incident was virtually forgotten during the ensuing election campaign. The prime minister again called on the governor-general, Sir Paul Hasluck, and asked him to dissolve both houses because of the Senate's failure to pass the electoral, health and minerals authority bills. Whitlam announced that the election would be held on 18 May. Labor appealed for "a fair go" on the grounds that the Senate had obstructed the will of the people. The Opposition parties concentrated on inflation, which had risen to the rate of 14 per cent per annum in the past year. Labor spokesmen replied that Australia's inflation rate was falling more rapidly than those in all but one of the fourteen most comparable "advanced" countries of the world, and that this improvement was due to the two revaluations of the Australian dollar, to the courageous 25 per cent tariff cut and to other salutary but unpopular measures the government had taken. Both Snedden and Anthony, the Country party leader, appealed to the nation to return the country to its "right course" by electing them, but they were not able to agree so convincingly on other policy matters. When the tumult and the shouting were over, Labor was returned with the loss of only two seats in the House of Representatives and with twenty-nine out of sixty seats in the Senate.¹⁵

On the same election day, in a signal demonstration of the triumph of hope over experience, the government put no fewer than four referenda to the people. One sought to change the constitution so that the Senate elections could regularly be held on the same days as those for the House of Representatives. The second sought to give citizens of the Northern Territory and the ACT a vote in referenda and to allow constitutional changes to be made by a majority of all voters and a majority of voters in three of the six states, instead of four. The third sought to write into the constitution a provision that in federal and state elections all electorates should be approximately equal in population so that votes would be of approximately equal value, and that all houses of parliament should be directly elected by the people. The fourth sought power for the federal government to grant money directly to local government bodies, previously an exclusively state government function. As usual, all four questions were decisively negated.

By mid-1975, the Labor government had brought about some important changes in Australian life which were likely to be enduring. The "white Australia" policy, at least in its historically rigid and insulting form, had been ended. Justice for Aboriginal Australians was unlikely ever again to be completely neglected as it had been in the past and Papua New Guinea had become an independent nation. Women's legal and social rights had been increased.

It was less likely that the abolition of tuition fees in tertiary educational institutions and the tax-funded, comprehensive national health service, Medibank, would survive future conservative assaults. A private members' bill, drafted by Lionel Murphy, and supported by most Labor, some Liberal and no Country Party members, had greatly simplified the divorce law. It recognised only one ground for divorce – irretrievable breakdown of a marriage. Political and "moral" (i.e. sexual) censorship had been almost abolished and the sniff of the wowsers muted everywhere except in Joh Bjelke-Petersen's Queensland. Finally, Australian foreign policy was unlikely to revert to the unquestionably subservient neo-colonial stance it had held for so long under the Liberals. The American alliance would continue; but future governments of any complexion were more likely to continue the nationalist Labor policy of cultivating good relations also with other powers, particularly those in Asia. Despite these achievements, the government's electoral support declined during the year as inflation and unemployment rates increased. In March the Liberals deprived Labor of its greatest electoral

asset by deposing the disastrous Billy Snedden and installing Malcolm Fraser to lead them. A vicious press campaign smeared the government with allegations of corruption in its attempts to raise overseas loans. Not a penny had changed hands improperly, but much of the mud stuck to its target. Then many political gangsters on the conservative side of politics, to bring down the government they hated, began flouting the traditions, conventions and precedents on which democracy itself depends.

One Labor senator died and another, Lionel Murphy, retired to the High Court. By long-established convention they should have been replaced by party colleagues, formally nominated by the governments of their respective states. Instead, the premiers of New South Wales and Queensland disgraced themselves and their office by appointing “neutral” or anti-Labor senators to the temporary vacancies. The governor of Queensland, Sir Colin Hannah, flagrantly breached the ancient tradition that the Crown must be seen to be politically impartial with a grossly partisan and quite gratuitous attack on the federal ALP. Finally the LCP Senate majority again broke precedent by deferring consideration of supply bills. The government began to run out of money for essential services.

Under the vaguely defined provisions of the written constitution, the new governor-general, Sir John Kerr, could have resolved the crisis in a number of ways. By all known rules of precedent and tradition in Westminster-style government, he should have resolved it on the advice of his prime minister. So far from doing that, he actively deceived Whitlam and other senior ministers as to his intentions, was seen to be conspiring with the Leader of the Opposition, and then dismissed the Whitlam government on 11 November.

The manner of the dismissal suggests that the Queen’s representative harboured inner qualms about the legality, not to mention the honourableness, of his own actions. Before administering the *coup-de-grâce* from a prepared ambush, he took great pains to get in writing the support of the Chief Justice of the High Court of Australia, the Right Honourable Sir Garfield Edward John Barwick, like himself and so many other prominent citizens, a product of Fort Street Boys’ High School. As the Liberal Party’s MP for Parramatta from 1958 to 1964, Barwick had served Menzies in succession as Commonwealth attorney-general and minister for external affairs. His elevation to the High Court was seen by some political observers as one more instance of Sir Robert’s adroitness in kicking rivals upstairs before they could challenge him for the party leadership. By others it was seen simply as the fitting culmination to the career of an eminent jurist who would, of course, magically put off a lifetime’s political prejudice the moment he put on his judicial robes.

On the day before the dismissal, this man lunched at Admiralty House with the governor-general, secretly and contrary to specific advice given him by Whitlam. He was asked first whether it was constitutionally proper for the governor-general to seek advice from the chief justice. Though this was a political or historical query on which the Constitution has nothing whatever to say, and was not a legal question, Barwick unhesitatingly answered, “Yes”.

Kerr then asked Barwick whether his proposal to sack, without warning, his chief adviser the prime minister was consistent with his powers and duties under the Australian Constitution. Again the highest legal authority answered yes because, he said, “A government having the confidence of the House of Representatives but not that of the Senate, both elected Houses, cannot secure Supply to the Crown.” This too was not a legal judgment, but a doubly political one. First, the government was still in fact securing supplies to pay government contractors, public servants and so on. Second, even if it had been true, inability to obtain supply from a recalcitrant upper house is no reason for resignation or dismissal of a prime minister. As Geoffrey Sawer, sometime Professor of Law at the Australian National University, wrote:

On no previous occasion in Britain, Australia or any British-derived parliamentary system has the Monarch or a Governor-General dismissed a ministry having a majority in the Commons, Representatives or similar House, because that ministry has been denied supply by the Lords, Senate or similar House.¹⁶

Throughout their lunchtime discussion, both judge and viceroy assured themselves and each other that they were guided purely by legal, not political, considerations. Manifestly they were not.

The events of Remembrance Day 1975 were widely spoken of as “Kerr’s Coup” and respect for the vice-regal office and its incumbent slumped disastrously. Opinion polls showed that most people strongly disapproved the Senate’s blocking of supply, and Kerr’s departure from the high traditions of his office. “Nugget” Coombs, the great public servant, and Patrick White, the literary genius, resigned from the Order of Australia since Kerr was its head. Not all Australians behaved with such dignity, however. The newly installed Liberal-Country Party government soon restored the distribution of British honours to Australian life. One of the first new knights created in 1976 was Sir John Egerton, previously for twenty years better known as Jack Egerton, president of the Queensland Trades and Labor Council. His notion of human dignity differed from that of Coombs and White and that held by James Cook two hundred years earlier. To receive his imperial bauble, he knelt subserviently, in the traditional manner, at the feet of the egregious Kerr.

It is ironic that all this frenetically larrikin behaviour by the conservative parties and the viceroy for whom at this time they and their leader, Malcolm Fraser, professed such profound respect, was quite unnecessary to their purpose – the grasping of power and perquisites for themselves. Throughout the year, unemployment had gripped well over 4 per cent of the workforce, a situation far worse than anything Australians had known since the great depression of the 1930s. At the same time the rate of inflation had climbed to an unprecedented 15 per cent per annum. Either figure alone would have been enough to secure the defeat at the polls of any Australian government elected since 1943. When at the general election following the coup, the Liberal-Country party candidates promised to cure unemployment and inflation, they were returned to power with massive majorities in both houses.

Thoughtful people, including many who usually voted Liberal, were appalled at the irony of events. By ignoring 150 years of tradition and precedent, and choosing to act on the one possible interpretation of the written document which most favoured the conservative forces, Kerr had, in the words of one newspaper correspondent, “procured the prostitution of the Australian constitution”. British and Australian legal tradition itself assumes that the popular vote, at an election subsequent to the dismissal of a government by the sovereign or her representative, either confirms or denies the legality of the vice-regal action. In fact, though most voters held Kerr’s coup in abhorrence, they voted the Fraser government into power for quite other reasons.

One of the new Liberal-National party government’s first actions was to restore the superphosphate bounty, a subsidy to farmers which, in the last year before its abolition by Labor, had been worth about \$5000 to the new prime minister. Malcolm Fraser was the first of a new generation of prime ministers, too young to have been eligible for service in World War II. Born in 1930 into a wealthy Victorian Western District family and educated at Melbourne Grammar School and Oxford University, Fraser was nicknamed “the Prefect” by his political friends and “the crazy grazier” by his enemies. After the 1975 election, most people called him “Big Mal” or “Mad Mal”. His long, thin, lugubrious face reminded many cartoonists and writers of “one of those po-faced, top-hatted idols on Easter Island”. Tall, lean and disdainful in manner, he spoke with a pseudo-English upper-class accent that infuriated many ordinary people and ensured his continuing personal unpopularity with the electorate; yet the success of his policies ensured his continuing domination of his party and the country.

His cabinet made huge cuts in every kind of expenditure except defence and incentives to business and farming interests. In an apparent effort to recompense governors-general for the onerousness of their duties, salaries and expenditure incidental to the governor-general’s office were increased in the Fraser government’s first budget by an astounding 171 per cent. Funding

of the most notorious secret police body, ASIO, which seemed to have helped in the coup, was also increased vastly.

By contrast, spending on less privileged sections of the community was cut heavily. Despite promises to the contrary, the Medibank health scheme was effectively dismantled. Real salaries and conditions in the public service worsened. Less and less government money was available for kindergartens, schools and universities, but more and more for the already wealthy private secondary schools. Those whose needs were greatest – Aborigines, the unemployed, the poor, the sick, the old, women and children – suffered most.

In spite, or because, of these drastic measures, the economy continued to be as sluggish as it had been under the Labor government. In fact the unemployment rate, 4.4 per cent when Fraser had been made prime minister by the governor-general in November 1975, was 5.8 per cent two years later in 1977. This record alone would have ensured electoral disaster for any Australian government before the coup, but most previous governments had not had to cope with inflation. According to figures supplied by the World Organisation for Economic Co-operation and Development, the inflation rate for 1977 had fallen slightly – to 13.1 per cent – but the government claimed that the true figure for the calendar year would be 9 per cent. In either case, the Liberal and National Parties could claim to have brought inflation under control, even at the cost of increasing unemployment. Fraser decided to call a general election a full year before it was due and before unemployment grew worse. In New Delhi in February 1975 Sir John Kerr had publicly said that a governor-general should not grant an election to a prime minister unless he could “be satisfied that Parliament [had], in fact, become unworkable”. In view of this, would he, could he, asked some ingenuous citizens, grant a double dissolution to the government with a massive majority in both houses? Only these few were surprised when, despite his Delhi pronouncement, he obligingly granted a double dissolution that Fraser wanted purely for party political advantage.

On Tuesday 1 November 1977, *Gold and Black* won the Melbourne Cup. By tradition, not by force of any legal document, the cup was presented to the owner of the winning horse by the governor-general. Dressed ridiculously, as he always was in public, in a full morning suit and gleaming top hat, Kerr was driven once round the Flemington racecourse to acknowledge, as his predecessors had done for three-quarters of a century, the good-humoured cheers and banter of the crowd. Instead he was greeted by a storm of boos, jeers and hooting which rose in intensity until he reached the more refined air of the members’ stand. There his progress was marked by a mingling of muted abuse and tepid applause. After the race, when he lurched down the steps of the grandstand to present the Cup, jeers and catcalls drowned out the applause, and much of Kerr’s rambling, emotional and rather incoherent speech. To most of the six million people watching on their television screens it seemed painfully clear that the Queen’s representative in Australia, the man whose prime function it was to embody the dignity of the nation, was querulously drunk. Next day, in the Upper House at Canberra, Senator Walsh (Labor) said:

Any public servant who appeared, in discharging his duties in public, drunk would face disciplinary action ... I wish to know what will happen to the Governor-General because of his disgusting drunken performance at Flemington yesterday.¹⁷

The deputy president of the Senate forced Walsh to withdraw his words, though he and all other speakers did not attempt to deny the truth of the Western Australian senator’s statement. The prime minister, it seemed, no longer had any great respect for his benefactor, but having, like Shakespeare’s Caesar, attained the upmost round, he scorned “the base degrees by which he did ascend”. He terminated Kerr’s appointment and sent him to a post as Australian Ambassador to the United Nations Education, Scientific and Cultural Organisation in Europe. But this well-paid sinecure was too much even for many Liberal politicians. A storm of public

protest resulted in Kerr's being left in exile, like Joseph Furphy's hero, "unemployed at last",¹⁸ but not unprovided for.

Five weeks after the most remarkable Melbourne Cup in our history, the federal election of 10 December 1977 resulted in a resounding victory for the Liberal-National Party coalition, which won eighty-six seats to Labor's thirty-eight. Those watching on television saw Gough Whitlam, with his customary dignity, announce his resignation from the leadership of the ALP. The government's huge majority had been confirmed, the prime minister's political judgment vindicated, and the country replaced firmly on what he kept calling the "right" and "appropriate" course. Most electors apparently shared his insouciance about the miseries of the unemployed, provided only that inflation continued to be reduced or at least controlled. However unpopular he personally might remain with the people, his standing and his authority within his own party and the coalition rivalled those of Menzies at the height of his powers. The new parliament was allowed to run its full term and Malcolm Fraser's leadership of the nation was again endorsed in October 1980. It is time to ask why. What positive benefits of his five years of government were perceived by the electors, to most of whom "the Prefect" sternly dispensed such nasty medicine?

It is important to notice first that the bitter physic kept on coming. For six years in real terms, that is in terms of the purchasing power of money whose value decreased in that time by almost half, every budget found less than its predecessor for all those areas of national life humane people thought most worthwhile. The real value of payments to the aged, the sick, to widows and deserted wives, to war veterans, the unemployed and others in need, fell year by year. So did the amount of money made available to schools, colleges of advanced education and universities with the inevitable result that redundant teachers, and students who left understaffed institutions without finishing their courses, helped to swell the ranks of the workless. Not only formal educational institutions were affected. The Whitlam government had spent as much money on direct and indirect subsidies to literature, painting, the other arts and research of all kinds as had long been spent on such things in Canada and other civilised countries. Year by year, Fraser's government cut back spending in these areas too and even on that sacred cow of national life, the CSIRO. Payments to tertiary students, artists and others were reduced annually – again in real terms – while more stringent means tests and other qualifying conditions reduced the number of beneficiaries. Free medical and hospital care, except for the very poor, was abolished, while the cost of these things rose steeply for everyone else. A wide range of community health centres, childcare services, women's shelters and rape crisis centres had been established during the three years of federal Labor rule: these curtailed their activities and sometimes closed altogether as the parsimonious government tightened the financial screws.

Boat-loads of anti-communist Vietnamese refugees, "the boat people", kept arriving at Darwin and other northern ports. This made greater than ever the need for organisations devoted to helping the assimilation of immigrants of different ethnic backgrounds, bodies like the Good Neighbour Council set up in Arthur Calwell's day, but less and less money was devoted to such purposes. Black Australians suffered most, as they had done for 190 years, from the latest conservative reaction among the whites. The Whitlam government had established a government department and a host of minor instrumentalities to advise and help Aborigines. These bodies were by no means exempted from Fraser's general policy of curtailing spending on all forms of social welfare.

Again, then, what benefits were perceived by the majority of Australians who continued to vote for the Liberal-National Party coalition, despite such massive provocation to a contrary course? Undoubtedly the main motive was control of inflation. Standing at about 15 per cent a year when Fraser was ushered into power in 1975, by the time of the 1980 election this figure had fallen to about 10 per cent – where it seemed likely to remain. This was no doubt a pitifully

small achievement compared with the “normal” situation between 1955 and 1970, but it was impressive compared with the “normal” inflation rate from 1972 to 1975 – and with the contemporary “norm” in other advanced countries. Drastic reduction of government spending on everything except defence and police spying may have had little to do, in fact, with controlling inflation, but the government certainly believed it had and most electors, including many who were personally badly hurt by the policy, obviously believed so too.

Secondly the government retained its traditional support from big business, farmers and graziers by exercising a politic and relative generosity in these areas. Tax concessions, incentive payments and other forms of encouragement to the mining and prospecting industries actually increased, and this government initiative may in fact have contributed substantially to what was known as the resources boom during the Fraser years. Vast quantities of coal, iron, aluminium, oil, uranium and other ores were dragged out of the continent and shipped overseas, thus strengthening greatly the Australian currency and balance of payments position. Again the government, and most of the people who elected it, were certain that this boom was somehow good for Australia. Others protested that a great and rapidly growing part of the ownership of the mining industry was in foreign hands, and that it could not be good to give away most of the national estate to foreigners at bargain-basement rates. In July 1981, even the senior public servants in the treasurer’s department were worried to discover that six billion dollars of foreign capital had been invested in Australia in the twelve months just ended, as against something over one billion in the previous year; but “Big Mal” was delighted with the praise just heaped upon him by his properly grateful American business hosts.¹⁹

Nevertheless, Fraser’s performance abroad won him a kind of grudging respect even from those most opposed to all he did at home. Like Menzies and Whitlam, but unlike Holt, McMahon and Gorton, he conducted himself with dignity in public, especially during his obligatory pilgrimages to Washington. Furthermore, his foreign policy, unlike that of every previous conservative prime minister, was at least intelligible and even intelligent. Though he fully shared the paranoid delusions about the USSR of most “Western” leaders, he did not, as they did, lump all communist powers together as parts of a malign and monolithic force. On the contrary, one of his first actions after the 1975 election was to make a visit to mainland China to cement good relations with that country. Millions too respected his outspoken abhorrence of racist ideology. Detractors might suggest this attitude sprang from the fact that his mother was a Melbourne Jewess, or that he believed Russian communism would take over majority black African areas if the indigenous people did not; but there was no doubt of Fraser’s passionate sincerity. He spoke freely of “the obscenity of racism” and at a Commonwealth conference in 1979, to the consternation of many who had voted for him, Fraser was instrumental in securing, peacefully, majority black rule for Rhodesia under its new name of Zimbabwe.

He did nothing, however, for the black people of Australia, particularly for those unfortunate enough to live in Queensland or Western Australia, states controlled during the Fraser years by Liberal-National coalitions. In the remote Kimberley district, for instance, though black Australians were no longer butchered by policemen as they had been only fifty years earlier,²⁰ they were still exploited, abused and sometimes disfranchised by the conservative state government. The Western Australian state election of February 1977 showed that, despite all the progress that had been made since the Aboriginal referendum of ten years earlier, the most vicious form of white Australian racism was still active among those who considered themselves the best people in the country. On polling day, the white Liberal cabinet minister, Alan Ridge, defeated the black Labor candidate, Ernie Bridge, by 1784 to 1691 votes. In May, Bridge appealed to the Court of Disputed Returns which, in due course, laid bare a story of Liberal Party fraud and intimidation which would have been quite incredible anywhere in Australia in 1977 – except in Joh Bjelke-Petersen’s Queensland and Sir Charles Court’s Western Australia.

Before the election, Liberal supporters feared that the Labor candidate might win. So, at considerable expense, Ridge and the state Liberal party, with the connivance of some government officials, sent five lawyers to the Kimberley electorate with instructions, in effect, to prevent as many black citizens as possible from voting. At some polling booths the Liberal lawyers bluffed local officials into accepting their interpretation of the meaning of the *Electoral Act*, a meaning which of course had the effect of denying the vote to many Aborigines. At other places the lawyers or their friends treated would-be Aboriginal voters to such vast quantities of alcohol that they could not walk into the polling booths. At still other places local white supporters of Ridge simply intimidated Aboriginal voters.

The most appalling part of the story is that, when the court had given its findings, neither Ridge nor any of the other Liberals who had conspired to subvert the democratic processes of their state was punished in any way. Not only that, but the government of Sir Charles Court immediately brought forward a bill to amend the *Electoral Act* in such a way as to rob many illiterate Aborigines of the vote altogether. Not all the conservative politicians in the house disgraced themselves. Four of six National party members crossed the floor to vote with the Labor members against the amendments. One Liberal, Dr G.T. Dadour, without casting his vote, left the Chamber with the moving words, "I know I have to live with myself for probably another 10 or 20 years". Then the speaker, Mr Ian Thompson, gave his casting vote with the "No's" to defeat the amendment. At the subsequent by-election, held under the old rules, Ridge was returned honestly to the seat,²¹ but at the next general election of 1980 he was decisively defeated by the Labor candidate, Ernie Bridge, Aboriginal station owner, stockman and country music singer.

Despite the best efforts of those who regarded themselves as its best people, times were changing in the Kimberley district much more than was evident in the nation as a whole. By seeking to reform too much too fast, the Whitlam government had scared conservative voters and back-stage powerbrokers out of their scanty wits. Swinging voters too had been badly frightened – if not by Labor efforts at reform, by the panic surrounding Kerr's coup. So people elected the Fraser government to give them, above all, not change or reform of any kind but respectability and stability; and for seven years the prime minister almost succeeded in his avowed ambition, to govern so quietly that political news would be replaced in the headlines by sporting intelligence. One of the few events to break the post-prandial political torpor of that time occurred in the last week of April 1980.

The nationally respected Melbourne *Age* reported on Saturday 29 April that the chief justice of the High Court, Sir Garfield Barwick, had, without declaring his interest, been sitting in judgment on cases brought to litigation by wealthy corporations in which Barwick's own private family company had shares. Mundroola Pty Ltd had been incorporated in 1946, apparently as a means of reducing Barwick's income tax payments by making over a large sum to his two children. In 1973 his wife owned 850 shares in the company, her son Ross, her daughter Dianne and her husband Garfield one each. An old friend of the already eminent QC, Mr Leslie James Thompson, held "4000 deferred non-voting and non-management shares". Thompson also became chairman of Ampol Petroleum and a director of Brambles Ltd and the "sugar, chemicals and mining conglomerate CSR", all companies in which Mundroola had made lucrative investments. In the fifteen-year period to 1980, Sir Garfield (as head of three- or five-judge High Court benches) heard six appeals from the three companies on matters ranging from personal injury damages to income tax assessments. The appellant companies lost four of the six cases and won two. No one ever alleged that the chief justice, in hearing the cases, had acted other than impartially, but the media and Labor members of parliament did ask persistently why he had not declared his interest or possible conflict of interest. Four years earlier he had, in another case, emphatically declared his agreement with the ancient rule of British Law that: "A judge should not sit to hear a case if in all the circumstances the parties or

the public might reasonably suspect that he was not unprejudiced and impartial.” Over the weekend, many thought that the chief justice would be forced to resign, but he easily avoided that course by breaking another venerable rule of law – delivering judgment on his own case. He pronounced himself innocent of a misdemeanour of which he had never been accused. When parliamentary sittings resumed on Tuesday morning, the prime minister tabled a letter from Barwick which, with mind-boggling disingenuousness, stated, “I feel sure that no informed and fair-minded person would have honestly thought that my views might have been influenced by the fact that my adult children beneficially owned shares in the litigant company.” As though God had spoken, the political tempest stilled. No one had the bad taste to ask why Sir Garfield’s “parties [to the case] or the public” had silently been transformed into one “informed and fair-minded person”, or why his long letter so resolutely refrained from mentioning even the appearance of any possible conflict of interest.

During the spring and summer of 1982-83, the auspices showed that Fraser’s conservative coalition government seemed to be on its last legs. To an unusual extent it was hoist on its own petard. In 1980, to discredit its political enemies according to ALP spokespersons, the government appointed F.X. Costigan QC, a one-man Royal Commission, to inquire into the affairs of the notoriously corrupt Painters’ and Dockers’ Union. Costigan’s report confirmed that indeed many petty and some murderous criminals were to be found among the union’s members, but that their activities were sometimes directed by great, rich and powerful persons not hitherto suspected of criminal associations. Prominent among the latter were white-collar criminals who had conspired to rob poor shareholders, to cheat the government of hundreds of millions of dollars in taxation and to enrich themselves by nefariously ingenious schemes to circumvent the letter of the law regulating public companies. The most lucrative and widespread plan was known as the “bottom-of-the-harbour” scheme, though no one supposed that it was used only in Sydney. It worked like this:

A company that made great profits in a given financial year thereby rendered itself liable for the payment of a large tax bill. A single director, or close-knit body of directors who themselves owned the great majority of the company’s shares, would then send the company to the bottom of the harbour. That is, they would transfer its assets to other companies, owned or controlled, through intermediaries, by themselves, so that when the tax bill arrived the original rich concern would have been reduced to a bankrupt, empty shell.

Costigan reported that “gross negligence” [or criminal collusion] in the crown solicitors’ office had helped the number of identified deep sunken companies to increase from twenty-seven in 1973 to 1412 in 1982. In particular, the deputy Crown solicitor in Western Australia had, whether by negligence or design, delayed the launching of prosecutions for over two years. Another officer in Perth conducted a call-girl service using the Crown solicitor’s office phone number in advertisements for clients. His more fastidious wife used their home address for that of over a hundred asset-stripped companies of which she had been made the nominal secretary. The government’s embarrassment was compounded by the revelation that three senior officials of the Western Australian branch of the Liberal Party had been prominently engaged in the tawdry company-stripping business. They were Sydney Corser, a former chairman of the party’s Finance Committee, Sir Victor Garland, formerly a cabinet minister who had been kicked upstairs to London as Australian high commissioner, and Denis Horgan, the current chairman of the Western Australian Liberal Party. The last named delivered the unkindest cut of all to his comrades. In an apparent effort to convince the viewers, or perhaps himself, that the law, not he and his fellow deep-sea divers, was wrong, he wept copiously on Richard Carleton’s ABC television show.

Fraser sought to contain the political damage by denouncing the tax cheats’ greed and promising to bring down retrospective legislation to recover the money from everyone who had gained in the past seven years from bottom-of-the-harbour schemes, but this merely provoked a

more damaging split in the party. Many Liberals felt their three Western Australian colleagues had rightly earned praise, not obloquy, for engaging in such extraordinarily private and enterprising behaviour. The proposed legislation was amended and watered down by dissident coalition members until an almost toothless bill was passed with solid Labor support at the end of October; but by then the government's position had weakened so much that Fraser began to meditate calling an early general election before economic trends became worse still. W.G. Hayden, leader of the ALP since Whitlam's resignation in the wake of Kerr's coup, did not seem a dangerous opponent. Born in 1933 and educated at the Brisbane State High School, he was a police constable before being elected MHR for Oxley in 1961. Despite his Queensland police background, his integrity was absolute and unquestioned. He had done more than anyone else to rebuild the parliamentary Labor Party and enjoyed the universal respect of its members. It is not too much to say that even his political enemies liked the man. Perhaps he was too ordinarily decent for the jungle of party politics and lacked the cunning so necessary to ambitious politicians. Perhaps that is why his own party both rejected him as leader on the eve of the election and made him Governor-General long afterwards on 16 February 1989. In any case, Fraser sensed that the continuing rise in unemployment figures and the inflation rate were less threatening than the extraordinary popularity of the Labor member for Wills, R.J. Hawke.

Born in 1929 at Bordertown, South Australia, son of a Congregational minister and nephew of a Labor premier of Western Australia, Hawke grew up with the conviction that he was destined to become prime minister. With the Western Australian Rhodes Scholarship behind him, he returned from Oxford with that university's BA, LLB and BLitt degrees and the reputation of being a good cricketer and a great drinker. In 1958 he became resident officer and legal advocate to the Australian Council of Trade Unions and then president of that body from 1970 to 1980. Throughout that decade, without being seen to produce any very tangible gains for those whose dues paid his salary, he became a leading charismatic figure on the national stage by settling, at the last minute, every serious strike in the country – largely on the employers' terms. Thus he entered parliament in 1980 as the darling of almost every floating voter, that 20 per cent of lower middle class and upper working class citizens who agree on nothing except that their hatred of strikes is a sure measure of their own virtue. It is hardly surprising that in March, three years later, he displaced Bill Hayden as leader of the parliamentary Labor Party and became prime minister. It happened like this.

After the "bottom-of-the-harbour" scandals, opinion polls showed that the conservative coalition was losing support. Another poll taken in July 1982 showed that 43 per cent of voters thought Hawke would make the best prime minister, 22 per cent thought Fraser and 12 per cent Peacock, deputy leader of the Liberals. Lionel Bowen, the Sydney suburban lawyer who was deputy leader of the parliamentary ALP, earned a left-wing ovation at a party conference by telling delegates that, as far as he was concerned, "charisma" was only a fancy brand of soap; but Hawke's amazing popularity with the public continued to increase. Because it seemed clear to the prime minister that his chances of retaining power could only get worse with time, on 3 February 1983, Fraser, with some difficulty, obtained the governor-general's assent to an early election. He probably did further damage to his prospects by announcing that the federal electoral rolls would close forty-eight hours later, a move which effectively disenfranchised thousands of new, mainly younger voters.

On the same day Senator John Button, ablest of the Labor politicians, and Bowen, one of the least distinguished, pressed Hayden to hand over the leadership to Hawke. Hayden complied, remarking acidly that in the existing circumstances even "the drover's dog" could not help but lead the ALP to victory. And so it proved. With consummate political skill Hawke promised practically nothing more specific than what was implied by the ALP's campaign slogan, "Bringing Australia Together". Backed in the House of Representatives by seventy-five Labor members to the fifty mustered by the conservative Opposition, the new prime minister was

hailed by many as “the Messiah”, by others as “the drover’s dog” and by most, shortly after, as “Mr 70 Per Cent”, an allusion to the fact that for nearly a year more than 70 per cent of those surveyed by the pollsters strongly approved of his prime ministerial performance.

So sweeping was the ALP’s victory that Doug Anthony, leader of the National Party and deputy prime minister for many years of coalition governments, resigned from parliament and left politics a few months later. In the resulting imbroglio for leadership of the National Party, Ian Sinclair, member for New England and Anthony’s deputy, was pitted against opponents who included a Queenslander urging extremely right-wing policies. Some months prior to this, when criminal charges of which he was later acquitted had been pending against him, Sinclair had publicly claimed that two prominent Sydney racing figures had told him at lunch that he could have the charges dropped by making a large donation to the funds of the New South Wales Labor Party. The ALP government of that state had promptly appointed Mr Justice Cross as a royal commissioner to inquire into Sinclair’s allegation. Five days before the National Party leadership ballot was to be held, Judge Cross had reported that Sinclair’s allegations were “simply untrue”, and that “the Spanish Inquisition would not have convicted the Devil himself on the sort of defective answers and evidence Mr Sinclair gave to support his allegations”. The member for new England, nevertheless, was elected leader of the National Party.

Under parliamentary privilege, when the House resumed on the last day of February, Sinclair attacked Judge Cross for denying him (Sinclair) “natural justice” and for “getting the evidence wrong”. In the ensuing verbal brawl, Hayden, the new foreign minister, declared that Sinclair “had the personality and public morals of a cashiered sergeant-major from the New South Wales Rum Corps”, and that while Cross had an unblemished career stretching over twenty-five years, Sinclair was “a malicious liar and a total stranger to the truth”.²²

Barely a month after the election of 5 March, and before parliament had met, people were regaled by the most polished and successful public relations campaign ever mounted by an Australian government. It was called the National Economic Summit, and it had been signalled by Hawke long before he achieved party leadership. During the second week of April a tripartite conference, chaired by the new prime minister, “bringing Australia together”, met on the plushly padded green baize seats of the House of Representatives. Eight cabinet ministers, all state premiers and five or six other government representatives, about thirty big businessmen and delegates from employer organisations and a rather larger number of leading trade union figures debated national economic policies in a strangely theatrical spirit of comradely love and co-operation. With the predictable exception of Queensland’s egregious premier, Joh Bjelke-Petersen, all participants agreed to a few pious expressions of good intentions. The twin problems of unemployment and inflation should be addressed simultaneously, not in tandem. In return for the unions’ promise to exercise restraint in their wage demands, employers undertook to recommend that their companies’ shareholders should accept lower dividends.

In the event, real wages and the number of strikes per annum did decrease significantly, but, not surprisingly, corporation profits and dividends did not. Neither did unemployment figures or the inflation rate. Gradually, painfully, it dawned on traditional Labor voters that “their” government intended to retain power by implementing coalition policies more efficiently (not to say ruthlessly) than the conservatives had ever been able to do. As millionaires like Alan Bond, John Elliott, Rupert Murdoch and Christopher Skase swallowed up thousands of smaller companies in a hundred takeovers, the rich became richer and the poor became poorer. Neal Blewett, Minister for Health, did establish the Medicare scheme, which paid 85 per cent of the basic medical costs of anyone not too proud to use it, but it was hard to identify any other measure clearly benefiting the many rather than the few. Smaller public hospitals were closed while the number of beds and services was cut back in many larger ones. Spending on education at all levels was scaled down even more savagely than it had been under the Fraser governments. Heavy fees were reimposed upon foreign students at Australian universities and a

so-called “service-fee” of \$250 a year was levied on all. Expenditure on pensions and other social services was cut dramatically. Public servants administering the dole to workless people were ordered to inquire more searchingly into the eligibility of recipients.

Most unemployed people were young, but the government also determinedly attacked the living standards of those who had come to the end of their working lives. For the first time in our history, lump-sum superannuation payments were taxed and a stringent means test was imposed on the old-age pensions of all over 70. A capital gains tax did nothing perceptible to the naked eye to reduce the wealth of the rapidly multiplying number of millionaires, but hit very hard the relatively trifling investments of employees, professionals and small-businesspeople. The same groups were hurt most by the fringe benefits tax; and while the government talked incessantly of income tax cuts, those that were implemented always, in real terms, benefited the very rich more than the average or poor citizen. All these hard-line, right-wing policies were strongly backed by the second most powerful man in the cabinet, the Treasurer Paul Keating, a flinty-eyed, street-fighter type of politician, and they were justified by exactly the same rhetoric as conservative governments had always used.

Restraint, especially in government spending, was the surest means of curing inflation and was good for what right-thinking people called “the economy” and what radical malcontents called big business. This was especially so when private investment was encouraged by tax reductions and other incentives. As Australian industrialists made more profits, they would hire more workers and so reduce unemployment. So much for the rhetoric. In fact Hawke and Keating found, as Fraser had done before them, that the only part of this pie-in-the-sky plan that actually worked was that the rich did usually get even richer. They should have been grateful, but weren’t. Habitual conservative supporters can rarely bring themselves to vote Labor, even when it has manifestly done more for them than their own politicians did when in power; similarly, habitual Labor voters can rarely bring themselves to vote for the National or Liberal Parties, even when their own party has manifestly ignored ALP policy and sold them down the river. When Hawke called a premature general election on 1 December 1984 before his party’s stocks grew even worse, the result was determined by the same middle-of-the-road, floating voters who had voted the year before for the party of him whom they had rightly perceived as Australia’s champion strike-breaker. They sent the ALP back to power in Canberra, but with a sadly reduced majority. As Bill Hayden said to his great leader, the drover’s dog had done it again but he was a bit clapped out this time.

After the election, as before it, public approval of the prime minister and his party continued to plummet. Under the misnamed policy of “pragmatism”, the government encouraged massive foreign investment in Australian industries and did all it could to please banking and big business circles. Those ingenuous souls who had always believed that the ALP had something to do with idealism, with Chifley’s “light on the hill”, were appalled. To them it seemed that, more and more frequently, Hawke, Keating and Co. backed away from the implementation even of those longstanding Labor policies which would have been popular with the electorate. Thus they quickly gave back Uluru (Ayer’s Rock) and its accompanying tourist development to the traditional Aboriginal owners; but thereafter, in metalliferous outback areas, Aboriginal interests appeared to come a bad second or third to those of multinational mining companies. In flat defiance of ALP policy and majority party sentiment, the government facilitated the mining, shipment and sale to the highest bidders of uranium ore from Roxby Downs and elsewhere. Even the party’s resolutely anti-racist stance was compromised. In March 1984, one of Australia’s most distinguished historians, Professor Geoffrey Blainey, addressed the Warrnambool Rotary Club. His speech made headlines all over the country and weakened the politically bi-partisan approach to immigration which had ruled since the time of the Whitlam government. In essence, Blainey claimed that too many Asians, particularly Vietnamese, were coming to Australia and too few Britons and other Europeans.

Blainey's speech had the effect, though perhaps not the intention, of making racist views respectable. Thousands who shared them but had remained silent for a decade hastened by word and deed to propagate race hatred again. Among them were some members of the federal Opposition. On 8 May, one government backbencher, Lewis Kent, a Yugoslav by birth who had lived through the Nazi occupation, grew so warm that he climbed over the benches to assault some of the more provocative coalition speakers. Shouting "Dishonest racist bastards!" he was restrained and led out of the Chamber by the government whip. While no ALP spokesperson was heard to support the new anti-Asian drive, the government, very quietly, did change administrative practices in the Immigration Department so as to bring in more Europeans and fewer Asian settlers.

In August 1986, the re-elected government's popularity quickly plummeted when an opinion poll showed its approval at 40 per cent compared with 50 per cent of the Liberal-National opposition. A month earlier, even the approval rating of the prime minister, "Mr 70 Per Cent", had fallen to 38 per cent. Mainly because of a massive overseas trading imbalance, the value of the Australian dollar fell to US\$57.15. Inflation and unemployment obstinately remained almost as high as they had been under Fraser in 1983. The treasurer, Paul Keating, complained truly but quite unavailingly in the *New York Times* that the Australian government was "getting all the right things done in the economy" yet was "getting kicked to death" by international trading conditions quite beyond its control.²³ Politically the government sustained more pain – if not more damage – from the kicks of some of its own members who ought not to have been beyond its control. In flat defiance of party policy, for the sake of \$100 to \$200 million in export income, cabinet allowed the resumption of uranium sales to France. Bob Hogg, senior adviser to Bob Hawke, resigned in protest and Senator Joan Childs observed sadly that the decision was "yet another example" of the government's failure to carry out party policy. Less convincingly, the deputy prime minister, Lionel Bowen, argued that those who wished to leave uranium in the Australian earth were helping the Opposition to turn "safe Labor seats into marginal ones". In fact, pacifists, reformers and "progressives" of all kinds felt betrayed by the government, but sadly sure that Opposition policies on such issues would be even more unpalatable.

To demonstrate their disillusion with the government, or perhaps with "the system" or life itself, some self-styled "feral women" camped on the lawns in front of Parliament House. When three Liberal women members of the Upper House and a brave (or foolhardy) male colleague, Senator David MacGibbon, approached, they were surrounded by the wild women who jostled and spat upon their visitors, humming the while like a swarm of bees. They also delivered what Senator MacGibbon called "a concerted attack to the front of my trousers". Labor Senator Michael Tate fared no better. A feral woman abused him for "invading women's space". When he suggested that the public gardens before the House were everybody's space, she "dropped her pants and urinated on the grass in front of him – like a dog marking its own boundary". The whole incident, no doubt, showed more about the capacity of zealots in any movement to discredit their own cause than about the state of federal politics, but it also underlined a growing nihilistic mood of disgust with all politicians and even with democracy itself.²⁴

By the long, hot summer of 1986-87, it had become a truism to observe that the Hawke government was ruling the country in the interests of big business far more effectively than those who trumpeted the importance of private enterprise had ever been able to do. This made life increasingly difficult for John Howard and Ian Sinclair, leaders of the Liberal and National Parties. If voters in the general election due by the end of 1987 were to perceive any difference between the programs offered by the two major political parties, Coalition rhetoric had to be moved a long way to the right. That in itself has seldom presented insuperable difficulties to any politician, but leading Liberals argued publicly and embarrassingly about how far to the right they should appear to have moved. Many thought that leading National (Country) Party figures

had always stood as far to the right as it was possible to be, but they had underestimated the eccentricity (to use the kindest word) of 76-year-old Sir Johannes Bjelke-Petersen, National Party premier of Queensland since 1968.

On 1 November 1986, with the help of massively gerrymandered state electoral boundaries, his party won another general election; not only that, but an absolute majority of seats in Queensland's single-chamber parliament – more than the Labor and Liberal parties combined. The Premier was inspired with delusions of grandeur. If Queensland, why not Canberra? From the far right this paladin of all the worst nineteenth-century British notions suddenly launched an attack on his own political comrades in the federal sphere. Just when there was a real chance for the conservative forces to take power from the Hawke government, its most bigoted enemy contemptuously denounced the Liberal Party and proclaimed his intention of replacing Sinclair as leader of the federal National Party.

Some thought him afflicted at last with senile dementia and others that he was being secretly paid by the ALP to sow confusion in the Coalition ranks, but in fact Joh's push from the bush to Canberra was being funded, surprisingly openly, by the "white shoe brigade", a group of about fifty wealthy businessmen, some of them newly enriched by participation in development projects in the swamps of the Gold Coast. At one stage they boasted of having \$25 million dollars pledged to the campaign. It seemed that their semi-articulate champion had cause to be vaingloriously confident. In a telephone interview with the *Sydney Morning Herald* he spluttered from his Kingaroy peanut farm:

I want candidates across Australia. We can get them, we can fund them and we can win. Sinclair? Isn't he a Liberal? ... We will do a General Macarthur with him. We will get our own Joh candidates that will completely annihilate them [Howard and Sinclair].²⁵

Joh's unguided intervention must have appalled the Coalition chiefs in Canberra as much as it delighted the Labor ones who could now sit back and watch the Opposition parties destroy their electoral credibility by passionate public disputation among themselves. Some sophisticated southerners, using the analogy of the Ayatollah Khomeini in Iran, dubbed Bjelke-Petersen "the Mad Mullah of the Deep North", but nothing seemed to shake his popularity with rural Queensland voters. He seems never to have doubted that Howard and Peacock, already locked in a continuing battle for the Liberal Party leadership, would be forced to hand over that of the Coalition to the Nationals. Only a madman could have believed further that Ian Sinclair, the ablest and most ruthless member of the Commonwealth parliament, could be forced under any circumstances to relinquish leadership of the National Party to the "Mad Mullah". In April 1987 a *Sydney Morning Herald* poll showed that Labor again had a commanding lead over the Opposition: 51 per cent to 42 per cent for the Liberal-National group. It was probably at this time that Labor strategists like Senator Graham Richardson began to think of calling the next federal election early. Controversy over the Australia Card provided the trigger.

This measure proposed to equip every citizen with a card recording his or her Taxation Department file number and other personal details which, the government argued, would make it easier to detect tax cheats and tax evaders. For that very reason, it seemed to some observers, the Opposition parties combined with the Australian Democrats in the Senate to block the legislation twice within three months, thus providing the government with a constitutional reason for calling a double-dissolution election, announced by the Prime Minister for 11 July. John Elliott, multi-millionaire and leader of the Liberal Party's extra-parliamentary organisation, fecklessly helped the Labor campaign with his suggestion that the Australia Card might usefully be issued to unemployed persons, pensioners and other ne'er-do-wells, but on no account to respectable people such, presumably, as himself. But the troublesome card practically disappeared from view during the six weeks of electioneering. Voters and those wooing them were preoccupied with the bizarre daily spectacle created by the "Joh for

Canberra” campaign. Nearly half of all National party Members of the federal parliament were Queenslanders fanatically committed to the belief that Joh, as leader of the far or lunatic right, would destroy the Hawke government they hated. This northern mafia forced Sinclair and the whole National organisation to end the coalition with the Liberals, thereby writing *finis* to conservative chances. It is hardly surprising that, though the ALP lost two seats and gained two elsewhere, it won four seats in Queensland and an increased overall majority in the House of Representatives. For the first time in history, a Commonwealth Labor government was re-elected to a third consecutive term in office. It seemed that what W.K. Hancock had characterised in 1930 as the “party of initiative” had become the acceptable party of government, helped thereto more by the political stupidity of its opponents than by any great virtues of its own.

Three months later the world was rocked by the greatest stockmarket crash since the great depression of the early 1930s. Panic selling began on Wall Street on 17 October and spread to London, Tokyo, Hong Kong and of course Australia. By the end of the month the market value of shares throughout the world had fallen on the average by more than one-third.²⁶ Paul Keating had long been hailed by many as the most skilful Treasurer in the Western world. He had “managed” the economy by abolishing controls as much as possible, in order to allow it to be managed by “market forces”, that is to say, by the freest possible competition between capitalists. And it worked. The richest individuals and corporations became richer still as, with limitless credit pressed upon them by the banks, they “took over” or swallowed smaller companies, which had already swallowed smaller ones and so on *ad infinitum*. By enriching the greatest sharks, the process was seen to be enriching the whole country, for few noticed that the first result of a successful takeover was often to add to the unemployed pool workers made redundant by the new giant company’s rationalising plans. Names like John Elliott, Robert Homes à Court, Laurie Connell, Christopher Skase and Alan Bond, unknown a generation earlier, became household words, while those who bore them were inflated by the media almost to folk hero status. In 1983 a trifling part of Bond’s money had made it possible for Ben Lexcen and other talented Australians to wrest the America’s Cup briefly from the New York Yacht Club. A celebratory party raged all night in the Royal Perth Yacht Club. The recently elected prime minister, Bob Hawke, had flown across the continent on time to congratulate the winners at daybreak. In 1987 Bond’s name was emblazoned on a huge ovoid captive balloon floating in the polluted air above some Australian cities. Five years later he was made bankrupt and began serving a two-and-a-half-year gaol sentence for fraud.

The only prominent investor to emerge from the crash not only unscathed, but richer than ever, was polo-playing Kerry Packer, son of a previous America’s Cup challenger, Sir Frank Packer of the *Sydney Daily Telegraph*. The rest were execrated by press and public as though their inordinate greed, abetted by that of the banks which backed them, had actually caused the crash. Overnight almost, the folk heroes were transformed by the media into scapegoats. But in truth no two economic experts could wholly agree on what had caused the disaster, still less on what the government should do to restore prosperity. Like the first black Australians who refused to utter the name of a dead kinsman, everyone agreed not to utter the word “depression”, as though to do so might make the “recession” worse. For the past seventy years a few thoughtful people had pointed to the planned economy of communist states as the only way of avoiding cyclic booms and depressions brought about by the free play of market forces; but this no longer offered a credible alternative. Comrade Gorbachev, leading the dictatorship of the proletariat in the Soviet Union itself, had already begun to dismantle that country’s centrally planned economy in favour of one driven by “market forces”. So the recession continued for year after year with interest rates of between 15 and 25 per cent, rising unemployment and declining government expenditure on social services, particularly education. Government and Opposition agreed that this increasing hardship for the masses was the only way of reducing

inflation, but by the end of 1990 the purchasing power of the Australian dollar was still decreasing by more than 8 per cent per annum.

It is good to record that public penny-pinching and private penury were not allowed to blight the Bicentenary celebrations of 1988. Inevitably these culminated in a re-enactment of the arrival of the first fleet of white invaders on Australia Day, 26 January. Original Australians had long proclaimed their view that this was an occasion for mourning, not joy, and many people feared that the official performances led by Prince Charles and the prime minister might be marred by violent Aboriginal protests. They need not have worried. On the great, sunny morning when so many hundreds of thousands of good-humoured people streamed towards Sydney Cove, it seemed all the policemen in Australia would have, been lost among them and so quite unable to keep order even if they had been ordered to do so. Those who marched under the red, yellow and black Aboriginal flag²⁷ reported friendly gaiety just as evident as everywhere else and as it still was at night among the throngs who, from every harbourside suburb, watched the illuminations on the Sydney Harbour Bridge and in the sky. The harbour itself was covered with many thousands of boats ranging in size from home-made, one-child canoes to the long straight line of one or two thousand-tonne sailing ships which passed through the Heads, between the myriad moving smaller craft and under the Bridge.

So sparkling was the weather and so joyful the spirit of the people, that class, sexual, racial and even political divisions were forgotten. Collisions and accidents ducked many pleasure seekers but hurt none. Not far from Man-o-war Steps where the official speakers were in full flight, two white Australians in clothing suggesting the naval uniform of two centuries ago paddled a tiny bumboat beside the shore. Two black Australians dived into the water, dispossessed the invaders and ran up the Aboriginal flag in place of the “white” Australian one. Everyone, including the four principal actors, cheered and roared with laughter. Best of all, the whole spectacle, and the rare feeling for common humanity which informed it, were brought by the Australian Broadcasting Commission’s television service to millions of viewers from Cape York to Cape Leewin. Many feared they might never see again such a demonstration of that unaffected egalitarian goodwill which optimists have liked to think is a distinguishing characteristic of the Australian people. On that day it was possible to hope that the nineteenth-century bushman’s mateship might one day embrace the whole human race.

Voters always tend to blame economic recession on the party in power: which at this time meant the ALP everywhere except the Northern Territory, Tasmania and Queensland. Hard times, however, added little to the failing credibility of the long-lived National Party government of the last-named state, which had already sown the seeds of its own destruction. After the federal election, Sir Robert Sparkes, chairman of the Queensland National Party’s State Council, who had been enthusiastic about Joh’s “push for Canberra”, naturally blamed him for its failure. By October 1987 the premier was made to realise that his once-loyal party comrades perceived him as an electoral liability, even in Queensland, but he clung grimly to power and place. In November he asked the governor to approve his sacking of five “disloyal” cabinet ministers and, it was reported, to call a new election. Advised by other ministers that Joh no longer had the support of his parliamentary colleagues, the governor properly refused. On 26 November, all forty-seven National Party MPs met in Joh’s absence and elected Mike Ahern their leader, but it took them another five days to force their 76-year-old icon to resign from parliament and the premiership.

Even before the last climactic state election, the most self-righteous and religious premier Queensland ever knew had been touched by the shadow of future disasters. In 1986 in an out-of-court settlement of a libel action, he had admitted receiving from Alan Bond \$400,000 which, the West Australian believed, was the equivalent of a bribe to be allowed to engage in business in Queensland; but no one then believed the Lutheran lay preacher capable of wrongdoing. The first allegations to be taken seriously were made during the election campaign

by a National Party trustee, Sir Roderick Proctor, who publicly stated that the Bjelke-Petersen government was involved in “cronyism”, Sir Roderick’s euphemism for corruption. Before long, four senior public servants were gaoled for “misappropriating” money belonging to the government departments which they had helped to administer. So the quaint phraseology of the law avoided calling presumably respectable people thieves. Most prominent in Brisbane society were Judith Callaghan, executive director of the Queensland Day Committee, and her husband Allen, under-secretary of the Department of Arts, National Parks and Sport and sometime press secretary and adviser to the premier. Each purloined about \$40 000 but, quaintly again, Judith was sentenced to only thirty months’ goal compared with four years for her spouse. Then ABC TV devoted its “Four Corners” program to long-standing allegations of corruption in the police force and newspapers alleged that a prominent member of the “white-shoe brigade”, Mr Mike Gore, had received from the government a bridging loan of \$10.16 million to help with his Sanctuary Cove development. At last, in Joh’s absence and against his wishes, a cabinet meeting chaired by Deputy Premier Bill Gunn on 26 May 1987 commissioned Mr Tony Fitzgerald, QC to inquire into the augean stables which, many believed, were presided over by the Queensland premier.

Experience had made many Australians expect from Commissions of Inquiry little more than a whitewashing of those accused of any wrongdoing. The Fitzgerald Report, made public two years later on 3 July 1989, confounded the expectations of the most cynical. It revealed not only criminal behaviour by named government ministers and senior public servants, but, much worse, that the whole administrative structure of the state had been misused to further the political ends of the National party. Criminal and political networks operated over a wide range of activities “including bribery, prostitution, the operation of sex parlours and brothels, tax evasion, illegal gambling, SP betting, the rorting of ministerial expenses, protection rackets, money laundering and, probably, drug running”.²⁸ Most cabinet ministers were later charged with misappropriating public money for their own personal benefit as the Callaghans had done, but the grossly gargantuan “Big Russ Hinze, Minister for Everything” was shown to have accepted \$1.8 million dollars from developers within weeks of cabinet approval of projects in which they were interested. A Supreme Court Judge, Mr Angelo Vasta, under investigation by Fitzgerald for perjury, was allowed by the Chief Justice of Queensland “to stand down from his duties voluntarily, with dignity”. But corruption began, it seemed, at the top.

In 1976 the Bjelke-Petersen cabinet had inexplicably promoted a man called Lewis, over the heads of more than a hundred better qualified applicants, to the position of assistant police commissioner for the whole state. The then-Commissioner, Ray Whitrod, a man notorious among many of his colleagues for unassailable integrity, resigned in protest. Lewis then “automatically” became commissioner and was knighted soon afterwards. From his instantly acquired vantage point, Sir Terence presided over what Fitzgerald characterised as the corrupt “police culture” of the whole state. He also provided welcome advice to his benefactor on such matters as appointments to the cabinet, the judicial bench, the governorship of the state and how best to redistribute electoral boundaries to the advantage of the National Party. Even before the Inquiry’s report was presented, Sir Terence was suspended from duty as Vasta had been; but this did nothing to divert attention from the ex-premier. Fitzgerald showed that Joh had instructed the Special Branch police to “get something on” designated political opponents, such as Liberal Mp Angus Innes, Labor Opposition leader Keith Wright, and former state president of the ALP, Dr Denis Murphy. The ex-premier’s belief that he had done nothing wrong merely reinforced what other revelations to the Inquiry showed: that the yokel who misruled Queensland for twenty years knew nothing and cared less about the traditions of Westminster-style democracy. “The greatest thing that could happen to the state and the nation,” he declared in a gem of purest Johspeak, “is when we get rid of all media. Then we could live in peace and tranquillity and no one would know anything.”²⁹

Evidence to the Inquiry suggested, however, that he knew more than he was willing to admit about a safe in the ante-room to his office in Parliament House. The ex-premier explained that National Party supporters frequently dropped tens of thousands of dollars in cash into this treasure box and that neither he nor his staff “wanted to know” the names of the donors nor the amounts of money for which no receipts were issued. It seems to have been this pecadillo which later brought Joh into court to answer “one charge of official corruption and two of perjury”. The former charge held that “on or about September 18th, 1986, being premier and treasurer of Queensland”, Bjelke-Petersen “corruptly received from Singapore businessman Robert Sng \$100 000 in cash on account of his ensuring that Historic Holdings Pty Ltd would be the ‘selected developer’ for the redevelopment of the Brisbane Post Office building and site”.³⁰ At his trial in October 1991, Australia’s best-known Lutheran lay preacher escaped conviction because the jury was unable to reach a verdict. But long before the case came to trial, the Fitzgerald Report had changed the course of Australian history. The state election of 2 December 1989, though fought on the old gerrymandered boundaries, was won by the Goss Labor Party with fifty-four seats to thirty-five for all other parties. The National Party’s percentage of all votes cast was slashed from 39.6 at the previous election (called by some “Joh’s last hurrah”) to 24.

Electors decided that the National Party, with or without its Liberal partners, had been in power for too long for its own good or for that of Queensland; but voters sometimes reject a government for no real reason other than that they feel it is time for a change. So the long-lived Labor government of New South Wales had already been replaced by the Greiner-led Liberal-National coalition on 20 March 1988. In South Australia, Victoria and Western Australia, the ALP still clung to office, though only after savage in-fighting which in the last-mentioned state had ended only with the replacement of Labor’s leader, Peter Dowding by Dr Carmen Lawrence, the first female premier in Australia. On balance, despite the Labor renaissance in Queensland, the auspices seemed clearly to favour the conservative parties as the 1990 federal election approached. Inflation, interest rates and unemployment remained unacceptably high and the recession promised to become worse before conditions could improve. Judging (or perhaps just gambling) that an early election would help his party, Hawke set its date at 24 March. Labor’s campaign was again helped considerably by public brawling between the Liberal leader, Andrew Peacock, and his deposed predecessor, John Howard, and between both and the far-right national figures who had succeeded Joh Bjelke-Petersen and Ian Sinclair. Two of the ALP’s own positive strategies probably had more to do with the party’s success. First they saturated with direct propagandist mail those marginal seats which public opinion research suggested could be won. Second, as similar research showed that unprecedentedly large numbers of electors were determined to vote for the Democrats, Green (environmentalists) and other minority party or independent candidates, the ALP solicited their second-preference votes on the grounds that Labor’s environmentalist record was demonstrably much better than that of the Coalition.

The gamble paid off when the ALP won seventy-eight seats in the House of Representatives against sixty-nine for the Opposition plus one independent. The vainglorious Robert James Lee Hawke had led his troops from their unprecedented third successive term of office into their fourth. With the exception of the fabulous R.G. Menzies, no political leader in the history of the Commonwealth parliament had ever done so much, but judicious observers felt sure that this was Bob’s last hurrah. Immediately after the election, the Liberals replaced Peacock with John Hewson, sometime Professor of Economics, who bade fair once and for all to end the internecine warfare in the Opposition camp. Besides, by-elections and opinion polls continually showed that Australian voters were “sick of Labor” and steadily becoming sicker. Even in the poll on 24 March, Labor had lost votes and seats in every state except Queensland. But the main reason why the ALP’s ten-year rule would be ended (if not before) by the election due in 1993

was the party's manifest abandonment the Opposition plus one independent. The vainglorious Robert James Lee Hawke had led his troops from their unprecedented third successive term of office into their fourth. With the exception of the fabulous R.G. Menzies, no political leader in the history of the Commonwealth parliament had ever done so much, but judicious observers felt sure that this was Bob's last hurrah. Immediately after the election, the Liberals replaced Peacock with John Hewson, sometime Professor of Economics, who bade fair once and for all to end the internecine warfare in the Opposition camp. Besides, by-elections and opinion polls continually showed that Australian voters were "sick of Labor" and steadily becoming sicker. Even in the poll on 24 March, Labor had lost votes and seats in every state except Queensland. But the main reason why the ALP's ten-year rule would be ended (if not before) by the election due in 1993 was the party's manifest abandonment – reversal even – of its traditional policy: using taxation and other government powers to reduce the income gap between rich and poor. One of Labor's brightest backroom boys, wine merchant Richard Farmer, analysed the Commissioner of Taxation's official statistics to show just how much wider the gap had grown in two Sydney suburbs during the first eight years of Labor administration:

After-tax income in working-class Bankstown is up just 41 per cent while over in upper class Edgecliff it has grown 267 per cent.

...Back in 1982-83, income tax in Bankstown was 20.4 per cent of taxable income and in Edgecliff 33.5 per cent. By 1988-89 the Bankstown rate was up to 24.7 per cent and that in Edgecliff down to 27.6 per cent.³¹

Before the end of the year, the tired government was presented with another problem. The ruthless Iraqi dictator, Saddam Hussein, brutally annexed the neighbouring oil-rich Arab state of Kuwait. The president of the United States, George Bush, swore to make war on Iraq if Hussein did not withdraw his troops and restore Kuwaiti sovereignty. He sent American land, sea and air forces to the area and obtained practically unanimous United Nations backing for his planned attack. Should Hawke "go all the way" with Bush as preceding prime ministers had done with President Truman in Korea and President Johnson in Vietnam? Or should he keep our forces at home on the ground that our vital interests and national integrity were in no way threatened by an Arab quarrel half a world away? Experts in the Foreign Affairs Department advised the latter course, but his instincts, he declared, pushed him toward the former.³² In the past, support for the United States had always been justified by the perceived need to oppose communism, but the Soviet government had demolished the Berlin Wall and thereby written *finis* to any expansionist aims it may have nourished. It had also abandoned its support for Hussein and offered diplomatic support to the United States. No sane person could any longer pretend that "international communism" posed a threat to Australian territorial integrity. So Hawke compromised, sending three RAN vessels, but no land or air forces, to support American and Allied ships in the Persian Gulf. In a political sense his plan worked brilliantly. Thousands of tonnes of American bombs smashed Iraq in a few weeks. Australia was seen to have been a loyal United States ally and yet our victorious ships returned without the loss of one Australian life.

Public opinion on the whole approved, if tepidly, the government's handling of the situation, but the war's outcome did nothing to arrest the downward slide of the economy into the "recession" which the Treasurer claimed "we had to have" in order to make Australia more competitive in world markets. His strategy seemed to be working when, in April 1991, the balance of payments improved as exports exceeded imports for the first time in many years, and in May the annual inflation rate fell to 4.9 per cent, the lowest since 1962. So the Labor government, in Keating's New York words,³³ kept on "doing all the right things", but this time it was "being kicked to death" by pensioners, dismissed schoolteachers and other workless people – for, as the inflation rate fell, that of unemployment rose, in 1991 to more than 10 per cent. All the opinion polls spelt Labor's doom. It seemed that people were tired of the same old faces in the Canberra *opera-bouffe*. They wanted a new cast.

The only person in the government ranks apparently not rendered immobile by the situation was the man once described by some as the “world’s greatest treasurer”, Paul Keating. Since 1983 he had been seen by all, including himself, as the inevitable successor to the prime ministership. In the last weeks of the year, Senator Graham Richardson and other ALP “numbers men” began, not very covertly, to mobilise support for the change. There was no difference between the stated policies of the two men, but because Hawke’s leadership was seen to be increasingly ineffective, a small majority voted for Keating at a caucus meeting a few days before Christmas 1991. It was not a vote in faith in the new leader’s genius, but rather a measure of the desperation in Labor ranks. Just possibly, some members hoped (rather than thought) the jaded electors might be appeased by a change of leaders instead of a change of party. Keating had the political cunning to produce the appearance of a radical change. Fostering republican sentiment was ALP policy, but Hawke and all his followers had talked of republicanism, if at all, only softly as a possible future development. Keating used the Queen’s visit in March 1992 to put republicanism on the contemporary political agenda. His wife Annita pointedly shook the royal hand instead of curtsying when the Queen visited parliament. Keating’s speech of welcome stated that Australia was likely to go its separate republican way by the end of the decade. His remarks were delivered in such a way as to recall an earlier Australian’s address to the Emperor of Japan, “With all respect you may conceive to be due you without degrading formalities...”³⁴ Many older people were outraged, but most opinion polls showed approval of the new prime minister’s emphasis on Australia entering the third millennium as a republic. Yet it seemed as likely as ever that the National-Liberal coalition would be returned to power at the next election.