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In search of John Curtin

Public lecture by JCPML Visiting Scholar Dr John Edwards on 21 April 2001.

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In a conversation with poet and radio documentary maker John Thompson broadcast in July 1955, former Clerk of the House of Representatives Frank Green recalled walking home late one night in that extraordinary month of February 1942 and seeing Prime Minister John Curtin pacing through the grounds of the Lodge. It is perhaps the best remembered and most characteristic story of Curtin's whole life. The Prime Minister's home was then adjoined by open fields, so Green would probably have walked up from the old Parliament House on a path through the scrub which then covered Capital Hill. Ten minutes later he would be passing the Lodge. It was, as it is now, a quite modest home, but protected then only by a wire fence rather than the electrified cables, high walls and patrolling police which guard it today. It must have been a moonlit night because Darwin had already been bombed, and even as far south as Canberra a blackout would have been in force. Curtin's driver Ray Tracey had dropped him a hint, Green said, that Curtin was not sleeping and suggested that as an old friend he stop by and encourage him to get some rest. Meeting Curtin in the Lodge gardens Green told him he needed to sleep. "Can't sleep" Curtin replied, "How can I sleep while our transports are in the Indian Ocean, and while Japanese submarines are looking for them?"

Curtin was then 57, a man of slightly under six feet, and ten pounds over his normal weight. He had been Prime Minister for five months – the first time in his life in which he had held ministerial office. Those five months were surely the most momentous in Australian history. Eight weeks after he had become Prime Minister Japan attacked the US Pacific fleet in Pearl Harbor, and Australia suddenly found itself living the

nightmare which had troubled it for half a century – a war with Japan. It was, Curtin claimed, “the gravest hour in our history” adding, in the solemn style which we can see in some of his earliest surviving letters, “I ask every Australian, man and woman, to go about their allotted tasks with full vigour and courage.” At the same time as it attacked Pearl Harbour Japan attacked the Philippines, Guam and Wake Island, and Malaya, and pressed south towards the Netherlands East Indies and Australia by land and sea. Two months later Japan completed the conquest of Malaya and invaded Singapore, forcing the surrender of the 17,000 surviving troops of the Australian Eighth Division – one quarter of Australia’s battle trained soldiers.

Frank Green’s story of Curtin’s sleepless vigil as the transports carrying the 6th and 7th divisions of the AIF made their way across the Indian Ocean is surely the most memorable and touching episode in Curtin’s time as Prime Minister. It was a time of hazard for the country and stress for Curtin, which itself followed ten days of drama obscured from the public in which Curtin refused the most pressing requests of Winston Churchill, the leader of the mother country, and of Franklin Roosevelt, the leader of the world’s greatest democracy and Australia’s ally in the war against Japan. His insistence on the return of the 6th and 7th divisions of the AIF from the Middle East to Australia against the demand of Churchill and Roosevelt that they should be sent to Burma, forever altered our relationship with the UK and changed the way Australians think about themselves.

This afternoon I want to ponder the way these events of Curtin’s first six months of office have defined his place in our thinking, perhaps at the expense of other and more important circumstances of his time as prime minister. I want to argue that with the passing of time and the opening up of new materials we can see that Curtin is actually far more significant for his impact on the institutional and economic character of post war Australia than for his resistance to the allied leaders, and to the Japanese. Specifically, I wish to claim that the Labor governments of Whitlam, Hawke and Keating, often portrayed as remote from the spirit of Curtin and sometimes as betrayers of his legacy, were in fact his direct and faithful inheritors in their engagement of Australia with the global economy.

Before moving on those points, however, I also want to argue that Curtin was a rounder and more interesting character than the Curtin of our national mythology, and one far closer to his successors than we usually think. Part of the Australian tradition of the events of February 1942 for example is that Curtin was an accidental hero, a reluctant Prime Minister, a man of modest attainments and limited experiences, the poorly educated son of an itinerant policeman and unsuccessful publican, by trade a printer's estimator, a recovering alcoholic, an innocent and an idealist forced by the circumstances of war to compromise life long principles, a man who in the words quoted by David Black from a newspaper obituary "had greatness thrust upon him" and to which he "responded greatly". He represents an Australian ideal of an ordinary man who rises to the occasion. Curtin himself sometimes liked to present himself in this way. By contrast we think of his great contemporary and rival for importance in our history, Robert Menzies, as an unusually gifted and urbane barrister, witty and commanding, who far from having greatness thrust upon him rather wanted for a challenge sufficient to his remarkable gifts – a challenge like, for example, being the dominions representative in the British War Cabinet, or perhaps Prime Minister of England.

The more we discover about Curtin, however, the more we learn that he was both more and less than the accidental hero of our mythology. As previously closed records are opened and research is extended the more we see him as a sensible, talented and practical professional politician with a clear and instinctive grasp of the ways of power. In this respect the JCPML has I think been performing a great service to Australia by encouraging in this area the rediscovery and reinterpretation of our history. We've long known of his weakness for alcohol, for example, but from Curtin's earliest surviving letters recently edited by David Black and published by the JCPML we now also know the restless quality of his intellect, the breadth of his reading, the way he stocked his mind with the poetry and novels of late nineteenth century England and with socialist texts. Even among politicians better read than today's he was unusually well read and thoughtful.

Just as Curtin's personality was complicated, so too his views on the world. Though portrayed as an internationalist and idealist, he was also indisputably a racist. One

of his arguments against conscription for overseas service during the first world war was that it would so deplete the white population of Australia it would be necessary to bring in Asians and blacks. Even on the central issue of Curtin's attitude to war there is much confusion. He does not seem ever to have been a pacifist, though this description of him is still frequent. He objected to conscription for overseas service in World War 1, but he did not object to volunteer enlistment for overseas service and he did not object to conscription for home defence.

Curtin is generally credited with swinging Australia from alliance with the UK to alliance with the US, but there too I think his own role is more ambiguous. He was of course the author of the famous Melbourne Herald piece in which he wrote that Australia looked to America, free of any pangs as to the traditional links with the United Kingdom. But the legend of the Melbourne Herald piece obscures the central truth about the Pacific War, which was that it was an attack by Japan on the forces of the United States. They took Malaya for rubber and the Netherlands East Indies for oil, but the serious enemy was the United States – not Britain or the Netherlands colonial administration and certainly not Australia. In this sense Australia and the United States were natural, instant, automatic and inevitable allies – rather more so in fact than the United States and the UK, had it not been for the good fortune of Hitler's prompt declaration of war on the United States. Curtin's actual conduct thereafter towards the UK and the US was ambivalent. He pointedly told reporter Harold Cox that the British were making a very big contribution to the advance from Normandy though press reports made it appear the Americans did all the fighting. In speaking to conservative Adelaide voters during the 1943 election campaign, Don Rodgers recalled, Curtin wrapped himself in the Union Jack. When in London in 1944 he declared his belief in the British Empire, in the racial identity of Australians and Britons, and in Australia as a "British community in the South Seas".

One persistent theme in writing about Curtin is that he was not really a politician at all. His long time private secretary, himself a member of Moral Rearmament, Fred McLaughlin, saw Curtin only as a man of principle, someone who "never sought office". McLaughlin portrays him as a saint; Rodgers as a human being. He said he was "not only a great wartime leader but also a very astute politician" who "knew his

politics and how to play them". Like most press secretaries Rodgers had little reverence in his makeup, even for such a glorious event as the return of the 6th and 7th divisions. He later said admiringly that Curtin's insistence on their return to Australia " was a very smart move and I should think had a big effect on the 1943 election".

Curtin also had a touch of sardonic humour that does not quite fit the pallid image drawn by McLaughlin. It was Curtin after all in those Backroom Briefings edited by Dick Hall and Clem Lloyd who told reporters after the 1943 election win, the biggest two chamber victory since Federation, that he had given Arthur Calwell the information portfolio because he was always fighting the newspapers and now must learn to live with them, and given the troublesome Eddie Ward Transport and Territories because, as he said, "the Army has the transport and the Japs have the territories".

In his excellent book Acts of Parliament Gavin Souter calls Curtin the "reluctant Prime Minister" and it is certainly true that for a professional politician Curtin was unusually patient in his pursuit of office. He had to be persuaded to stand for parliament, and he famously refused to stand for another seat if he had lost Fremantle in the 1940. In a letter found by Carolyn Newman in archival research at the National Archives of Australia for the John Curtin Prime Ministerial Library we now see Menzies privately making a far more damaging claim, perhaps the serious accusation ever directed at Curtin. Menzies claimed that Curtin did not want to be Prime Minister during the war.

In a private letter to Stanley Bruce, the Australian High Commissioner in London, just after the war against Germany began, Menzies wrote that "Curtin has privately made it clear to me that his own greatest ambition is to remain Leader of the Opposition for the duration of war". This is a very serious claim, implying not that Curtin was nobly indifferent to office but that he was both cowardly and irresponsible. Curtin was after all Leader of the Opposition, of the alternative government, and every sitting day made a claim on the Prime Minister's position which Menzies says he had no intention of redeeming. We do know that Curtin was modest enough to entertain doubts about his ability to govern, but he had fought one very effective campaign as

Opposition Leader and would the following year fight another which brought Labor to within a few seats of office, and his excitement and gratification on coming to office in October 1941 is apparent in a triumphant telegram to his wife. It is anyway hard to believe he would confide to his chief political opponent what amounted to a cowardly refusal to accept leadership in time of war.

One could add that despite a penetrating intelligence and experience of politics, Menzies did not always show a great understanding of human character. The part of the letter referring to Curtin has never so far as I know been published. In an earlier part of it, which was included in the 1939 volume of Documents on Australian Foreign Policy published a quarter of a century ago but not I think referred to in any recent account of Menzies, he reveals himself as an advocate of appeasement not only in the years leading to war, when the appeasers could at least claim to have been hoodwinked by Hitler, but even after the war began. "I feel quite confident that Hitler has no desire for a first class war" he told Bruce, accepting Hitler's word even then that he only wanted the corridor and Danzig, by way of righting the wrongs of Versailles. This on September 11, when Great Britain and Australia had been at war with Germany for eight days, German troops were close to Warsaw, and a week before Russian troops came over the border from the east to divide up Poland. Menzies was right that Hitler did not want a first class war with Britain and France, but he was quite wrong that all he wanted at this point was a revision to Versailles. He wanted living space in the East, and he wanted Germany to become the overwhelmingly dominant military power in Europe – which is why a first class war would in fact have to be fought.

Menzies correctly predicted that Hitler would wish to turn around and offer peace to England and France when he had completed the conquest of Poland. This was not a hard call, given that it was Hitler's standard sequel to each new conquest. What is surprising is Menzies' view in the letter that the British ought to be prepared to negotiate. "The point that is really clear in my mind is that some very quick thinking will have to be done when the German offer arrives" he told Bruce. What is the possibility, he asked Bruce, of having the German peace proposal "broadened out to provide for a resettlement of the whole map of Europe with joint and several

guarantees all round?”. Amazingly Menzies apparently contemplated a general peace conference with Hitler, by then in possession of Czechoslovakia, Poland, Austria and the Rhineland, on one side; and the UK and France – depleted, suing for peace, ready to recognise Germany’s claims – on the other.

Menzies’ thoughts at the outbreak of war in 1939 and his consternation and uncertainty in February 1942 when the Opposition members of the Advisory War Council sought to send the returning divisions to Burma rather than Australia remind us of how fortunate for Australia Curtin’s coming to power had been. But momentous as they are there are good grounds to wonder if we have done justice to Curtin to see him primarily in the context of challenge to the authority of Churchill and Roosevelt, and his commitment to a total war against Japan.

It is one of the peculiarities of the Pacific War that this drama of February and March 1942 did not have a sequel that corresponded to the pattern of war in Europe. There was a real threat to Australia in the first half of 1942. We now know that – although overruled – factions within Japan’s military command in Tokyo were pushing for an extension of Japan’s defence perimeter to Australia. One may wonder quite how long this would have taken to organise, because the Japanese commitment to the land war in South East Asia was surprisingly modest. Its troops, though victorious in Malaya and Singapore, were easily outnumbered by the allied defenders. In the whole southern land attack from December 1941 to May 1942, which included the Philippines, Burma, Malaya and Singapore, the Netherlands East Indies, New Britain, New Guinea and key US island mandates it committed only 200,000 troops. Within a short time even the possibility of invading Australia was denied. The ambiguity of Coral Sea apart, and despite Curtin’s rhetoric, there never was a battle for Australia.

Australia became the arsenal, the bread-basket, the troops barracks and training ground for the assault by the American and Australian armies against Japanese power in the Pacific, just as Curtin had planned. The Pacific War was not to be a conflict on land, however, but on sea and in the air. The Japanese navy was checked in the battle of Coral Sea in May, and crippled at the battle of Midway in June 1942. If there was a saviour of Australia it was not Curtin or General MacArthur but Admiral Nimitz, or perhaps more particularly Lieutenant Commander Wade McClusky of the

carrier USS Enterprise whose force of 37 dauntless dive bombers lost contact with its ship, flew off in the wrong direction, and by astonishing luck came upon the Japanese fleet at Midway at 10.25 on the morning of June 4 1942. The Japanese force had by then destroyed most of the US carrier planes and was preparing to sink the carriers as well. Diving from 14,500 feet McClusky's planes destroyed four Japanese aircraft carriers and thus within minutes reduced Japan from overwhelming superiority to bare parity with US carrier forces in the Pacific. It was, wrote John Keegan in his history of the war, " the most stunning and decisive blow in the history of naval warfare", and one from which Japan would not recover.

Within a year of Pearl Harbor Japan lost control of the skies and the seas in the Pacific. Australian troops played an important role in Papua New Guinea, but thereafter the naval and marine nature of the war meant that Australian troops had only peripheral military importance. Because the use of the atom bomb avoided an invasion of Japan, armies of any kind had limited military importance in the defeat of Japan. With the important exceptions of Burma, the Philippines and key islands in the US advance, on VJ day Japanese troops still held their land conquests, which with the loss of air and sea command became just so many liabilities.

Such was the immensity of US shipbuilding capacity that the much discussed Germany First strategy quite rightly adopted by Churchill and Roosevelt did not in fact slow the war against Japan by a day. Indeed, through 1943 there were more US troops in the Pacific than in Europe. From 1942 through to the end of the war the US was able to build up its Pacific fleet much more rapidly than the Japanese could theirs. Nor, without denying the political courage Curtin showed in achieving it, did the extension of the field of operation of Australian conscripts northward have any impact on the progress of the war or the participation of Australia. One might add that the controversy over whether or not and to what degree Curtin should have handed over military command to MacArthur is also, in the end, of modest significance.

One could conclude that Curtin's place in Australian history is on a spur to the main path of advance. He stood up to Roosevelt and Churchill and saved Australian troops of the 7th Division from joining the 8th in Japanese prisoner of war camps, their

almost certain fate if committed to Burma without air support or sea control, and under British command. He put Australia on a total war footing. He became the central figure in one of our most affecting stories. But he did not fight the Battle of Australia because it never took place, he did not “save” Australia from a Japanese attack which was always unlikely and soon impossible, and he did not take part in the key strategic decisions of the Pacific war. As a war lord Curtin was not in the class of Churchill or Roosevelt.

To see him in this diminishing way, however, is I think to miss a key point about Curtin, which is that his enduring importance in our history does not lie in the war against Japan, but in what he was able to use the war against Japan to achieve in changing the nature of Australian political institutions and Australia’s economy. I think in our pursuit of military myths and national heroes, in our acceptance of his own posture as war lord, we have got Curtin seriously wrong.

It is sometimes supposed that Curtin as Prime Minister and Minister for Defence Coordination took care of the war, while Chifley as Treasurer and later as Minister for Post War Reconstruction took care of the economy. We know however that Curtin was deeply interested in economic issues. His analysis of the causes and consequences of the Depression, published in 1930 as Australia’s Economic Crisis correctly portrays the problem as one of insufficient demand and correctly identifies some of the causes including the constraints of the gold standard. It is also cranky and wrong, depending as it does on a false analysis of the role of interest payments on bonds, but it is strongly argued. Curtin’s training as a printer’s estimator had left him with an astonishing and often remarked command over mental arithmetic, probably the most important quality any minister needs in dealing with economic issues in Cabinet.

If the most affecting story of February 1942 is Curtin’s sleepless vigil at the Lodge, it is not the only story. On the 10th Curtin had announced a National Economic Plan, which included pegging wages and profits, closing down non-essential industries and directing manpower, and which represented the first stage of movement to a total war economy. Nine days later Chifley announced more details, including cabinet’s decision to exclude the states from income tax. This was a particular theme of

Scullin's, who Chifley appointed to recommend on ways of achieving the goal. But we may I think take it that Curtin supported it, and it would not have happened if he did not. In October of the previous year, in one of the first acts of the new government, Chifley had increased the powers of the Commonwealth Bank over the trading banks, a step which Butlin in his official history of the war economy called "a revolutionary change in the position of the Commonwealth Bank as a central bank". From the Depression years Chifley was keenly interested in the role of banks in the economy; so too, we know from his speeches and writing on the subject, was Curtin.

The beginnings of Commonwealth control over income tax and of central bank control over the private banks, two of the pillars of the post war economy, were thus laid down promptly within months of Curtin coming to office. Defended as measures to finance the war without inflation, which they certainly were, they endured into the peace and became more important with each passing decade. Unlike the war against Japan, these issues live with us today. The Hawke, Keating and Howard governments were still making decisions about the role of the central bank half a century later. Paul Keating's insistence on maintaining the dominant role of the Commonwealth in income tax was the issue he used to cripple Bob Hawke in the months before the second leadership challenge in 1991. As Keating said then, uniform income tax is the centre of Commonwealth power, the agency which created the dominance of the Commonwealth over the states which was an enduring legacy of John Curtin, and which in turn is responsible for Australia's unity of purpose and internal coherence as a small player in the modern global economy. I would add that the imposition of a GST has merely confirmed the Commonwealth's dominant role, adding a new Commonwealth tax partly at the expense of present and future state taxes, notwithstanding the wholly cosmetic hypothecation of its revenues to the states to replace the former financial assistance grants.

From uniform taxation and central banking the Curtin government moved quickly in 1942 to problems of post war planning. Again there is sometimes a supposition that Chifley took care of all that, while Curtin worried about the war. It is telling however that passing references in Nugget Coombs autobiography *Trial Balance* suggest this could not have been so. He records for example that at the end of 1942 "Curtin, who

had been giving political weight to the need to plan for the transition to a peace economy, told me he intended to appoint me as Director General of Post War Reconstruction as soon as I felt able to hand over rationing to a successor”.

Coombs is of course then identified with the development of the basic principle of post war reconstruction, the full employment policy. But it was Curtin who made a promise of post war full employment centre piece of his 1943 election campaign, and according to the Butlin and Schedvin official history of the War Economy 1942-1945 it was Curtin who on his return from his visit to the UK and North America in 1944 instructed the preparation of a white paper on full employment, on the model of the white paper recently published in the UK. After many drafts and much discussion it was published a little over a month before Curtin’s death. So we may say that this third central economic policy to emerge out of World War Two, the commitment to full employment, was also closely linked with Curtin himself and a legacy of the Curtin government.

So too the expansion of immigration, post war. The full cabinet had appointed an interdepartmental committee on migration as early as October 1943, and by May 1944 Cabinet had laid down a detailed policy, including assisted passage for (white) British people. With some hesitation it was defined to include Maltese, so long as they had a working knowledge of English. Before the war Maltese had been excluded as insufficiently white. By the end of 1944 the Curtin government was committed to the resumption of large scale immigration from the UK and North western Europe, but also (if necessary) from southern and eastern Europe.

Full employment, immigration, Commonwealth control of income tax and the increasing predominance of the Commonwealth in national affairs which flowed from it, a powerful central bank – these alone are big and permanent contributions. I think we can go a good deal further than that, however, and say that Australia’s engagement with the global economy recreated after World War Two in the ashes of four decades of ruin was also closely associated with Curtin.

We know most about the foundation of the United Nations, I suppose because of Evatt’s first chairmanship – the result of Australia’s leading place in the alphabetical

order of members. But more important for the post war world were the institutions which reestablished a global economy after two world wars and the Depression – the IMF, the World Bank, and the GATT. The terms and circumstances of Australia's place in these bodies was entirely decided within the frame of the Curtin and Chifley governments, and most of the actual negotiation over the IMF and World Bank occurred while Curtin was Prime Minister. The relevant cables were copied to Curtin, and many of the key reports from Bruce and Page in London and Australia's official representatives to the talks were directed to Curtin himself, sometimes for himself alone. Australia's participation in the institutions of the global economy was thus set up by these Labor governments, and a great deal of it while Curtin was Prime Minister. We can say, I think, that one of the biggest issues which today faces us as a nation, the terms on which we engage the global economy, was exactly the issue with which John Curtin first grappled sixty years ago.

Discussion of Keynes' plans for what became the IMF and the World Bank, for example, were in train as early as mid 1942, and with a good deal of hesitation and secrecy Australian officials participated in the early discussions in London. Article VII of the Mutual Aid Agreement with the US committed the UK and by extension Australia to reducing trade barriers and moving to what the key Australian official, Leslie Melville, early and correctly identified as a return to the "liberal internationalism" of the late nineteenth century.

As an Australian approach to the issues of globalisation, the Curtin cabinet position in this foundational episode was instructive. The key to the Australian position was a demand that a policy of full employment in all signatory countries be a condition of agreement to more liberal trade and agreed exchange rate arrangements. Full employment in those pre Friedman days was really just another way of saying maximum sustainable growth. The Australians argued that our economy depended on primary product exports, and the revenues from these would not be sufficient to sustain a high level of manufactured exports unless other countries agreed to keep demand high.

It was a radical policy from a small player and never had a chance of being accepted by the United States. Curtin's cabinet was anyway seriously divided on the

implications of this new international economic order. By 1944 American and English officials were noticing a wider gap between Australia's advocacy of a global full employment policy, and its unwillingness to make any commitment to liberalise its own trade barriers.

Keynes found the Australians more Keynesian than he was himself. Writing to T S Eliot in April 1945 he recalled that "Not long ago I was at a conference where the Australians urged that all the Powers in the world should sign an international compact in which each undertook to maintain full employment in their own country. I objected on the ground that this was promising to be "not only good but clever"". Curtin was not present at some of the key Cabinet discussions of the 1944 negotiations at Atlantic City and Bretton Woods, since he was visiting the UK and North America. Nor may he have been able to make an effective contribution to a key cabinet meeting in August 1944, when Evatt and Chifley failed to win approval for Australia's early entry to the IMF. Indeed this may have been the whole problem with the delay in Australia's accession. As Don Rodgers remarked, Curtin was never himself after his return from the UK and North America. He suffered his first heart attack in November 1944 and after a prolonged illness died at the beginning of July the following year. Cabinet could not agree on the proposal for IMF membership in 1944, and Australia was not among the first members. It was not until 1947 that Australia joined.

What the episode demonstrated I think was that Australia could to an important extent determine the terms of its own engagement with the global economy, through for example a domestic full employment policy. But it could not determine the terms of other countries engagement. It's a lesson as relevant today as it was over half a century ago.

Ladies and Gentlemen

Curtin was Prime Minister for less than four years, yet those four years rank I think as the most important in the history of our Commonwealth not only in organising for war, in insisting on the return of Australia's divisions, in steadying the nation at a time of peril, but also in determining the shape of Australia's politics and economy

over the last five decades. Immigration, full employment, a powerful central bank, the supremacy of the Commonwealth achieved through control of income tax, Australia's engagement with the liberal international order, the new global economy which became the most important single force shaping the world after 1945 – were all devised, created or influenced by John Curtin. Very often one hears that the Whitlam, Hawke and Keating governments, the policies of Kim Beazley's Labor opposition were or are fundamentally different from and a betrayal of the legacy of the governments of Curtin and Chifley. One can more plausibly argue, I think, that as the great globalising governments of post war Australia they were in fact the inheritors and reworkers of the tradition of Curtin and Chifley.

Concluding, I wish to thank University Librarian Dr Vicki Williamson and the JCPML archivist Kandy-Jane Henderson who were kind enough to invite me to be a visiting scholar last year. Over the last twelve months Kandy-Jane and her colleagues in this wonderful collection have guided my reading, and generously supplied me as much source material on Curtin as I could possibly use. The JCPML is helping us to discover our selves, by discovering our past.