4

QUEENSLAND NATIONALISM AND AUSTRALIAN CAPITALISM

GLEN LEWIS

THE TITLE OF this essay is meant to be problematic. It raises two issues: Queensland's place in Australian capitalism, and the relationship between capitalism and nationalism in Queensland. Both of these questions are difficult ones as there are a limited number of studies of Queensland's history and there have been few successful attempts to discuss the relationship of capitalism and nationalism in Australian history. Plainly, it is misleading to speak of Queensland nationalism, yet it is commonly agreed that there is something distinctive about the northern state which sets if off from the rest of Australia—the problem is to say precisely what. The first part of the discussion attempts to do this. In the second section, the question of Queensland's distinctiveness is reversed. That is, Queensland is seen as archetypically Australian, and the state's history is used to analyse the relation of nationalism and capitalism in Australia.[1]

The essay is therefore about an ambiguous but important subject. This ambiguity is largely a result of the subject matter. Tom Nairn recently described nationalism as the Janus of modern Marxism. He skilfully argues that contemporary Marxist studies have failed to deal adequately with the modern nationalist movement.[2] The current debate about Australia's place in the imperialist framework may be seen as part of this broader dilemma.[3] To describe Australia either as a victim of imperialism, or as a junior partner in empire, is dangerously superficial. Australian nationalism, like any national movement, possesses both reactionary and radical elements, and polemics supporting either view are less useful than clear analysis at this stage. The theme informing this essay is that some of the most salient issues concerning the relation of nationalism and capitalism in Australia can emerge from a study of Queensland's history, and that these issues can illuminate both the national question and the particular role of Queensland in Australian capitalism.

Queensland and Australian Capitalism

When critics attempt to sum up the Queensland situation, the frame of reference that frequently recurs is that of Queensland as a state of puzzling

contrasts. Queensland is seen as the warm and generous sunshine state on the one hand, and as Australia's deep north on the other. Queensland's political history traditionally has been marked by paradoxes of this kind. The first Labor government in the world was formed there in 1899, but it only lasted a few days; Australia's first general strike took place in Brisbane in 1912, but Labor normally found it difficult to win seats in the metropolitan area; in 1922 Labor abolished the Legislative Council in search of more democratic government, but subsequently it perpetrated some of Australia's worst gerrymanders. And so on. Considering these disparate features, can any one formula plausibly tie them together? The view presented here is that Queensland normally was a conservative state in which radicalism was real but exceptional. This is not a new opinion but the following will suggest how this pattern of behaviour derived from the state's political economy.

> *Unless we settle Queensland quickly we shall be in very grave danger from the countries in the East, which are bound to overflow. Queensland is undoubtedly the key to Australia.*
>
> Evidence of Brisbane Chamber of Commerce President to the Royal Commission on National Insurance, Melbourne 1927

If any one factor can be singled out as *the* dominant motif in Queenslands' past, it is regionalism; not distance or isolation, as these terms are too vague, but regionalism. Regionalism in Queensland, however, has had many different aspects, including Queensland's geographical situation in Australia, its particular defence concerns, and its immigration policies. This first level of Queensland's past could be described metaphorically as Queensland versus the rest of the world. Secondly, there is Queensland's uneven pattern of regional and urban development, which can be called the state of Queensland versus the regions of the state. And lastly there is the matter of Queensland's dependent place in the Australian economy—this is Queensland versus the rest of Australia. Describing Queensland in this way brings out some of the difficulties Queenslanders have felt in being part of Australia. Queensland has felt itself threatened by the non-Australian outside world, exploited by the more powerful Australian states, and divided internally. By looking at some of these factors, it can be shown that Queensland touchiness and paranoia has some real basis.

Australians traditionally have been sensitive to defence as an issue and Queenslanders have been hypersensitive. There were some real threats, such as the Brisbane line drawn during World War Two when the Japanese occupied New Guinea and bombed Darwin and Townsville. The nemesis was usually thought to be Asia, though Germany's presence in New Guinea was McIlwraith's ostensible reason for trying to annex it in 1883; in fact, he also wanted to extend the blackbirding trade to the

territory by this means. Queensland's isolation from the main Australian shipping routes was a special problem here as it took years to establish a commercially viable Torres Straits service, and defence was again a consideration in North Queensland's support for federation, as well as in the state government's allowing Italian immigrants to move into the sugar industry in the 1920s. In the years from 1945, Queensland's concern for the north was sold to the rest of Australia as northern development, and in the cold-war 1950s the legend of the Open North luring the Red and Yellow hordes became popular.[1] This special sensitivity about defence derived largely from the geography of settlement: it is the only Australian state where settlement has taken place over wide areas of the northern part of the continent. Australians see this as an obvious fact now, but in the last century it was presented as a model of the white man's burden to settle and survive in the tropics—a subject that was a recurrent imperial concern with a number of political and racial dimensions to it. In this light, Queensland was seen as *the* pioneering state, and a note of patriotism carried over into the postwar case for northern development.

The defence element in Queensland's fortress mentality is fairly widely realised by other Australians even if the details are unfamiliar, yet there is another side to the state's relations with the outside world that is commonly unappreciated—the matter of its immigration policies. The considerable attention which has been paid to the White Australian Policy, and Queensland's predictable role in it, has obscured the subject of immigration in Queensland's growth.

In the nineteenth century, Queensland maintained the largest per-capita assisted immigration programme of any Australian colony. This was partly due to the later date of settlement of Queensland and the greater attractions of the other colonies to immigrants. Yet the programme failed. It did not retain many immigrants in Queensland as they moved on to the south, and the small-scale land settlement that it was hoped immigration would encourage also did not develop. The land-order system of the 1860s was used instead by speculators and squatters to make money and increase their monopoly of the best land: as late as the 1880s, squatters still maintained that the Darling Downs—the best agricultural land in the colony—was not fit to grow a cabbage! Where Queensland's immigration policies did succeed was in maintaining a high degree of ethnic homogeneity. Some Germans came to Queensland, but their numbers were relatively small and they retained their identity less well than their South Australian cousins. There was no white inter-marriage with the Aborigines, Chinese, or Kanakas, and the Italians in the north occupied an enclave of their own. After 1945 Queensland ethnocentrism, expressed proudly by the A.W.U., was a factor in keeping the state's share of Australia's postwar immigration boom at a minimal level.[5]

These immigration patterns had some far-reaching social consequences. The socio-economic status of the immigrants to Queensland seems to have been lower than that of immigrants to other Australian colonies.

Queensland had a reputation in the nineteenth century as a physically unhealthy environment, and even then the colony's rather unsavoury character was adversely remarked on in England.[6] These features of Queensland's immigration policies made for a xenophobic social climate which was antagonistic to non-whites, non-British immigrants, foreign or southern 'agitators', and local 'bludgers'. The issue deserves further investigation but it seems that one social basis of Queensland's conservatism was a class of local poor whites, just as in the southern states of the U.S.A.

> *Commercially fleeced by Sydney we have been and are politically tyrannised over and robbed by Brisbane. Our position has resembled that of the outlying provinces of the early Roman Empire, which were left to the tender mercies of needy pro-consuls.*
>
> *Port Denison Times*
> Bowen, 26 January 1870

After external vulnerability, internal divisions were a major factor in the Queensland experience. In the last century there were three Queenslands—Northern, Central, and Southern—and colonial politics were bedevilled by energetic separation movements in the 1860s, mainly in the Centre, and in the 1880s in the Centre and North; the second movement almost succeeded in establishing a plantocracy as a separate state. Federation finished these movements as political campaigns but their economic basis remained. There were real differences between the regions which centralist state policies could not do justice to. On account of these differences, Queensland voted only narrowly in favour of federation. South Queensland interests, especially in Brisbane, feared the effect of the removal of colonial tariff barriers on local manufacturers and business. The Centre was divided: Rockhampton merchants opposed federation as it meant the end of their chances for separation, while Central-western pastoralists and shearers were for it. North Queensland voted most heavily in favour, but only after its sugar interests had been promised federal protection, and because of the greater concern in the North for defence and the White Australia Policy.[7]

These inter-regional tensions continued to frustrate development after federation. Decentralisation became the program all politicians gave lip-service to, and meant, when it promised any concrete advantage for their electorates. The issue which highlighted the destructive effects of regionalism best, however, was rail construction. When Queensland's first line was built in 1864 it ran west from Ipswich and was not joined to Brisbane until twelve years later, because the early squatters preferred Ipswich as a metropolitan centre. This was the shape of things to come. Central Queensland was not linked to the South by trunk line until 1903, and Cairns not until 1923; as a result North Queensland's trading connections developed by sea with Sydney rather than Brisbane. Railways

then had become the most expensive item in Treasury budgets. The dilemma here was that a great amount of wasteful branch-line construction took place in the 1920s under regional pressures; then by 1930, when Queensland had built one of the largest state rail networks in Australia, road transport emerged as a threat. The Commissioner for Railways wanted to boost his revenue by making long haulage rates applicable to wool, but this proposal cut across vested regional and shipping interests and was rejected.[8] So whereas in the 1880s railways had been seen as bringers of prosperity, by the 1940s the financial difficulties of the system had become a popular joke and symbolised the failure of public enterprise in Queensland.

The difficulties of local government were another example of the destructive influences of regionalism in the state. Their inadequacies have been concealed behind a smokescreen of decentralist and agrarian rhetoric, while behind the scenes local authorities have floundered and been manipulated by business and real estate interests. Queensland's situation was specially difficult here because of distance. The pattern of settlement in South Australia was concentrated around Adelaide, so that local government there, and in Victoria and Tasmania, had manageable problems in serving the areas; but in Queensland the difficulties were too great. When municipal incorporation was made compulsory in the late 1870s local government came from the top down—like so many other things in Queensland.[9] Its subsequent development was slow and unsure and when semi-government authorities such as the Harbour Boards were set up in the depression years of the 1890s, they were mainly an effort on the part of the state government to reduce its expenses. Hospital Boards faced similar problems and the failures in this area eventually were so bad that the government had to step in. This was the beginning of the state's free hospital system.

A final example of the strength of internal divisions in Queensland is the traditional Australian antagonism between city and country. This has been especially marked in Queensland, where it has been more a case of city versus country town versus country. Two features stand out here: the retardation of Brisbane's development, and the vitality of the country towns. The contrast with South Australia is illuminating. In effect, Adelaide is South Australia; in Queensland, Brisbane is only the capital city. In 1954, Queensland's country towns held 34 per cent of the state's population, as against an Australian average of 25 per cent, and the low South Australian share of 14 per cent. South Queensland had five non-metropolitan centres of more than 10,000 people between 1933 and 1954, while there was one in the Centre, and three in the North; this result showed the South's—especially the South-East's—traditional economic dominance.[10] The leading six country towns were normally Rockhampton, Toowoomba, Townsville, Ipswich, Cairns, and Mackay respectively.

Conversely, Brisbane's development was retarded for a long time. Brisbane grew slowly for a number of reasons but the most basic one was country antagonism. Country politicians sat at the head of state

government, ironically centred in Brisbane, and there developed policies for the benefit of the country, not the city. The Labor Party was no better than the Country Party in this respect; not until Hanlon's premiership did the Party have a Brisbane premier. Brisbane's eccentric location in the extreme south-east corner of the state was a major hindrance to its being able to act as a centre for state development, and it was not until 1939 that Brisbane had the rail facilities to act as a state-wide distributing point. There were also serious physical disadvantages to Brisbane's site. It was not on Moreton Bay, but eighteen miles upstream on a crooked bend of the river, and its topography was rough and hilly. This had two consequences: Brisbane's port site was a poor one which required constant dredging, and the pattern of settlement sprawled over an extremely large area. Shipping was often delayed, and due to the private monopoly of wharfage in the port, the matter was aggravated by the absence of a port authority. The dispersion of settlement, on the other hand, posed immense problems for local authorities in providing transportation and sewerage. By the 1950s Brisbane was the only[86] dunny-cart capital left in Australia. The small, fragmented local councils in the city could not cope with the problems, and the formation of the unique Greater Brisbane experiment in 1925 owed as much to Brisbane's special needs as to Labor's preference for centralisation. Lastly, as early as the 1890s Brisbane had the reputation for being a branch-office capital—a trait which it has retained to the present.[11]

When Brisbane did grow, it was a country city. It had a style of its own which made it the centre of conservatism in Queensland. Many people justifiably describe it as a large country town—which was exactly what country people preferred it to be. The one distinctive style that emerged was a country style: timber houses on stilts, galvanised iron roofs, and cool verandahs.[12] Yet the idea of a country city was a contradiction in terms. In a sense, Brisbane is a city without a style, and in terms of its architecture and lack of layout is one of the least attractive of all Australian capital cities apart from its appealing natural surroundings. The quality of urban life in Brisbane has a certain sense of alienation which derives from the physical formlessness of the city itself.

Brisbane's unusual topography and its suburban sprawl have had important consequences in defining the social pattern of the city. Because of the hilly terrain and the way the flood-prone river runs crookedly through it, the *élite* traditionally have occupied the high ground, so only a few suburbs—Clayfield and Toowoong last century and St Lucia and Kenmore in this one—have stood out as upper class suburbs. Social divisions therefore have not been as apparent in Brisbane as in some other Australian capital cities. What makes the Brisbane pattern of class relationships more difficult to grasp is the city's tremendous sprawl—it is one of the largest local government areas in the southern hemisphere. Yet there still is a discernible network of class relationships in Brisbane. There is a circle of working class suburbs around the inner city area—Red Hill, Milton, South Brisbane, Spring Hill, Mayne; there is next a

much more extensive agglomeration of middle and lower middle class suburbs, such as Cooparoo, Taringa, Graceville, Ashgrove, Kedron, and Bardon; then on the outlying sections of the city the working class suburbs recur. There is a connected group of them on the bayside from Cribb Island—with its bizarre Jackson estate, a privately owned residential area for poor whites—down to Cleveland Bay, extending across to Stradbroke Island. These suburbs have some middle class pockets, but mostly they are areas of grinding to genteel poverty, where the very young or retired live. On the other side of Brisbane, in the West, there are the satellite industrial suburbs: Acacia Ridge next to GMH's assembly plant, Inala next to the Darra Cement Works, and so on to the Migrant Camp and Army Barracks at Wacol extending through to Ipswich, one of the main industrial arteries of Brisbane.[13]

And what sense have historians made of Brisbane's place in Queensland? Very little. They have ignored it or misinterpreted it. Lawson used his findings to argue against Ward's ideal of Queensland being a centre of radical nationalism. In Lawson's opinion, Brisbane in the 1890s was rather an outpost of neo-English culture which was petit-bourgeois, although status not class was the dividing line in society. Lawson's study is an important one but he is mistaken in two ways. First, just as Ward ignored Brisbane, so Lawson ignores the rest of Queensland. Queensland's sometimes justifiable reputation as a centre of radical nationalism was due less to Brisbane than to the regional traditions of the West, Centre and North, where more colourful life-styles existed. Secondly, Lawson's own picture of Brisbane is too one-dimensional. From its earliest days, Brisbane was described as a quiet and boring town, but the other side of this coin was the boast that it was a very law-abiding community. Thus Brisbane was a centre of social dullness and political order, which was typically Queensland, and this uniformity derived from the city's social structure as described above. Lawson has imposed a 'sociologese' perspective on his material which has defined the darker side of life in Brisbane out of existence. His image of Brisbane minimises social conflict and difference and the place of the underprivileged.[14] Given his emphasis on Brisbane's homogeneity it is impossible to explain discontinuities in the city's history. How, for instance, did Australia's first general strike come to take place in Brisbane, as it did in 1912?

Considering this long list of difficulties with separation and federation, local government and rail construction, and stunted metropolitan growth, it is fairly evident that Queensland was a state divided. The root of these difficulties was the uneven rate of economic development between and within the regions of Queensland. The South was the only area that achieved any satisfactory degree of economic diversification: by 1939 it was the only region to have developed an agricultural and manufacturing base as well as pastoral and mining industries. The North was dependent on mining, sugar, and pastoral production, while the Centre relied on pastoral activity. So there was an imbalance between the general economic development of the three regions, and more serious sectoral inequalities

between the regions; the long-term growth prospects for the Centre and North remained bounded within a framework of primary production. This insecure condition of the regional economies, however, was part of Queensland's dependent position in the Australian economy.

> *Tweed Heads—QUEENSLAND INVADED BY AUSTRALIA Australian army tanks last night rumbled across the border into Queensland following rejection by the Queensland government of a call by the Australian government for all Queenslanders to lay down their arms and surrender.*
>
> Bill Hornadge's Down Under Calendar
> 1 April 1976

In 1936, when a special report on state inequalities was made to the Commonwealth Grants Commission, it was apparent that just as there were three Queenslands, so there were two Australias. Most of the nation's wealth and population were concentrated in the adjacent states of New South Wales and Victoria, which dominated manufacturing industry, then there were three sparsely settled states of much less economic importance—Tasmania, Western Australia, and South Australia. Since federation, the report argued, the Commonwealth had favoured the concentrating of manufacturing in New South Wales and Victoria while the other states had developed their primary industries; this was described as parallel policies of protection. The eventual aim was the formation of Australia into a single specialised economic unit. Queensland's concentration on primary industry was seen as part of a national grand plan in which it had a special place because its position made it the key to Australia's defence. The report considered that with Queensland's pastoral wealth, its small proportion of arid country, and its high return on the sugar industry, it occupied a middle position between the richer and poorer states.[15] But was this so?

Queensland's real position in the Australian economy was anomalous. It was the most highly sheltered of all states: it had the highest rate of net benefit per head from the Commonwealth tariff in 1932—£4.3 compared to South Australia's £2.3. Queensland also had the highest proportion of sheltered primary industries, as a proportion of total production, and per capita, whereas South Australia had the lowest. Secondly, Queensland's program of social services was one of the most generous in Australia, but state taxation was the highest; in 1933, per capita expenditure on education and health was above the Australian average, but by 1953 education outlays had become the lowest of all states, while its health commitment remained the highest. Thirdly, the comparison between Queensland and South Australia based on the Report's own statistics does not particularly favour Queensland. Net value of production figures showed the greater importance of the pastoral and dairying industries in Queensland, while the proportion of factory employees in the two populations indicated that, even in 1907, South Australia had a

far greater share of manufacturing; also the level of savings bank deposits between 1939 and 1956 brought out the fact that South Australians had the highest per capita rate of saving in Australia, while Queenslanders had the second lowest.[16]

So Queensland was one of the most highly protected and taxed states and one of the most generous with its social services. Its protection came from the combined political strength of certain industries, notably sugar, its tax rate was due to the high cost of state administration as much as to Labor policy, and its comprehensive social services were partly due to the lack of private initiative in hospital and charity organisation.[17] The South Australian comparison suggests that primary industry had been of more importance to Queensland for a much longer time and that South Australians were possibly better off than Queenslanders. Queensland's position may have been halfway between the richer and poorer states in terms of states government finances, but the Report's own figures suggested that Queensland's place in the Australian economy was dependent and precarious. Wealth was concentrated in the pastoral and mining industries, or dependent on political protection in the sugar industry. The Report stressed that Queensland's natural resources were among the richest in Australia, but did not acknowledge that these were often owned by outside interests.

In fact, one of the distinctive features of the development of the Queensland economy has been the high proportion of non-Queensland ownership and control of the state's resources. The South Australian parallel is helpful here again. South Australia's natural resources are much poorer, but South Australians have been more enterprising in making use of them. One example was the success of the Adelaide Steamship Company. The Queensland shipping trade was a profitable one to be carved up among the overseas lines and the Australian coastal companies; and considering that the state's coastline was much longer than South Australia's, and Queensland was more isolated from the main Australian trading routes, there was a great need for a locally based shipping company. But though several attempts were made, none succeeded. South Australians, on the other hand, set up the A.S.C. which became an important coastal line even trading in Queensland waters. This example of Queensland lagging behind was repeated in many other areas. Sugar was a distinctive Queensland industry, but CSR is based in Sydney; the Queensland cattle industry became the biggest in Australia, but the deeds to many Western properties were held in Melbourne, and the processing plants were divided up between Vesteys and Swifts.

But given this fact of non-Queensland influence in Queensland, then the next key issue is how the state standard of living compared with those of other states. Did non-Queensland control mean lower, higher, or comparable standards?[18] Unfortunately there have not been enough historical studies of subjects like the distribution of income, or levels of real and money wages, to be able to answer this question properly—the aggregative approach of Butlin and his followers neglects this kind of issue. And actually the subject has been a contentious one in Queensland

for years. After Labor came to power in 1915 it periodically described Queensland in glowing terms as 'the worker's paradise', and employers responded by branding it 'the loafer's paradise'. It is highly unlikely, however, that Queensland's living standards could have matched those in New South Wales and Victorian. As a result of the state's serious sectoral and regional imbalances, seasonal and regional unemployment has been a historical feature of the Queensland economy, and the state's overall rate of growth has been slow apart from boom periods of mining investment in the 1880s and 1960s. Queensland's position in the Australian economy was therefore a dependent one and the persecution complex of Queenslanders is to this extent justifiable. Younger and talented Queenslanders still migrate south to better themselves today, while in return many of the key positions in Queensland society are taken by southerners who move to Queensland. Through this migration pattern the metropoles in Sydney and Melbourne have exerted a traditional dominance over the Queensland hinterland.[19]

At present nearly all our school grounds have a bare and dismal aspect. Nothing better calculated to implant patriotism and love of home in our children, or to beautify Australia at the minimum of expenditure has been thought of.

The Judge, Brisbane, 26 July 1890
re the first Arbor Day

One of the most decisive factors in Queensland economic history after regionalism was agrarianism. Regionalism often has been the moving force in Queensland politics and agrarianism has been its justification. Agrarianism, in other words, has had great ideological importance and regionalism has had decisive political consequences. This is not to say that agrarianism has had no practical results: on the contrary, a series of agrarian policies can be identified in the state's past.

The first was J.D. Lang's plans for a Cooksland of Northern Australia, where an independent yeomanry of cotton growers would be the sturdy base of the new colony. Next came the land grant immigration schemes of the 1860s and 1870s. Land policies were the focal point for the agrarians and Dutton's 1884 legislation, influenced by Henry George's ideas, introduced the Queensland free selection acts which had as little success as the acts in New South Wales in promoting agricultural settlement. The agrarian social ideal in colonial Queensland was a strange mixture of independence and dependence. The demand for land rights was partly an expression of the old English myth of the virtuous yeoman farmer, updated by latter-day Chartist land demands, plus a colonial antagonism to the squatocracy. There was also the Scots precedent of crofting farms and the German love of the soil brought by those immigrants. Lastly, perhaps most important, there was the Irish-Catholic enthusiasm for rural life, which became institutionalised in the Rural Catholic movement of the 1930s and intellectualised by Colin Clark in the 1940s. With such

mixed ancestry the agrarian ideal was unavoidably ambiguous and there certainly was a strong hierarchical element in it.[20]

The 1890s were a turning point. They put an end for a time to the idea that Queensland should be the garden colony of Australia. The co-operative agricultural settlements were essentially responses to the depression by conservative governments seeking to alleviate unemployment. The few radical agrarian cooperative settlements did not survive.[21] In twentieth-century Queensland agrarianism was still important but more pragmatic. All political parties dutifully acknowledged the worth of the man on the land. Labor's platform of 1915 included many agrarian components and did win rural support. After the war, soldier settlements re-kindled some of the millenarian aspects of earlier times, then the depression saw the state retreat into even more rurally oriented policies. After 1945, soldier settlement was tried again but with less ambition.[22]

Three sectors of the economy were central in maintaining the influence of agrarianism in the state: sugar, dairying, and forestry. The sugar industry, with its northern and defence associations, played a great psychological role in fostering agrarianism as a social ideal. And with the introduction of central milling in the 1880s, small-growers in the industry became important users of coloured labour, so the planters were not the only supporters of the Kanaka trade. After the first world war, dairying was another area where small holders became the mainstay of petit-bourgeois rural conservatism, with the state arbitration laws making special allowance for farm labour needs. Lastly, after the 1930s, forestry became an increasingly strong department that worked in conjunction with local timber entrepreneurs. When complaints about environmental destruction began to be made the government response was to publicise its re-afforestation program, but this was something economic rather than ecological. Native flora and fauna could not survive within the area of the state forests' pine trees.[23]

Despite suggestive accounts by some writers, the role of agrarianism in Australian history is still not widely realised. If mateship was the dominant national ideal, then after bush life itself, agricultural settlement was the setting believed best for realising the mateship goal.[24] In the 1850s Caroline Chisholm wanted her Catholic girls to raise happy families in a healthy rural setting, and after 1918 C.J. Dennis ritually purified the Sentimental Bloke by marrying him to Doreen, then removing them to her uncle's farm outside the city. This agrarian idealism was very strong in Queensland, perhaps as a reaction to the early dominance of the pastoral industry. Queensland's equivalent to Lawson, Patterson, and Dennis was A.H. Davis—Steele Rudd, whose 'On Our Selection' stories fostered the benign legend that the real Australian virtues were found in the country. Dad and Dave were less superhuman than the Man from Snowy River and so more believable.[25] The main result of Australian agrarianism, however, has been the persistent neglect of urban problems and this was exemplified in Queensland.

But what needs special emphasis is that Queensland agrarianism was

a form of populism. Australian populism differed from the American kind because the labor parties in Australia successfully incorporated large agrarian elements in their platforms, because America had no labor parties, and because the Australian railways, being state owned, could not be singled out as the agents of private monopoly they were in the USA.[26] In Queensland the Labor Party, which was in power almost continuously between 1915 and 1957—the longest term of any state Labor government—was itself a country party dependent for its survival on a country union, the AWU. One result of the strong populist-agrarian sympathies in the Queensland party was its contempt for education: anti-intellectualism is a populist characteristic. When Ryan's first ministry was formed in 1915, the Minister for Education, Hardacre, was an expert on land laws; his greatest ministerial achievement was to retain brass bands in the primary schools to prove Labor was not lacking in patriotism during the war.[27] The Party's attitude to secondary education in the inter-war years was to leave it to the private schools wherever possible and treat the existing state secondary schools as vocational enterprises.

The main economic effect of agrarianism in Queensland, however, was to ensure that the state's principal task was seen as primary production. There were real political differences between different kinds of primary producers—large pastoral, mining, and sugar interests were Labor's main opponents, while pastoral workers, small sugar growers and dairy farmers sometimes supported Labor—yet the overall result was a concentration on agrarian economic policies which contributed to the backwardenss of manufacturing in Queensland until after 1945. A related consequence was that through the inter-connection of pastoral finance companies, bankers, insurance firms, mine-owners and large sugar growers, rural and merchantile capital was the main form of private capital investment in Queensland, and industrial capital played a very small role.[28] This was another reason for the neo-feudal style of capitalism in Queensland.

I again wish to point out the desirableness of establishing a Department of Trade, Commerce, and Manufactures. I do not in any way wish to relieve private enterprise of its individualism, but there are certain duties that can only be carried out by the community as a whole.

Brisbane Chamber of Commerce,
President's Report 1903

The other two main sources of conservatism in Queensland were the corporatist use of the state and the power of overseas and interstate monopolies. A distinctive brand of state paternalism developed in Queensland. Under the Tory ministries of the nineteenth century this paternalism tended to be benevolent, while under Labor in the next century it was more egalitarian, but the common factor between them was

a paternalist use of the state which resulted in a form of state capitalism or corporatism.

Like New South Wales and Van Diemen's Land, Queensland was originally a convict colony and state enterprise was more important than private until the 1850s; then with separation and the election of the first parliament dominated by the 'pure merinos', the government became an agent of private enterprise. Queensland lacked a strong Liberal party or *laissez-faire* movement and the colony's developmental policies concerning land, immigration, and railways were carried through with an unusual degree of thoroughness, if not always success. The first phase of public activity was in the 1860s, when the Lands, Posts and Telegraphs, and Rail departments were established, then in the 1890s the first Public Service Act was passed and some semi-governmental authorities were set up. By 1900, a tradition of practical paternalism had become the characteristic style of government in Queensland. Its crowning achievement was perhaps the Queensland National Bank, a Queensland-based concern whose scale of operations was fabulously large. Edwin Drury as manager had a close association with Thomas McIlwraith as Premier, and the Q.N.B. was, in effect, a state bank. Like the governments it acted for, it was corrupt.[29] The next new development in the use of the state was Labor's steps in the 1920s. Ryan's government consolidated the role of the state Arbitration Court, developed a primary cooperative marketing system, and set up state butcher shops and an insurance company. Conservatives were outraged by the state enterprises, but by the late 1920s Labor had lost interest in that area and returned to the older style of using the state; in the 1940s the Southern Electric Authority of Queensland Main Roads, and Department of Industrial Development were established and extended.[30] Lastly, with the incentive of a growing tourist trade in the postwar years the Queensland government suddenly discovered culture and set up its own Ministry for Culture.

The main point to emphasise about the use of the state by successive Queensland governments is that invariably it has been seen as a reactive force to complement private enterprise. It has not been a passive instrumentality and it has often taken initiatives in its own right, but these have been aimed at furthering capitalist development. The state has been seen as a developmental agency, not as a competitor for business. Queensland ended up with more of a state-based health service partly because of the greater paternalism of its state government, and partly due to the lack of interest of private enterprise in this area; Labor's much-vaunted free hospital system, in other words, was the result of benevolent paternalism as much as socialist humanitarianism.[31] Great battles have been fought over the use of the state in Queensland as Labor governments have seen their mandate in this area in different ways from others, but the differences have been more about means than ends.

The historiographical trap here is that some writers, in analysing the state enterprises of the 1920s from a revisionist viewpoint, have looked at them too single-mindedly. Murphy's argument, for example, that

they were part of the reformist mainstream of state Labor policy is quite a-historical. It neglects the long-term role of the state in the Queensland economy, the evidence about some genuinely radical intentions held at the time, and also the tremendous amount of opposition aroused by the enterprises.[32] More importantly, however, the state has been used in such a corporatist manner in Queensland primarily because of the monopolistic nature of private enterprise in the economy. Australian historians have sometimes discussed the role of the state without considering business ownership and control, but this is a case of historical myopia.[33] In this regard the Queensland story suggests that big business and big government were complementary features of Australian capitalism.

John D. Rockefeller once said, 'Just as business combinations are effective in saving waste and obtaining better results, so similar combinations should have similar beneficial results in philanthropic work'.

Brisbane Charity Organisation Society,
Annual Report 1921

When we turn to consider the role of private enterprise in Queensland's development, the picture is a curious mixture of strength and weakness. Big business certainly existed in Queensland but it was rarely owned and controlled locally. It has only been with the post-war boom that local enterprise has really taken off. Before 1939, local companies were pale reflections of the powerful overseas and interstate monoplies which dominated economic activity in the state, and this counter-point between large non-Queensland owned companies and the much smaller state-based firms typified the development of private enterprise in the state.

A recent list of the top ten Australian companies includes Mount Isa Mines, CSR and Comalco, whose main operations are in Queensland, but they are not state-based companies. Non-Queensland companies traditionally have been involved in developing Queensland's rich primary industries and the transport system. Mining, oil, wool, meat, and shipping have been such areas. In the last century, British investment was crucial to Queensland mining, in Mt Morgan and in the North; this century, American and European funds have been more important, at Mt Isa since 1930, and in the Centre and the Gulf since the 1950s. Queensland Alumina, for instance, in 1964 was 52 per cent owned by the American Kaiser Aluminium Company, 20 per cent by Alumina of Canada, and 20 per cent by Pechiney of France. Other large Australian non-Queensland firms, such as CSR, AMP, the CBC, Elder Smith and Goldsborough Mort, have also involved themselves in mining enterprises such as Nabalco at Gove. Non-Queensland based pastoral finance companies, banks, and insurance firms have controlled the Queensland pastoral industry, and Swifts and Vesteys have monopolised meat processing and exporting. The media has been another heavily controlled sector, with the Herald

and Weekly Times group dominating the newspaper market in Brisbane as well as owning 4BK and Channel 7, and with 41P—a major metropolitan broadcaster since the war—being controlled by the National party.[34]

The only Queensland companies that managed to grow to any size and survive before the war were usually linked with the pastoral industry and other large non-Queensland enterprises. Queensland Trustees, one of Queensland's oldest and the largest trustee company, had branch offices in three Queensland towns in 1948, one hundred other state agencies, and offices in Sydney and London. Its directors included William Jolly, a Mayor of Brisbane and a Liberal party leader, H.C. Morrow of Arnott Morrow's biscuits, and Byrne Hart of Maryborough's Wilson Hart timber company. The Chairman was E.C. Walker, a third generation descendant of the founder of Walker's Engineering in Maryborough and a director of the Queensland National Pastoral Company. The Deputy Chairman was A.E. Moore, an ex-Country party Premier and a director of the AMP, while another director was J.M. Campbell, a United Graziers Association Treasurer and a director of Bruce Pie—another Leading Liberal—industries. Some of the other directors of Queensland Trustees were also directors of Bruce Pie, Walkers, the Colonial Mutual Life, ACF and Shirley's Fertilizers, the National Bank, Castlemaine Perkins, and the Millaquin Sugar Company.[35]

Otherwise, family and locally based firms were a feature of the neo-feudal style of Queensland capitalism. The development of Walkers in Maryborough after the 1880s was a good example of a familiar pattern of events in Queensland's business history. Although Maryborough was not a company town like Newcastle, it was a companies town and Walkers was the largest. Victorian entrepreneurs, themselves originally Irish and Scots, came to Queensland and succeeded through attention to overseas methods and community affairs. The company boasted that most of the rail bridges on the east coast of the state bore their stamp, and its markets extended from the South and North Queensland trade in sugar and mining machinery to Northern New South Wales, Broken Hill, New Zealand, Fiji, and Natal. The firm's reliance on imperial expertise for the technical side of its business was complemented by a benevolent involvement in local affairs. W.F. Harrington, a founder of the company, began the Maryborough Chamber of Commerce and was its President for several years; he was Chairman of the Gas Company, he organised the builidng of the School of Arts, and was a Trustee of the Maryborough Boys Grammar School. The other side to this story was that Walkers supported the use of Kanaka labour in the sugar industry and had a policy of paternalistic regulation on the shop floor which retarded union development. The company's success in the nineteenth century was followed by a gradual decline due to the shift of sugar farming to the north, but also because of the firm's retrogressive policies.[36] Other successful family and local firms were Fairymead Sugar at Bundaberg, Walter Reids at Rockhampton, Samuel Allen's at Townsville, and the Queensland

Woollen Manufacturing Company at Ipswich.

The structure of ownership and control in Queensland private enterprise, has thus been remarkably unbalanced. The weakness of local entrepreneurship has contrasted starkly with the dominance exerted by some of the big companies in the state and this has had several effects. It has been one reason for the slow growth of manufacturing, and it has contributed to the greater political weight of the Country and Labor parties as against the Liberals. More significantly, though, the lineages of Australian capitalist power have stood out with great clarity in Queensland. A style of Queensland imperialism has developed, with the activities of Burns Philp — a North Queensland firm based in Sydney — in the South Pacific, and the important business links between Queensland and the white community in Papua New Guinea. Queensland traditionally has entertained grandiose imperialist ambitions, such as McIlwraith's abortive proposal to build a transcontinental railway between South Australia and the Gulf using coolie labour, or the Government's ambition to make Somerset, at the top of Cape York, another Singapore in the 1860s; currently Joh Bjelke-Petersen, Lang Hancock, and Charles Court are planning a rail link between Queensland and Western Australia.[37] As Rovert Darruch and others have suggested recently, a new style of resources diplomacy may now be entering internal Australian politics. Queensland's geographical situation, its rich raw materials, and the dominance of large companies in the economy, all make the state an ideal place for such projects.

A final point in this regard is that private enterprise in Queensland has exerted a substantial degree of control over state politics. In 1965 the Country party invoked the use of Emergency Powers Regulations against the Mt Isa strikers, while one reason for the strike itself was the American parent company's determination to oppose wage increases and so offset falling profits in their Mexican operations. Yet the best illustration of the power of capital in Queensland was the 1920 loans crisis, which has some parallels with the 1975 dismissal. In 1920 a delegation of pastoralists and financiers led by Robert Philp went to London to persuade City investors not to take up the Labor government's current loan in response to the move to raise pastoral rents. The pugnacity of the conservatives at this time was astonishing. Even Alfred Bright, one of the partners in the Melbourne Shipping firm of Gibbs, Bright, which had pastoral interests in Queensland, privately described the delegation as an amazing indiscretion. During the affair the General Manager of Dalgety's arranged financial support for Labor's defeat and urged that an anti-Labor electoral win would have a great moral effect on the other Australian states. As a result Theodore was forced to negotiate a costly loan on the unfamiliar American market, and Labor's political influence in the state was weakened. It contributed to the adoption of more reformist policies by the state party. This incident, which has never been properly examined by historians, is one of the most blatant instances of the blackmail of an Australian Labor government by financial in-

terests.[38]

> *It is time that the equality of citizenship was understood. The assumption of dignity by certain portions of the population in every district in Australia is becoming intolerable. No aristocrat is more careful of his dignity than the Australian leading citizen. We must obliterate this last phase of class society existing in our towns.*
>
> The Australian Republican
> Charters Towers, 9 August 1890

A number of characteristic features of politics in Queensland have developed from the state's political economy, such as a close connection between business and politics, and the pervasiveness of corruption in government. McIlwraith and Philp were prime examples of Tory business politicians in the nineteenth century, just as Theodore and Egerton were their Labor counterparts after 1900. A style of plutocratic government was established by the 'pure merinos' in the 1860s and continued by pastoral scions like James Tyson, Joshua Peter Bell of Jimbour, and the Gunn family. McIlwraith was almost a dynastic figure. A wealthy grazier himself, his brother-in-law Arthur Palmer, was another grazier-cum-premier, and one of his brothers was founder of the McIlwraith-McEachern shipping company, which became associated with the giant British India line. McIlwraith was caught with his hand in the till twice: in the steel rails scandal of 1879 about his brother's government contracts, and with the deficits of the Q.N.B., but he blustered through these *contretemps* in his usual way. Theodore's record was rather similar. An A.W.U. organiser and Treasurer in Ryan's original ministry, he moved into federal politics but was hampered by his connection with the Mungana mines scandals. He became an important federal figure during the depression and second world war as an administrator and financier, but the atmophere of corruption still clung to him.[39]

Related parallels could be drawn between Philp, with his interests in Burns Philp and his Townsville and Fijian investments, and Egerton with his directorships in 4KQ, Mary Kathleen Uranium, and QANTAS, while other examples of the links between business and politics could include Bjelke-Petersen's own investments, the record of the Continuous Ministry which governed between 1890 and 1903, and the activities of some Labor and Non-Labor councillors in the Brisbane City Council. Corruption and political indifference to the environment are also relevant here. Whether it is a case of private interests, such as sand-miners at Fraser Island, or state enterprise with the defacement of the Bellevue Hotel and the spoilation of Wooloongabba by freeways, Queensland politicians have turned a blind eye to conservation. Lastly, there is the well known system of gerrymanders in the state. But the irony of the present situation, which of course greatly favours the National party, is that previously Labor was equally guilty of re-defining electorates to suit itself, just as Tory ministries in the last century interpreted the Electoral Acts to exclude seasonal workers.[40]

The next main feature of the Queensland political tradition is that private interests have dominated the state governments and the labour movement, even when Labor has been in office. The state's strike record is the best evidence of this. Some of Australia's major strikes have taken place in Queensland but almost always they have been lost. The pastoral and maritime strikes of the 1890s and the Brisbane general strike of 1912 were effectively suppressed by conservative governments with the use of force. The army was despatched to the shearers' camps in the nineties, and—incredibly—in 1912 a German battleship that was offshore in Moreton Bay was requested by state authorities to be ready to help put down the strikers if necessary. And state Labor governments have been equally adamant if not as ruthless in controlling labour militancy—during the rail strike of 1927 at South Johnstone, for instance, when the government's hard line lost it working-class support in the next election, or in the 1948 rail strike, during which Australia's only Communist M.L.A., Fred Peterson, was near-fatally bashed by a policeman. Both Labor and anti-Labor governments, however, have been dependent on more powerful outside interests. The 1920 loans affair was precipitated by the pastoral rents issue, but other related controversies at the time were the campiagn to abolish the Legislative Council and the national wave of industrial militancy, especially in the maritime industry.[41] Bolshevism was the bogey then, just as communism and Vietnam were during the Mt Isa strike.

Another crucial limiting factor on Queensland politicians has been the influence of regionalism and agrarianism. The Labor party did well after 1915 because its policies were so rurally oriented. They pre-empted Country party policies in many ways, and Labor in Queensland was almost as much a country party as the Country party was itself. Forgan Smith never tired of piously reiterating the virtues of the primary producer. Similarly, Queensland politicians identified themselves with one particular region, which was normally a non-metropolitan area—Kidston with Rockhampton, Macrossan with Townsville, Forgan Smith with Mackay, and Moore, Nicklin, and Bjelke-Petersen with agricultural areas. The main damaging effect of these influences on Queensland politics was that they have often been bi-partisan issues and so have significantly narrowed the scope of political activity. Queensland has produced a series of political strongmen as a result—McIlwraith, Griffith, Philp, Kidston, Forgan Smith, Moore, Gair, Bjelke-Petersen—and continuous governments. It now seems likely that the National-Liberal coalition could remain in power as long as Labor previously did. Poilitical inflexibility is a Queensland characteristic.[42]

The last point to be raised here is the place of the labour movement in Queensland. It is important to distinguish carefully between the Labor party, the trade unions, and the labour movement in Queensland history. One can read Murphy's account of Ryan as a great Labor premier, or

of the role of organisers in the party, and be in a different and non-militant world from that described as accurately by Harris or Daddow, in their non-academic histories of the trade unions and the labour movement. The Queensland labour movement was very much a house divided. The idealistic Australian Labor Federation promised to be Australia's first national union of any consequence, but it was more shadow than reality; the A.W.U., with its system of machine politics and corruption, in fact became Queensland's major union and remained a force behind the party's victories until it finally over-extended itself and was put in its Place by Gair in the 1950s. Yet if the AWU was the state's most successful union there were still some radical alternatives. The W.W.F., the A.M.I.E.U., and the A.R.U. were all, at one time or another, involved in bitter fights with both private capitalists and right-wingers in the party. The T.L.C. reflected these divisions, but its annual conference often affirmed a series of anti-capitalist resolutions. So the major part of the Queensland labour movement was apathetic, reactionary, corrupt, or rurally oriented, but on the other hand there was a continuing radical campaign put up by an embattled but significant minority. Radicalism in the Queensland labour movement, in the face of almost overwhelming opposition, followed a subterranean but definite course and emerged to challenge the system periodically.[43]

Nevertheless, the present political situation in Queensland is a depressing one. Bjelke-Petersen preserves the tradition of authoritarian leadership in the state but he has added a new and ominous ingredient. Unlike the other political strongmen who have preceded him, Bjelke-Petersen's position is strengthened immensely not so much by his own intrinsic abilities—although he is arguably the cleverest politician in Australia—as by the fact that he represents a new, successful, and confident locally-based Queensland middle class; something the state has traditionally lacked, and only developed in the last twenty years. Himself a self-made business success, whose breakthroughs were made after he had been a conscientious objector during the second world war, he exemplifies a new style of leadership in Queensland and has helped to move the Australian political spectrum further to the right. This new style of the National Party in the state was created by Joh and his tacticians as a response to Whitlam's 'new nationalism', in the early seventies, and Joh's homely rhetoric about Queensland for Queenslanders touched on the traditional pride and paranoia of Queenslanders about their differentness from the rest of Australia. Radio station 4IP has ridden on the crest of this new wave of cultural convervatism. A National Party controlled station, it has succeeded because it is a locally controlled enterprise attuned to the Brisbane social climate; it has skilfully used the latest American techniques of community involvement in its PR campaigns, and has also taken over the superficial side of the counter culture, via slick production methods and the importation of an ex-2JJ announcer as well as some cricketing superstars. 4IP showed where it was really at recently, however, when one of its directors spent a large sum of money to

buy and demolish a house in the exclusive suburb of Hamilton so that it would no longer interfere with the view from his own modest dwelling.

Queensland and Australian Nationalism

The relation of nationalism to Australian capitalism will now be considered *via* the Queensland experience. The problem here is: what exactly is the nature of *Australian* capitalism? Has it a distinctive national style? Is it right to describe it, as N.B. Nairn does, as 'civilized capitalism'? It is difficult to answer this question because the mainstream of contemporary writing on Australian economic history is predominatly conservative and quantitatively oriented. Little is known about the history of monopoly in Australia, for example, because of the monopoly of economic history writing that economics departments have assumed in the universities since the war. To make matters worse, the leading exponent of an intelligent literary economic history is Geoffrey Blainey, who has eulogised a series of capitalist heroes in the Australian past, just as American historians did in the 1950s. The approach taken in this essay is to argue that Australian nationalism did have a definite economic dimension to it, and that to consider nationalism only in social or political terms, as many have already done, can be a superficial way of treating a complex problem. Generally, the theme here will concern the way in which the nationalist economic ideologies were used as weapons of class exploitation and control; the way in which there has been a war of attrition, on an abstract level, between the economic ideals of equality and authority, and between progress and egalitarianism, with authority and progress normally coming out to top. The point of taking this radical idealist approach to Australian history is that it intentionally runs counter to the dominant empirical approach of Australian historiography, and it suggests where Australian concerns about progress have diverged most sharply from those about equality.

Thus the following treatment will be more academic but less general than the preceding section. The business ideal of free competition will be defined, followed by an outline of how this competitive ideal was influenced by various restraints, namely cooperation, state enterprise, and arbitration. An important related question will be how the non-competitors—the poor and the unemployed—fitted into the overall picture. The aim is to provide a plausible taxonomy of Queensland's economic history between 1890 and 1930 which suggests a rough model of Australian national capitalism. This time period is a significant one as it spans twenty-five years of non-Labor rule, fifteen years of Labor in power, and includes the two depressions and the first world war.

To introduce the discussion, a few comments are required about the state's economic growth in the period. The Queensland economy grew steadily between 1906 and 1927, except for the interruption of the war, and it withstood the two major depressions better than the southern states. But if Queensland's short run depression performance was encouraging, the long run prospects for the economy were not; the price paid for this

greater stability was primary dependence and severe regional inequalities. Yet the worst aspect of the state's economic performance was not so much that its absolute growth was inadequate, but that the structure of the economy was not diversified. The tendencies towards diversification that could be seen in the Australian economy by 1920 were not present in Queensland. By 1921 Australian manufacturing employment nearly equalled combined employment in the agricultural and pastoral industries; in the same year, Queensland manufacturing employment remained less than agricultural or pastoral employment taken separately. Also in the 1920s the state economy was not readjusted to keep up with structural changes in the Australian economy. Queensland agriculture had one of its most successful periods in the twenties and this distracted Queenslanders from the danger of remaining a primary producing region. Queensland's main phase of dairying expansion, for instance, began after a forty-year upswing in the Australian industry had already ended in 1920.[44]

The Competitive Ideal

How can we best define the social philosophy of private enterprise in Queensland between 1890 and 1930? To do this properly a broad cross-section of business and political groups would have to be examined, but one way of gauging attitudes to competition is to consider the role of the state's leading commercial body—the Brisbane Chamber of Commerce. The problems of this organisation were an example of the weakness of the Brisbane business community in Queensland. Most of the Chamber's policies in the period failed. It had difficulty in holding its own members' interest, showed a lack of foresight in its attitude to labour matters and opposed the formation of a badly-needed local port authority. It also seriously underestimated the effects of federation on Queensland manufacturing, and by 1904 the Chamber's President was arguing that Queensland should secede from the Commonwealth.[45]

It is reasonable to expect the Chamber to have firmly upheld the competitive ideal, yet it never clearly stated a strong case for private enterprise. Competition was taken for granted in its outlook to some extent but it rarely made strong doctrinal pronouncements in its favour. For instance the Chamber took an ambivalent attitude to the Industries Preservation Act of 1906; while complaining that the Act would restrain trade it was also concerned that Queensland should be protected against interstate competition. The Chamber became most enthusiastic about its wider ideals only when matters of imperial consequence arose. President A.J. Carter waxed rhapsodic at the time of the Boer War and Federation, and Governor Chermside took an even loftier view of the mission of commerce at a Chamber dinner in 1903. The right combination of commerce and culture, he argued, would lead to happiness. Societies such as the Chamber had an international role to play by fostering co-operation, liberalism, and arbitration. By their example they exerted a controlling influence on the community in furthering the interests of

Despite such rare flights of fancy, the Chamber normally recognized that commerce in Brisbane was conducted in a different atmosphere from those in the U.S.A., with its 'robber barons', or the U.K., with its tradition of a commercial aristocracy. The Chamber's ideal form of competition was most often termed 'fair competition'. In sum, the Brisbane Chamber of Commerce's attitude to competition was ambiguous and qualified and far from being an endorsement of the American type of competitive ideal. Unfettered competition was modified by other factors which acted as restraints. The Chamber's idea of 'fair competition' in practice meant *controlled or collusive competition*. That Queensland's businessmen preferred this kind of competition was a reflection of their weakness in their own community—between 1890 and 1930 only five of the Chamber's twenty-nine Presidents were in parliament—and of the dependence of the Queensland economy on external sources.[47]

To broaden the scope of this discussion, it is useful to consider a wider economic debate in which Queensland took some part. One of the most important Australian arguments about competition took place in 1906 when federal parliament passed the Industries Preservation Act. This legislation derived from a moderate sense of nationalism and reformism and did not arouse great enthusiasm. There was a general feeling that it was unlikely to succeed because 'the spirit of concentration' was a feature of the times. Many members of parliament made a distinction between reasonable and unreasonable trusts and most supported the control of the latter, but not one spirited defence was advanced for entirely free competition. There was agreement that the aim was 'not only to prevent monopolies of trade and commerce, but to prevent *Australian* industries . . . from being destroyed by unfair competition'. Yet dividing lines did exist. Conservation argued for self-restriction on the part of large companies, and some radicals responded with threats of socialism. The Queensland senator Tom Givens, for example damned CSR's monopoly as predatory, while Dugald Thomson, a North Sydney M.H.R., saw the firm as a great Australian success story. He claimed not to be defending CSR as a New South Wales company, but on the grounds that it had succeeded in New Zealand and Fiji as well as Australia. Considering the nationalist aims of the Act this was a shrewd defence. Though quite different in intention, these arguments both assumed that business enterprise in Australia was weak in contrast to overseas, and that public enterprise played a large part in the Australian economy.

Interestingly enough the debate did not draw significant Queensland participation from either side. The strongest response came from the Liberal senator J.G. Drake and was pro states rights. Drake argued that protection all around *via* the tariff was a more equitable means of protecting Australian industries, and that the anti-dumping clauses in the proposed legislation could harm Queensland. The Act might be used as a means of further commercial invasion of the state by southern firms. So this reaction to the issue by Queensland parliamentarians suggests that the Brisbane Chamber of Commerce's passivity and poor ideological

showing owed something to its national setting. The private enterprise ideal of competition was only one ingredient in the broader capitalist ethos. It was the point of departure, but other influences now to be discussed were equally influential.[18]

The Restraints on Competition

There were three principal restraints on the ideal of free competition: the various cooperative societies, public enterprise, and the arbitration court. Each economic form embodied an implicit social ideal, and because economic individualism ran at such a low ebb, these alternative ideals impressed themselves on the capitalist ethos. The particular ideals which came from the cooperative societies, public enterprise, and the arbitration court, were agrarianism, state paternalism, and industrial law and order respectively. These ideals were many-sided. They were rarely stated systematically and they also embodied more positive aspirations. These three ideals, together with the private enterprise ideal of controlled competition, were finally synthesized in the national egalitarian ideal of *collective competition*. But firstly, to dicuss cooperation critically, a rough distinction must be made between the cooperative movement as an economic form, cooperation as a social ideal, and cooperation as a political movement. This procedure is artificially abstract but it separates the practical and ideological aspects of the question. Cooperation is a good starting point here as a clear correspondence can be seen between these three levels—the cooperative movement was the economic form, cooperation was the social ideal, and agrarianism was the political result. The failure of the cooperative ideal to develop radically is very relevant to this analysis; the principle of cooperation, in theory, was the most radical alternative to competition as a method of economic organization. In 1955 Gollan saw the concept of cooperative action as the most important link between trade unionism and socialism in Queensland in the nineties.[19] But the idea of cooperation was a confused and potentially conservative one. It was the idea of cooperation in the form of dutiful and respectful relations between workers and employees that was the most normal sense of the term at that time.

Several attempts at radical cooperation were made in the nineties but none succeeded. The industrial and retailing experiments were short lived, while cooperative land settlement was no more than a palliative that conservative governments supported in order to relieve unemployment and pay lip-service to the idea. It quickly became clear after the nineties that cooperation as a radical ideal had failed. Both the urban and rural cooperative that remained were conservative. The social philosophy of the urban groups was hierarchical and their bent was for cooperative self-help, a petit-bourgeois goal; the rural cooperatives were agrarian and explicitly conservative. Radicalism for most agricultural cooperators meant little more than a quasi-populist dislike of big business —or big government in Australia.

Between 1900 and 1930, a whole constellation of urban cooperatives were set up. The most important economic ones were the Horticultural, Building, and Friendly Societies, while there were also Prudential, Dispensary, and Loan Societies. Moral and religious bodies like the Temperance, Sunday School, and Moral Improvement groups were well established, as were societies for Mutual Improvement, the Schools of Arts, and the Mechanics Institutes. The Lodges were also influential, notably the Masons, as were the many sporting clubs. The Masons were an important model for the Friendly Societies. The Masonic ideal of social organization was a love of hierarchy and an overweening respect for authority. Masonic rules included a detailed regulation of moral behaviour which was paralleled by the minute regulations of status levels within the order. The conservative attitudes of the Masons was typical of the broader self-disciplinary role of the urban cooperative self-help societies in Queensland, and the general acceptance of such a code defies reconciliation with the anti-authoritarian side of the mateship ethos which Ward and others have stressed. From this viewpoint Australian urban life appears like a collection of crowds, groups, and gangs, and the activities of these groups in nurturing a spirit of obedience to authority deserves to be considered as one of the leading features of our urban history.

A related theme is clear in the role of the Friendly Societies. These occupied a strategic place in the lives of working people because they performed a crucial self-insurance function against destitution, in the absence of government welfare services. In 1900, for instance, of 31,000 people who received relief payments, 29,100 were provided for by the Societies. The most important Queensland Society was the Manchester United (the Oddfellows), followed by the Foresters, Rechabites, Good Templars, Druids, the Hibernians, and the Australian Natives Association. Yet Friendly Society members believed in solidarity more than egalitarianism; their main concern was to protect themselves against potential slackers in their midst. As the benefit restriction clause of the Rockhampton Oddfellows read in 1907: 'no member who has been rendered incapable of following his usual employment by any immoral conduct, by provoking or engaging in wanton quarrels or pursuits, or by accidents arising from intoxication, shall get it'. Just as in England, the well-established Queensland Societies recognized their interest in the *status quo*, in the 1870s, when they supported government measures to restrict the amount of benefit payable, and in the 1920s when they opposed federal welfare schemes. One nice illustration of the connections between the labour movement, the Societies, and big business was the friendship between W.R. Colledge, the manager of the Brisbane Associated Friendly Societies, labour leader Tom Glassey, and Sir Walter Runciman, an English shipowner and philanthropist. This liaison was highlighted in Glassey's obituary in 1928.[50]

The agrarian cooperatives were the conservative rural counterpart to the urban groups. When F.E. Pulsford, a conservative New South Wales

politician, eulogised cooperation in 1913 as the way to social salvation, his figures showed that only agrarian cooperatives had succeeded properly in Australia. The centre-piece of the English cooperative movement had been the cooperative retail store, but in Australia this was the least rewarding form of cooperation. Queensland's first cooperative dairy was formed at Pittsworth in 1896, the first consumer cooperative began at Maryborough in 1914, and the first fruit and poultry cooperatives dated from early twenties. Most of these societies were for dairy farmers, fruitgrowers, and poultry farmers, and only a few cooperative produce agencies and consumer cooperatives took root. In the 1920s, however, Labor built up one of the most complex systems of marketing for primary produce in Australia. A central issue here was the relation between unionists and farmers. Some predicted that when agricultural cooperation developed the two would find themselves at odds about land taxes and farmers' interest in securing cheap labour. These problems were taken care of with Labor's comprehensive agricultural policy of 1913, however. Just as Queensland Labor was not a socialist movement, so the agrarians were usually pragmatic in their attitude to Labor, and the growth of rural cooperation helped to reconcile them. Given Labor's mild brand of socialism, agricultural cooperation could be seen as part of the collective self-help tradition to which the party was committed; equally, the success of the cooperatives could not be ignored by Labor politicians. So by 1930 agricultural cooperation had succeeded in Queensland beyond the wildest dream of its founders, and agrarianism had been reconciled with socialism, but the compromise had been made at the expense of the socialists.[51]

* * *

With public enterprise such a clear connection cannot be seen between economic form, social ideal and political result; but the indirect link is broadly similar. As with cooperation, there was the possibility that public enterprise might be used for radical ends, but the result was state paternalism rather than state socialism. The ideological complement to this was the formulation of a public service ethos which was paternalistic and conservative.

There can be little doubt that the role of government in nineteenth century Queensland was paternalistic. Queensland's normal climate of political conservatism reinforced the role of state involvement in the economy everywhere except in the area of social reform. Here the government did nothing for as long as possible, then enacted humanitarian but paternalistic remedial legislation. The treatment of Aborigines was one example, and the factories and shops issue was another. After tolerating the extermination of Aborigines for decades, the government finally passed the Reserves Act of 1896 which protected the blacks by excluding them from white society. Similarly, before the progressive Factories and Shops Act 1897, the government had delayed acting until industrial conditions in Brisbane were among the worst in Australia.[52] Then with Labor's advent in 1915 the situation seemed to change: state

insurance, Greater Brisbane, and the state pastoral stations and butcher shops were all important departures in the use of the state. Labor's canning enterprise, on the other hand, was part of the government's concern for primary industry rather than an enterprise in its own right, and the state's one hotel at Babinda was not a serious attempt to move into the liquor trade. Of all the state enterprises, the insurance project was the most potentially significant tactical move against capitalism.

Labor's early insurance plans definitely had some radical overtones. J.A. Fihelly, a fiery pro-Irish Assistant Minister of Justice, apparently had in mind a wider set of changes in the economic system, including the creation of labour exchanges and unemployment insurance; there was also a fairly hard edge in Labor's attitude towards the private companies. Yet there were utilitarian aspects to the issue even then. Fihelly complained for example, that there was no interfirm cooperation and this was an unnecessary source of expense. Both of these radical and practical elements in Labor thought on the matter could be seen in the actions of John Goodwin, the first SGIO Commissioner. As the government's plan to broaden state insurance developed, his position changed from support for a mild radicalism to a pre-occupation with practical details. During the preparation of the Insurance Act of 1916 which empowered the SGIO to move into other areas of the industry, he emphasised that the most controversial parts of the Bill had been 'conceived in the spirit of cooperation with the companies and not with any idea of handicapping them'.[53] Although the SGIO set itself up as a successful competitor against the private companies by the mid-1920s, its policies then were predominantly business-like. In other words, even in the most potentially innovative area of public enterprise, paternalism had not been replaced by radicalism. The same failure could be seen in the government's Workers Dwellings project and its conduct of the Government Savings Bank. The middle class drives of thrift and respect for property were reinforced by these projects more effectively than by empty sermonising.[54]

The continuation of the earlier paternalist tradition of public enterprise under Labor was clear also in the social attitudes of the leading public servants. Their most consistent theme was unquestioning loyalty to the service. It was believed that public service required the strict control of members of the service, and there was no support from the bureaucracy for workers' control, even during Labor's most radical phase. J.D. Story, Queensland's leading career public servant in the inter-war years, upheld unquestioning loyalty, punctuality, and discipline as the required public service virtues: 'There should be a minimum of argument and a maximum of work', he stressed, 'mostly there should be no argument at all'. A similar emphasis could be found in other government departments. The aim of 4QG—the first government broadcasting service in Queensland—was service, not profit, maintained the Director in his first report in 1928: 'Each member of staff is imbued with the spirit of service and is attached very deeply to the institutions which he helps to man'. And the first report of the Land Administration

Bureau in 1927 argued that the government should act as a benevolent landlord. According to the Bureau, the White Australia Policy was one of civilisation's great experiments in which Queensland held a key position. In short, the leading public servants held attitudes which were inconsistent with the ideal of a politically neutral body of administrators, and the preoccupation with security and status which they encouraged was a mainstay of social conservatism. Such a concern taken to excess ultimately led to a lack of psychological flexibility, and loyalty became the prime virtue regardless of its object.[55]

* * *

When the arbitration system is next considered as an influence on the Australian capitalist ethos, the theoretical link between its economics, social ideals, and politics is less clear again, yet the system itself is historically the best illustration of how Australian capitalism really works. Unlike cooperation or public enterprise, the Arbitration system contained no possibility of being used as a means of overthrowing capitalism. While working towards its aim of an egalitarian minimum-wages system, arbitration was also intended to regulate industrial conflict to preserve competition. Its strongest negative theme as a social ideal was the preservation of industrial law and order, and its political effect was to act as a mediator in adjusting radical unions to moderate parliaments.

There was a tradition of protective labour legislation established in Queensland well before 1915. Arbitration and Industrial Peace Acts were passed in 1894, 1908, 1912, 1915, 1925, and 1928. Considerable attention was paid to working and housing conditions as well. Factories and Shops Acts and amendments were passed in 1896, 1900, 1908, and 1916; Accommodation Acts, dealing with the living conditions of seasonal workers, went through in 1905 and 1915; provision for low cost housing was made in the Workers Dwellings Acts of 1909, 1916, 1919, and 1920. Lastly there were some miscellaneous but important pieces of legislation—the Labour Exchanges Act of 1915, the Workmens Compensation Act of 1916, and the Unemployment Insurance Act of 1923. While it is true that Ryan's ministry 1915-19 passed some valuable and innovative measures, the non-Labor parties had been active in the field for years previously. What distinguished Labor's era from the period of non-Labor rule was not so much the greater attention paid of labour matters after 1915, but the more generous spirit in which they were administered.[56] A tradition of conservative paternalism was replaced by a new style of egalitarian paternalism, but the one was no less authoritarian than the other.

The state arbitration system was the result of experiment and accident as well as intention. Queensland, like Victoria, first adopted the Wages Board system in preference to arbitration, due to the greater strength of political conservatism in the state. Then, until 1915 arbitration was not given a very free rein. It was worked by conservative governments which were wary of the system and reluctant to give it the right to grant preference to unionists. In 1915 Labor recognised, however, that union preference would not necessarily encourage labour militancy, while it would increase the scope of arbitration. Because of the combination of a strenghtened arbitration system with an energetic Labor government in time of war, the court's reputation took on a patriotic tone it had not previously had at the state level. Subsequently a game of point-counterpoint developed between the state and federal courts to the advantage of the former. Throughout Australia the twenties were a time of industrial turmoil and the federal governments of this era were unswervingly hostile to working class ambitions and did their best to use arbitration to their advantage. Queensland Labor, in contrast, was receptive to the improvement of labour conditions—though still opposed to industrial disorder—and state arbitration there attracted a greater degree of union support than any other Australian court.[57] There was no attempt to re-define the court's role until 1929.

Yet through the 1920s Labor was as insistent on maintaining industrial law and order as preceding conservative ministries had been. This policing function of the system can best be highlighted by looking at its ideological level. The dominant themes of the Queensland arbitration system were equality, utopia, and authority. Egalitarianism was the most publicised of these as the basic wage was rightly seen as something uniquely Australian. It was the economic expression of the mateship ideal: everyone deserved a fair go, hence the minimum wage. All political parties endorsed the idea of a basic wage in the twenties, except that whereas Labor Premier Forgan Smith referred to the state's high wages with pride Opposition Country Party leader A.E. Moore spoke ominously of the dangers of living beyond one's means. Yet in practice, arbitration also meant a rigidly ordered and highly technical method of wage determination. Any real understanding of the system was extremely difficult for ordinary workers because of its complex methods. So the effect of arbitration here was elitist not egalitarian; it required the services of a skilled body of legal and economic technicians. Also, the system's concern for egalitarianism at some points gave way to a preference for compulsion: people had to work to get the basic wage and they had to join unions when arbitration was made compulsory. An analogy between compulsory arbitration and conscription is helpful here: where the Nationalists favoured military conscription and wanted to reduce the compulsory elements in arbitration, Labor opposed conscription but wanted compulsory arbitration. Lastly, the third social motif of arbitration was its utopianism. Here it bore the marks of its origins in the nineties and the first world war. In 1915 the prospect of a lasting industrial peace was part of the wider hopes then held for an enduring world order. Some conservatives dissented from the general enthusiasm about arbitration, arguing that it would sap the spirit of enterprise, but they were in the minority.[58]

So while the system's aspirations had been partly idealistic, the result was elitist and conservative as well as utopian and egalitarian. The

egalitarian aim was that of the basic wage but the price it exacted was that arbitration had to be compulsory and this in effect made unionism compulsory. Queensland shared in the Australia-wide trend for arbitration to encourage the growth of trade unionism in general, while fragmenting its ideological base. Unions were formed by groups that were normally anti-union under the pressure of the system, and in this kind of unity there was weakness rather than strength for the whole labour movement.[59]

The Non-Competitors: the Poor and Unemployed

Whereas cooperation, public enterprise, and arbitration were important restraints on the competitive ideal, there was another group in the community which was affected by the capitalist ethos but had no restraining effect on it—the poor and unemployed. The poor and the unemployed were the non-competitors. They exerted no positive influence over the commercial value system, yet they were an important factor—practically as a reserve pool of labour and ideologically as an example of the cost of social disobedience or inefficiency. Most Australian historians have ignored the poor, but the permanent poor in fact have formed a significant sub-class in the society.[60]

In Queensland this group has been treated with distinctive harshness. The state remained a frontier society in many ways even in 1900: the obstacles to settlement created by its great distances, its later colonisation, the hostility of the Aborigines, and its unpredictable climate, all made locals preoccupied with their own concerns. They were distrustful of the personal weakness to which many believed poverty was due. It was almost a case of pioneering versus poverty—concentration on one excluded the other. It also seemed incomprehensible that a new land could have similar social problems to the Old Country's and it was practically disloyal to say so. Private charity in Queensland was less active than in any other Australian state and its attitudes were singularly unenlightened. The Brisbane Charity Organisation Society is a good example. Formed in 1892, its attitude to poverty carried over many of the mid-Victorian beliefs about poverty as a consequence of character weakness, into the new century. It had difficulty in winning public support and came to view itself as a protection agency for businessmen who wished to keep beggars off their premises. 'Businessmen look upon their subscriptions to this Society as a good investment', reported Secretary S.C. Carter in 1914, 'and as an efficient protection from imposition'. By 1933 the C.O.S. recognised that unemployment and sickness were more important factors in causing poverty than drink, laziness, or incapacity, but by then the Society had become almost bankrupt and was quite ineffective. During the depression the government's creation of the Social Service League to coordinate charity in the state was an acknowledgement of the failure of private charity in Queensland.[61]

Because private charity was so weak in Queensland, public activity had to be more extensive. What was characteristic of government attitudes to the poor and unemployed, however, was an alternation between neglect and paternalism; as noted, conservative ministries tended to be benevolently paternalist, whereas Labor governments developed a style of egalitarian paternalism, both could be neglectful. Unsympathetic attitudes to poverty were normal in Queensland until Labor's win in 1915. Till then the matter was considered only because of the pressure of special groups or when a scandal took place: When the Accommodation Act of 1906 was passed, for instance, to deal with seasonal unemployment; or as in 1908 when there was an inquiry into the sordid living conditions of the Workers Metropole—a Salvation Army Adelaide Street Refuge. One illustration of these unsympathetic public attitudes was a report on outdoor relief made in 1900 by Dr J.E. Hare, the recently appointed state's first Inspector of Charities and a leading medical man. Hare made a careful survey of the existing methods of relief. In applying for aid the destitute had to supply information about their sobriety, length of residence in Queensland, state of health, means of livelihood, and the situation of their relations. Hare was familiar with the problems met with in England concerning the Poor Law and was sharply critical of any 'outbreak of sentimentality' in the state which might lead away from the enlightened principles of the 1834 law. He warned against the danger that recipients of the 5/- allowance might come to regard it as a right, criticised the lack of coordination of private charity, and raised the prospect which seemed to be a general fear of the time—that a torrent of misguided benevolence might pauperise one and all.[62]

With Labor's victory in 1915 there came a wave of enthusiasm about the chances of solving the worst social problems, but the optimists soon found themselves in difficulties as the war's end caused severe economic dislocation: Queensland had the highest average rate of unemployment of any Australian state in the immediate postwar years. Yet the existing avenues of relief were extremely unpopular. The agency responsible in Brisbane was the Government Relief Office, managed by J.S. Hagan, which had originated in the 1890s depression, and the attitudes of Hagan and his officers were normally punitive. He firmly upheld the need for inspecting the circumstances of relief applicants. Further, in non-metropolitan areas this was the duty of the local constable, and the indigence allowance was also administered by the police who handed out relief in the form of ration tickets; unemployment was still closely associated with poverty, which was seen as something to be ashamed of, and unionists resented being dealt with by the police. The unions therefore raised the idea of a state-wide union-administered relief fund, financed by the government. It was initiated by the Townsville A.M.I.E.U. but employers and the press strongly opposed the plan, which also proved very costly, and the government closed it down despite bitter union disappointment.[63] So after a hopeful beginning the Labour government had found itself at odds with sections of the labour movement and had withdrawn to an orthodox budgetary position.

The next step, which seemed a real breakthrough, was the 1923 Un-

employment Insurance Act which gave Queensland a radical reputation throughout Australia. But possibly it was because the Act's aims were so modest that it succeeded. It was not intended to solve the unemployment problem but to reduce distress caused by unemployment; it did not provide jobs, but aimed at reducing the impact of unemployment by setting up a contributory insurance scheme to which workers, employers, and the government contributed equally. The Act was broad and general and its application was determined by regulation. Different regional living allowances were devised because of the wide variations in the state's cost of living, and to get the allowance workers had to register at the local labour exchange and hand in their contribution books weekly. A subsequent federal Royal Commission on unemployment concluded that the Act had not had any apparent effect on reducing unemployment, but thought it a good method of relieving unemployment by non-charitable means. 'The genuine unemployed', the Commissioners stressed, 'want work and not charity'.[64] The 1923 Act was a pioneering piece of social legislation despite its limits. It was a half-way house between the optimistic and impractical earlier policies Labor had in this area and the more prosaic but effective measures taken during the depression of the 1930s.

Yet the old categories of thought still persisted beneath the surface. The earlier distinction made between the deserving and underserving poor was now turned into a distinction between the genuinely unemployed and the non-genuine—the loafers and bludgers. Employers predictably saw the Act as another step towards socialism which hindered their loyal efforts to develop the state, while the A.W.U. firmly supported harsh treatment of any workers caught imposing on the Act.[65] The point here is that both workers and employers were highly susceptible to a fear of engulfment, whether by the 'yellow hordes' or by 'bludgers', and this fear could assume grotesquely unwarranted proportions. The existence of the poor and unemployed seemed to threaten the identity of those who had succeeded in Queensland.

Equality, Authority, and Exploitation

Queensland capitalism was viable because it made a workable fusion of some of the main national ideals. Nationalism thus militated against the formation of a clear working class ideal *via* a number of ideologies.[66] One of these was the ideal of controlled capitalism held by the business classes; the themes of collusion and control, which really were credos of monopoly capitalism, could be represented as 'civilised capitalism' or socially responsible materialism—an object to which the right wing of the Labor Party lovingly devoted itself. Another was the ideal of agrarianism, coupled with cooperative self-help, held by small farmers and members of urban cooperative groups; elements of these could be publicized as authentic ideals for the working man, whereas they really served the interests of the ruling class concerned. A third ideal was that of state paternalism held by the leading officials in the public service. This could be portrayed as a contract between the government and those in the service which required loyalty in return for security and some social prestige. Lastly, there was the ideal of arbitration. Though equality was the aspiration of the system, it was undermined by its own inherent authoritarianism, though this tended to be concealed by its utopian aspects.

This split between the ideal and the real had its counterpart in the other ideologies as well. Each had some feature that could plausibly be represented as favourable to the working class, but which worked to the advantage of the ruling classes in practice. So what was the political result of these ideologies? The dominant economic ideology was collective competition, but the normal reality was controlled competition: socially the main ideology was equality, but the result was often authoritarian and exploitative. This was brought out by the position of the poor and unemployed as non-competitors in the economy. The under-privileged in Queensland were maltreated in a distinctive way: they were not usually exploited outright or left to starve, but they were exposed to rigidly hostile climate of opinion that made them into social outcasts. Although the poor and unemployed occupied a peripheral position in the community in terms of their low status, they played a strategically indispensable part in the process of social control. That is, social control was maintained in the community by the middle classes and the élite levelling the threat of poverty and unemployment at the working classes

Conclusions

This essay has aimed at formulating problems rather than answering them, but now it is time to re-state the original questions asked and to suggest some answers. Firstly, what was Queensland's place in Australian capitalism?

The Queensland story is an almost classic case of uneven development. The state's economic history has been typified by imbalance between regions, between city and country, state and local government, and between local private enterprise and non-Queensland monopolies. In addition to these patterns of uneven development, the state has been the political frontier of Australia in the north, and a region rich in natural resources but industrially backward. Most of these characteristics are typical of backward development and were also features of the position of underdeveloped regions in other countries—of southern Italy, for instance, or the southern U.S.A. Queensland's place in Australian capitalism therefore has been traditionally dependent or neo-colonial. Because of this, and because the state's history has been less complex than that of the larger southern states, some of the contradictions inherent in the Australian experience stand out with great clarity in land. Queensland's history has been a story of conservatism challenged by radicalism—which stands on its head the tale told by many labor historians about Australian history. The recent confrontation between Whitlam and Bjelke-Petersen, for example, is a reversal of the situation between 1917 and 1922 when Ryan defiantly stood at the head of Queens-

land Labor against Hughes' Federal government. So probably Queensland conservatism is not something unique in Australian history; rather, it is Australian society which normally has been conservative and this outlook has been exemplified in Queensland. There were four main sources of Queensland's conservatism: The strength of regionalism, the dominance of primary producers, the corporatist use of the state, and the power of monopolies. Some of these factors were present in other states, but Queensland was the only one in which they were pulled together so tightly. The result was an authoritarian social and political climate: Queensland was the first state to introduce compulsory voting, and Labor governments consistently downgraded the value of education between 1915 and 1957. In this sense, the Bjelke-Petersen government was the result of years of Labor corruption and maladminstration, but the long term sources of the state's conservatism were the factors just mentioned.

Secondly, how have capitalism and nationalism been related in Queensland? This is a more important question than the first in some ways, as it transcends state differences. This essay argues that the main ideological link between capitalism as an economic system and nationalism as a social ideal has been the goal of *collective competition*. Collective competition was the economic expression of the Australian mateship ideal. 'A Fair Go', 'Civilised Capitalism', 'Colonial Socialism'—the old slogans have this much truth to them. Egalitarianism was the ideological basis of the Queensland economy, not just an ecapist theme of the bush poets. However, equality, as Encel and others have argued, often implied authority. The direction of Queensland's economic life oscillated unsteadily between egalitarian aims and authoritarian results. Agrarianism at its worst could become romantic arcadianism, state enterprise degenerated into state paternalism, and arbitration could be reduced to a rigid stress on law and order. This type of reductionism was most harmful when it affected the weaker groups in the community. Society was divided into a majority of more or less contented groups and an ill-used but powerless minority; there was a strong sense of stability in the larger groups and extreme instability in the smaller. The larger ones held to their social ideals with great rigidity—attitudes to agricultural cooperation, state and private enterprise, and arbitration changed in degree with the politics of the government in power, but not in kind. Attitudes to the weaker groups, on the other hand, were extremely unstable. Poverty was alternately rationalized away and then over-compensated for, while a general sense of public hostility to underprivileged groups remained constant. Because of this the position of many people could be threatened with the possibility of a drastic change for the worse. So long as they were members of a major group they were relatively secure, yet if they became unable or unwilling to work they could be forced into the ranks of the social outcasts.

Lastly, if the Queensland experience is representative then we can say that the most significant feature of Australian capitalism in international terms between 1890 and 1930 *was the development of the techniques of*

corporate neo-capitalism at a remarkably early time. Just as Kolko discerned the triumph of conservatism in American capitalism during the Progressive era, so a similar spread of bureaucracy and concentration of industry can be seen in Australia between the depressions of the 1890s and 1930s.[67] Though business never had the same dominance over Australian society, the role of the state here was more influential than in America and it invariably worked to the benefit of the ruling élite. A regulated or controlled capitalism was the form of business civilisation that was most acceptable to Australians: *it was a fusion of American and British methods that had a style and logic of its own.* To see the Whitlam government as implementing a technocratic policy after years of liberal mismanagement makes sense only in a short term perspective. Australians in fact have been living in one of the world's most controlled and regulated societies for some time.

What has been historically distinctive about the relation of nationalism and capitalism in Australia is more the degree of class control than of class exploitation. Queensland stands out at this level of Australian history precisely because the underlying conservatism of Australian society has been frequently put into practice there. In this light, Queensland's place in the world is historically comparable with that of the southern states of the U.S.A. or southern Italy, which are both traditionally depressed economic regions; and further, the countries whose national political economy corresponds most closely to Australia's are South Africa and Canada, both grand imperial adventures which were also in danger of being swamped by nearby cultures. For a variety of reasons, the national bourgeoisie was stronger in Australia than in either Canada or South Africa, and this contributed significantly to a more independent and distinctive Australian national culture.[67] Until recently Queensland was quite untypical in this way because the state lacked a strong local bourgeoisie, but since World War Two that situation has changed and now Queensland is logically leading the way to an Australian variety of facism.

NOTES

1 On the distinctiveness of Queensland, see H. Lunn, 'The Different State', *Australian*, 11, 13-15 January 1975. For a corrective to this line, J. Lonie, 'Electioneering 1974 and Labor in Government', in H. Mayer & H. Nelson (edd.), *Australian Politics: A Fourth Reader* (Cheshire, Melbourne 1976), pp. 425-9. The best studies of Queensland's history are A.A. Morrison's 'Colonial Society', *Queensland Heritage* (November 1966), p. 21 and his chapter in S.R. Davis (ed.), *The Governments of the Australian States* (Longmans, Melbourne, 1960). Also see D. Waterson, *Squatter, Selector, Storekeeper* (Sydney University Press, Sydney, 1968); Ronald Lawson, *Brisbane in the 1890s* (University of Queensland Press, Brisbane, 1973); D.J. Murphy *et. al.* (edd.), *Perlude to Power* (Jacaranda, Brisbane, 1970); G. Greenwood & J. Laverty, *Brisbane 1859-1959* (Alcazar, Sydney, 1959); G.C. Bolton, *A Thousand Miles Away* (Jacaranda, Brisbane, 1963); R. Evans (*et. al.*), *Exclusion, Exploitation, Extermination* (Australia & New Zealand Book Co., Sydney, 1975).

2 Tom Nairn, 'The Modern Janus', *New Left Review* 94, p. 3.

3 Graham Snooks, 'Orthodox and Radical Interpretations of the Development of Australian Capitalism', *Labor History* (May 1975), p. 1.

4 New Guinea: M.G. Jacobs, 'The Colonial Office and New Guinea 1874-84', *Historical Studies* (May 1952), p. 106. Shipping routes: Glen Lewis, *A History of the Ports of Queensland* (University of Queensland Press, Brisbane, 1973), p. 45. Northern defence: Bolton *op. cit.*, pp. 209-11. Italians: M. de Lepervanche, 'Australian Immigrants 1788-1940', E.L. Wheelwright & K. Buckley (edd.), *Essays in the Political Economy of Australian Capitalism* (Australia & New Zealand Book Co., 1975), vol. I, p. 98. Northern development: J.H. Kelly, *Struggle for the North* (Australasian Book Society Sydney, 1966), and B.R. Davidson, *The Northern Myth* (M.U.P., Melbourne, 1966).

5 Rosemary Lawson, Immigration into Queensland 1870-90 (B.A. Hons. Thesis, University Queensland, 1963); G. Lewis, *op. cit.*, pp. 34, 83; W.D. Borrie, *Italians and Germans in Australia* (Cheshire, Melbourne, 1954); President's Address, Official Report of the 67th Annual Convention of the A.W.U., Sydney, 27 January 1953, p. 12.

6 W. Allen, *Immigration and Cooperative Settlement* (Brisbane, 1881 [Pamphlet, Oxley Library]); W. Bailey, 'White Settlement in the Tropics', *International Review of Agriculture* (Rome), January 1941, p. 253E.

7 Glen Lewis, 'The Tariff, Laissez Faire, and Federation in Colonial Queensland', *Queensland Heritage* (November 1973), p. 14.

8 J.B. Brigden, 'Report on Rail Competition With The Ports', *Queensland Parliamentary Papers* (*Q.P.P.*), 1931(2), p. 933; G. Lewis, Ports *op. cit.*, pp. 176, 217.

9 A.A. Morrison, *Local Government in Queensland* (Smith & Paterson, Brisbane, 1952); cf. 'Royal Commission on Local Authorities', *Q.P.P.* 1928(2), p. 1209.

10 *Queensland Year Book* 1955, p. 48, and 1957, p. 50, and *Commonwealth Year Book* (43) 1957, p. 547.

11 Port troubles: Lewis, Ports *op. cit.* p. 210. Local Authorities: Greenwood & Laverty, *op. cit.* Branch office town: Ronald Lawson, *op. cit.*, p. 89, n. 46.

12 Max Bannah & Kent Chadwick, *Timber and tin.* A thirty minute colour film for the National Trust of Queensland, Brisbane, 1976.

13 Very little work has been done on developing social profiles for Brisbane. See P. Mullins, 'Neighbourhood Perception and the Effects of Forced Residential Mobility', *A.N.X. Journal Sociology* (June 1973), p. 45, and D. Timms, *The urban mosaic* (Cambridge University Press, Cambridge, 1971), pp. 63-84.

14 Ronald Lawson, *op. cit.*; review by Humphrey McQueen, *Canberra Times*, 26 April 1974, p. 13; A.A. Morrison, 'The Brisbane General Strike of 1912', *Historical Studies* (May 1950), p. 125.

15 *Third Report of the Australian Commonwealth Grants Commission*, 1936.

16 *ibid.* (tariff, p. 120; shelter, p. 204; education, p. 200).

17 Lewis, Ports *op. cit.*, p. 148; for South Australia, J.B. Hirst, *Adelaide and the Country* (M.U.P., Melbourne, 1973).

18 If Queensland workers had lower living costs in the 1920s, then perhaps this reflected the state's lower standard of living. The question needs re-examination, as does the related issue of Queensland and the depression. The state might have weathered the depression better than the southern states in the short run, but more harm probably was done to the Queensland economy in the long run. This line of reasoning is supported by W.R. McLaurin, *Economic Planning in Australia 1929-36* (King & Son, London, 1937), pp. 210-14; F.R.E. Mauldon, 'Seasonal Variations in Labour Requirements in Australian Industry', *Economic Record* 17(1941), p. 81; Development and Migration Commission, 'Report on Unemployment in Australia', *Commonwealth Parliamentary Papers* 1926-8 (5), p. 691; and E. Jensen, The Effects of the Depression on The Trade Union Movement in Queensland 1929-31 (B.A. Hons. Thesis, University of Queensland 1971).

19 My theoretical model here is R.T. Naylor's 'The Rise and Fall of the Third Commercial Empire of the Saint Lawrence', in G. Teeple (ed.) *Capitalism and the National Question in Canada* (University of Toronto Press, Toronto 1972), pp.1-41.

20 Agrarianism: Waterson, *op. cit.*, and Glen Lewis, 'The Alice River Settlement and the Legend of the Nineties', *Australian Journal of Politics and History* (December 1973), p. 353. On Clark: W.J. Jackson, The Government and Economic Growth in Queensland 1946-51 (B.A. Hons. Thesis, University of Queensland, 1968).

21 E.g., Minute Book of the North Cedar Greek Group of Settlers, 14 April 1908, (Oxley Library): secretary to Gillies, M.L.A., 'We recognise that the Department is doing its best to re-enslave the serf, but even we poor fools on the land dare to object . . . to our want of freedom of action, with the rotten titles we are given, under penal conditions'.

22 E. Milton, Soldier Settlement in Queensland After World War One (B.A. Hons. Thesis, University of Queensland, 1968).

23 Dairying: requests of dairy farmers for cheap labour by manipulation of the arbitration awards, see Reports of the Agricultural Conferences, 1899-1905, AGS(N 20-24, Queensland State Archives (hereafter QSA). Forestry: Report of Sub-Department of Forestry 1934-35, *Q.P.P.*, 1935(2), p. 368. Sugar: Bolton, *op. cit.*, p. 155.

24 Waterson, *op. cit.*; Humphrey McQueen, *A New Britannia* (Penguin, Harmondsworth, 1970); D. Pike, 'The Smallholder's Place in the Australian Tradition', *Proceedings of the Tasmanian Historical Association* (December 1962), p. 28.

25 E.D. Davis, 'Steele Rudd', *Journal of the Royal Queensland Historical Society*, 1 (1969-70), p. 127.

26 R. Gollan, 'American Populism and Australian Utopianism', *Labor History* (November 1965), p. 15. For the 'back to the land' anti-political program of the nascent RSL in Queensland, the Brisbane *New Leader* (La Trobe library) 29 September 1916, p. 8, 13 October 1916, p. 2, 10 November 1916, p. 8, and 1 December 1916, p. 4. For the activities of the Brisbane-based Queensland Preference League during the depression, B. Costar, Social and Political Aspects of the Depression in Queensland (M.A. Qual. Thesis, University of Queensland, 1972).

27 R.D. Goodman, *Secondary Education in Queensland, 1860-1960* (ANU Press, Canberra, 1968); M. Murnane, The Workers Educational Association of Queensland 1913-39 (B.A. Hons Thesis, University of Queensland, 1968); M. Sullivan, 'Fifty Years of Opposition to Queensland's Grammar Schools', in S. Murray-Smith (ed.), *Melbourne Studies in Education* M.U.P., 1974), p. 181.

28 Cf. Naylor, *op. cit.*

29 G. Blainey, *Gold and Paper* (Georgian House, Melbourne, 1958); N.G. Butlin, 'Public Enterprise in Australian Economic Development', *Explorations in Entrepreneurial History* (March 1950), p. 141.

30 There are few relevant studies here. One is D. Shogren, 'The Creation of the Committee of Direction of Fruit Marketing', *Queensland Heritage* (November 1971), p. 31.

31 P.D. Robin, The BMA in Queensland (B.A. Hons. Thesis, University of Queensland 1966); Annual Reports of the Brisbane Hospital, 1895, 1901 (Melbourne Public Library).

32 D.J. Murphy, 'The Establishment of State Enterprises in Queensland 1915-18', *Labor History* (May 1968), p. 13; R.S. Parker, 'Public Enterprise in New South Wales', *Australian Journal of Politics and History* (November 1958), p. 208. Cf. S.B.M. Potter, *Socialism in Queensland* (London, 1925, pamphlet in Mitchell Library), and for the view of Greater Brisbane as a revolutionary experiment in municipal trading, Brisbane *Daily Standard*, 30 January 1918.

33 E.g., A.W. Martin, 'Australian and the Hartz Fragment Thesis', *Australian Economic History Review* (September 1973), p. 131.

34 Companies: *Australian*, 29 May 1976, p. 11; and Kelly, *op. cit.*, p. 88. Media: *New Journalist*, March-April 1976, p. 9, *National Times*, 23-28 August 1976, p. 7, and B.H. White, *White on the Media* (Cassell, Stanmore, 1975).

35 *Queensland Trustees Quarterly Review* 40-42 (1948-9). Cf. March 1949, p. 31: 'Mr Fallon has made the AWU the most powerful and law-abiding union in the state'.

36 *Maryborough Chronicle*, Supplement, 6 October 1941; R.S. Maynard, *Sugar, Ships, and Locomotives* (Maynard Advertising, Sydney, 1946); M. Shaw, 'The History and Development of the Engineering Industry in Queensland', *Proceedings of the Royal Society of Queensland* 67 (September 1956).

37 Philp: H.C. Perry, *Memoirs of the Hon. Sir Robert Philp* (Watson, Ferguson, Brisbane, 1923). McIlwraith and Somerset: Lewis, Ports *op. cit.*, pp. 36, 62, and Kimber to McIlwraith, 2 November 1883 (McIlwraith Papers, Oxley Library).

38 1965: *Nation*, 6 February 1965, p. 8. 1920: Deane to Keating, Melbourne, 6 August 1920, and Anthony Gibbs to Keating, Melbourne, 20 August 1920, in Anthony Gibbs and Sons Papers (Guildhall Library, London).

39 Blainey, *op. cit.*; G.P. Taylor, 'Business and Politics in Queensland 1859-75', *New Zealand Journal of History* I (1967), p. 75; I. Young, *Theodore: His Life and Times* (Alpha Press, Sydney, 1971).

40 C.A. Hughes, 'Labour in the Electorates' in Murphy, *Prelude to Power*, p. 74.

41 1912: D.J. Murphy, T.J. Ryan (Ph. D. Thesis, University of Queensland, 1973), p. 102 cites Macgregor to Secretary of State, 2 February 1912, GOV/68, QSA. 1927: E.M. Higgins, 'Queensland Labour: Trade Unions Versus Premiers', *Historical Studies* (May 1960), p. 140. 1948: R. Shearman, The Politics of the 1948 Queensland Rail Strike (B.A. Hons. Thesis, University of Queensland, 1973), and Interview with Fred Paterson, Brisbane, 9 June 1975.

42 For labor's agrarian policies, Z. Abidin, A History of the Queensland Country Party (M.A. Thesis, University of Queensland, 1954).

43 Murphy, Ryan *op. cit.*; J. Harris, *The Bitter Fight* (University of Queensland Press,

Brisbane 1970); V. Daddow, *The Puffing Pioneers* (University of Queensland Press, Brisbane 1975). AWU machinations: The Lestrange Collection (1914-22), compiled by V. Molesworth (Mitchell Library).

44 Employment: *Census of the Commonwealth of Australia* 1921 (2) (Melbourne), pp. 1212, 1215, 1219, 1222. Dairying: Drane and Edwards, *op. cit.*, p. 34.

45 Annual Report of the Brisbane Chamber of Commerce, 1905, p. 10 (Oxley Library); A.L. Lougheed, 'The Brisbane Chamber of Commerce 1868-1968', (Brisbane, 1968, Typescript in Fryer Library).

46 Annual Reports, Brisbane Chamber of Commerce, 1903 p. 38, and 1906 p. 13 (Oxley Library).

47 E.G. Knox's *Who's Who in Australia* (Melbourne; 1933) shows that graziers, professional men and financiers were the dominant members of the Queensland *élite*. No manufacturers were listed and only four merchants were mentioned— James Allan, T.C. Beirne, W.J. Coakes, and J. Devoy.

48 *Commonwealth Parliamentary Debates* 1906: Givens (33) p. 3428, Thomson (35) p. 343, Drake (33) p. 3523.

49 R. Gollan, 'Nationalism, the Labour Movement and the Commonwealth', in G. Greenwood (ed.) *Australia* (Angus & Robertson, Sydney, 1955), p. 160.

50 Relief payments: Statistical Register, *Q.P.P.* 1901 (2), p. 1261. Rockhampton: Amended Rules of the Queensland Branch of the Manchester Unity, Rockhampton, 1907, p. 61 (Oxley Library). 1870s and England: P.H. Gosden, *The Friendly Societies in England* (Manchester University Press, 1961), and 'Royal Commission on Friendly Societies in Queensland', *Queensland Votes and Proceedings* 1875 (1), p. 1488. Glassey: Brisbane *Courier*, 2 August 1928 (in Glassey Papers, Oxley Library).

51 Shogren, *op. cit.*; F.E. Pulsford, *Cooperation and Copartnership* (Sydney, pamphlet, Mitchell Library).

52 Aboriginals: C.D. Rowley, *The Destruction of Aboriginal Society* (A.N.U. Press Canberra, 1970), Ch. 10. Factories & shops: G. Whitfield, The Early Factories and Shops Legislation of Queensland (B.A. Hons. Thesis, University of Queensland, 1968).

53 J. Goodwin, Memo 3 October 1916, in Papers Re the Insurance Act of 1916, JUS 36/4001, QSA. Cf. the outraged reaction of the *Australian Insurance and Banking Record*, 21 September 1915, p. 865, and 21 October 1915, p. 950. The SGIO's conservative social darwinist philosophy was expressed in its journal *Insurance Lines*, e.g., January 1924, p. 5; 'Insurance is the handmaid of commerce and the guardian of finance'; or March 1924, p. 7, 'There are three classes of men—the retrograde, the stationary, and the progressive'.

54 Government Savings Bank: 'Royal Commission on Classification and Allowances for Officers of the Government Savings Bank', *Q.P.P.*, 1919-20 (2), p. 43, and for a scare about a run on the Bank, Brisbane *Courier*, 19 March 1918, and Brisbane *Daily Mail*, 23 March 1918. Workers Dwellings: cf. Randolph Bedford's comment at the Labour Convention in Townsville in May 1928—'The government had specialised in Workers Dwellings but in many cases as soon as the place was paid off the only person who benefitted in the long run was the cash order (hire purchase) shop because those homes had been mortgaged to pay the unnecessary'. *Queensland Grocer*, 8 June 1928 (Oxley Library).

55 J.D. Story, First Annual Report of the Public Service Commissioner, *Q.P.P.* 1921 (I), p. 33, and Eleventh Annual Report, *Q.P.P.*, 1931 (I), p. 16; First Annual Report of the Land Administration Board, *Q.P.P.*, 1928 (2), p. 1; Report of the Queensland Radio Service 4QG, *Q.P.P.*, 1928 (2), p. 1205.

56 E.g., as late as 1930, when Moore's government had been returned, the employers' representatives had not asked for a reduction in the state basic wage though the Court was prepared to grant it: *Queensland Industrial Gazette* 1930 (15), p. 208.

57 J.H. Portus, *The Development of Australian Trade Union Law* (*M.U.P.*, Melbourne, 1958).

58. *Q.P.P.*, 1915 (120), p. 814.

59 E.g., the Commercial Travellers Association, *Queensland Grocer*, 8 September 1924 (Oxley Library). Arbitration: K. Buckley, 'Arbitration: Its History and Process', *Journal of Industrial Relations* (March 1971), p. 99; and cf. Parkin's comments on the accommodative nature of trade unionism: Frank Parkin, *Class Inequality and Political Order* (Paladin, London, 1972), p. 91.

60 J. Roe, 'Social Policy and the Permanent Poor', Wheelwright & Buckley, *op. cit.*, pp. 131-52.

61 Annual Reports of the Brisbane Chairty Organisation Society, 1914, 1933, (Oxley Library); J. Brazier, The Brisbane C.O.S. (B.A. Hons. Thesis, University of Queensland, 1973).

62 J.E. Hare, 'Report Upon the Question of Outdoor Relief in Queensland', 24 September 1900, COL/298 (13962), QSA; Report by the Public Health Department, 23 April 1908, COL/298 (05262), QSA.

63 Deputation of Townsville Meat Employees Union to Theodore, 23 January 1919, COL/298 (00773), QSA.

64 'Royal Commission on National Insurance, Second Report on Unemployment', *Commonwealth Parliamentary Papers* 1926-8 (4), p. 1426.

65 *Royal Commission on National Insurance, Minutes 1926-7* (Melbourne, 1927), p. 951.

66 For an important debate about the procedures involved in this kind of imputed class consciousness analysis see L. Goldman, 'Reflections on History and Class Consciousness', and T. Bottomore, 'Class Structure and Social Consciousness', pp. 49-65, in I. Meszaros (ed.), *Aspects of History and Class Consciousness* (Routledge, London, 1971), pp. 49-85.

67 This point is developed further in Glen Lewis, 'Violence and Australian Nationalism', *Arena* 43 (1976). See also my 'Violence in Australian History: the Queensland Experience', *Meanjin Quarterly* 3, 33 (September 1974).