

Liberalism after Bruce Smith, but before Bert Kelly

Richard Allsop reviews

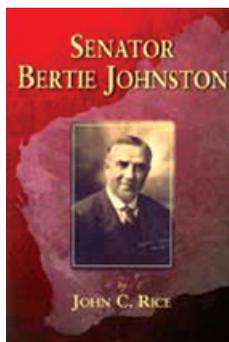
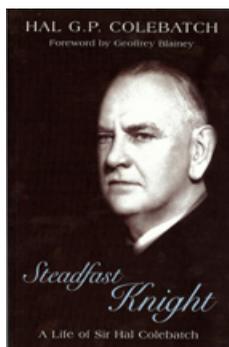
Steadfast Knight: A life of Sir Hal Colebatch

by Hal G.P. Colebatch
(Fremantle Arts Centre Press,
2004, 304 pages)

&

Senator Bertie Johnston

by John C. Rice
(Hesperian Press, 2006, 658 pages)



The political orientation of Australia's intelligentsia has produced a situation where there have been biographical studies of a plethora of Australian socialists and communists.

Often the subjects studied were quite obscure in their own times and—given the subsequent discrediting of their ideology—it is hard to see how they have much contemporary significance. Yet, by contrast, some very significant Australian free traders have languished; their fascinating and significant stories untold.

The publication of biographies of Sir Hal Colebatch and Bertie Johnston, two Western Australian advocates of the free trade cause in the federal parliament in the 1920s and 1930s, has gone some way towards rectifying this serious anomaly in the writing of the nation's history. While the two men have had to wait many decades after their deaths to have their stories told, they are both the beneficiaries of sympathetic biographers, with Hal Colebatch being the namesake son of his subject, and John C. Rice having been commissioned by the Johnston family.

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about some of those who were extra-parliamentary critics of aspects of the Australian settlement from the 1920s onwards, such as the economic historian, Edward Shann, but until recently there was little writing about whether there were free trade parliamentarians in those sorry decades in the middle of the twentieth century. The publication of the Colebatch and Johnston biographies demonstrate that the free trade fire continued to burn, if somewhat dimly, between the eras of Smith and Kelly.

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These two biographies also start to resolve a historical dilemma of Australian liberalism—there is a great gap in our understanding of the free trade movement in the prewar and immediate postwar years. It is tempting to think that, after Bruce Smith's departure from the federal parliament in 1919, there were no free traders in the parliament until the election of the 'modest member' Bert Kelly, in 1958, began a new generation of opponents of protection.

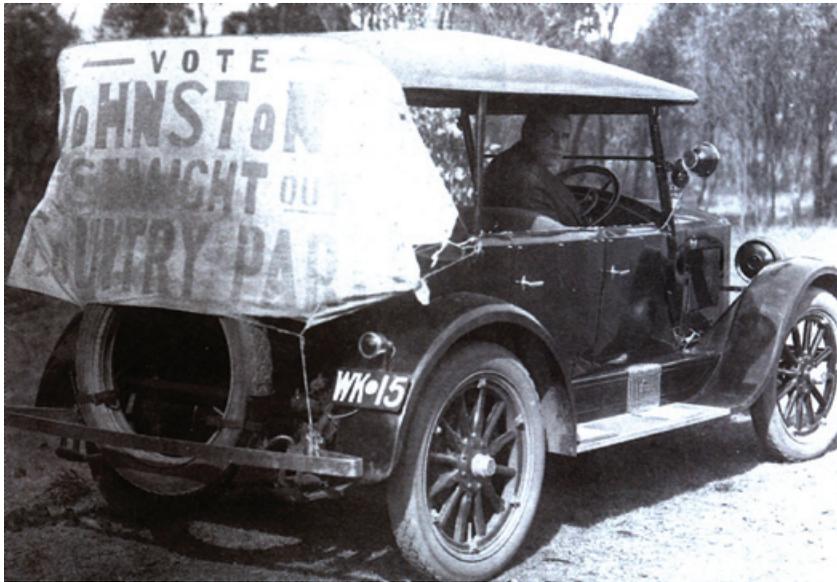
By the time Kelly ceased to be an MP in 1977, John Hyde and others were taking up the free trade baton and were being assisted in their endeavours by a renaissance of classical liberalism around the world, growing interest in the ideas of Friedman and Hayek, and the obvious failures of Keynesian economics and protectionism.

John Hyde and the historian Greg Melleuish have both written

Colebatch and Johnston were both elected to the Senate in the 1928 election, having previously been members of the Western Australian state parliament.

They were not in the same party—Colebatch being a Nationalist/United Australia Party man, while Johnston was in the Country Party, having started his parliamentary career representing Labor. As well as their mutual support for the free trade cause, the two men were also friends and bridge partners.

The junior Colebatch says that while his father 'was sometimes called the last free-trader in Australian politics' there were other politicians, apart from Johnston, who supported his views, including another Western Aus-



Bertie Johnston on the campaign trail, 1924. The slogan 'Straight Out Country Party' distinguished his Official Country Party from the Ministerial Country Party.

tralian, Harry Gregory and the South Australian, Charles Hawker. Colebatch also cites three examples of prominent free-traders outside parliament—farmer's representative on the Tariff Board (and father of Bert), Stan Kelly, A.H. Lewis of the Commonwealth Bank and Shann. However, when the other three politicians died within four years of one another around 1940, it probably did leave Colebatch with the honour of being the 'last', although, by that stage, he was also no longer a federal MP.

There can be no doubts about Colebatch's free trade credentials. He was chosen, in 1939, to give the Centenary Address to the Cobden Club in London, which his son describes as 'an unusual honour for a dominion official and a tribute to his long fight for free trade', although a contributing factor may also have been the shocking decline in support for Cobden's principles among Britain's own political class in that era.

One of Bertie Johnston's best speeches on the subject of free trade was given in 1933. In it, he observed of the worldwide shift from free trade to protection that 'unfortunately the world went mad, and every country wanted to sell its products to the other,

and take nothing in return'. He continued:

That system has failed miserably, and the sooner we return to a proper system of interchange of goods between countries, the better it will be for the world generally, and particularly for a country like Australia, which cannot live without its great export production and markets.

Given its significance as an issue, one might have thought that advocacy of lower tariffs might be a crucial aspect of a politician's career, but for most historians it is either something to be ignored, or condemned. The topic does not rate a mention in G.C. Bolton's entry on Johnston in the *Australian Dictionary of Biography*, unless such advocacy is meant to be included in the comment that 'during the depression he pushed the sectional interests of wheatgrowers, at times annoying colleagues...'

Somewhat better is B.K. DeGaris' entry on Colebatch which notes that 'as president of the Melbourne-based Tariff Reform League, he was a notable critic of high tariffs, which he saw as doubly bad in their unfair impact on the less developed states'.

As well as voting in parliament to oppose the rapid tariff increases, which both sides of politics supported in the depression era, Colebatch also wrote columns for newspapers in the eastern states attacking protectionism. While not a native of Western Australia, Colebatch saw that the state was suffering from the twin consequences of Australia's federation and the subsequent protectionist settlement.

The former, by delivering free trade within Australia, had given the protected industries of the eastern states complete access to the developing states, and thus the ability to kill off nascent potential competitors; while the latter was destroying the potential prosperity of these export-oriented states by stifling international trade.

Colebatch had a clear philosophical opposition to protection and used the obvious harm it was doing Western Australia to illustrate the principle. In Johnston's case, one senses that it was perhaps more the other way around—he saw the specific harm being done to his state and thus adopted a more general anti-tariffs position.

Nonetheless, it was still a long-held and consistent position. Some years before he entered the Senate, Johnston noticed 'the great growth of the protected secondary industries in Sydney and Melbourne which is being achieved at the expense of our great primary industries, particularly of agriculture'.

Before John McEwen imposed his protectionist views upon it, the Country Party was the least protectionist of the major parties, being beholden to neither the manufacturing interests nor the unions.

Rice's biography makes clear that the vigour of Bertie Johnston's opposition to protection far exceeded that of many of his Country Party colleagues—he provides numerous examples of Johnston's regular attacks on proposals advanced by the Bruce, Scullin and Lyons governments to increase or extend protection.

As well as the advocacy of free trade, another key issue for Western

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Australia's federal MPs was how the Commonwealth's other financial arrangements discriminated against their state. Colebatch Jnr. notes that his father and Johnston 'had similar views on the disadvantages Western Australia was suffering *vis-a-vis* the federation, though at this time Colebatch emphasised the constitutional aspect, on which he wrote a great deal, and Johnston emphasised the financial'.

An interesting sidelight of this issue was Johnston's strong opposition to the appointment of F.W. Eggleston as the Chairman of the States Grants Commission. While Eggleston is often remembered for his famous critique of public transport administration in his book *State Socialism in Victoria*, he was a firm Deakinite protectionist, with a faith in the benefits of centralised planning.

Another key element of the Australian Settlement that Colebatch opposed was the White Australia Policy. In the words of his son, Colebatch saw it as 'an example of counterproductive economic irrationalism: fear of the 'Yellow Peril' was retarding the development of Australia's north and leaving it more open to any invader'.

Meanwhile, Johnston showed sound instincts when he opposed the Commonwealth government building houses and flats in Canberra believing that, if there was real demand, it would be met by private enterprise. He also attacked the newly formed Australian Broadcasting Commission when it proposed publishing a journal to compete with privately funded magazines.

All of this is not to say that both men were paragons of political virtue. Johnston had a well-earned reputation for being a 'roads and bridges' member, being particularly noted for his ability to get railways built in his own

state electorate of Williams-Narrogin. As his *Dictionary of Biography* entry describes, Johnston was 'a maverick politician who treated the conventions of public life with adventurous disregard, Johnston never lost an election because voters responded to his gusto and his willingness to prime the parish pump'.

Johnston also came under scrutiny for a number of his business dealings, mainly in hotels, and his untimely death was triggered by the tax office taking legal action over alleged unpaid taxes.

It was not just in their political life that Colebatch and Johnston shared similarities. Colebatch's second marriage occurred in his seventies and Johnston's first at 51. Both had children later in life. There were also significant differences in their backgrounds and experiences. For instance, while one trip to Papua-New Guinea was the limit of Johnston's travel outside Australia, Colebatch traveled widely, meeting many world leaders, assisted by spending two spells as Western Australian Agent General in London.

These two biographies are written in very different styles.

Colebatch writes with a lighter touch and is not afraid to insert himself into the narrative. It includes a foreword by Geoffrey Blainey, who expressed the view that being 'written by his son enhances rather than impairs it, for they are virtually three generations apart'. The value of this book is not only that free traders get rare sympathetic coverage, but also some of those regularly lionised by the left cop some well-deserved criticism. While generally polite to all his opponents, Colebatch could not abide the dishonourable actions of men such as Red Ted Theodore, Jack Lang and Eddie Ward.

Rice's book is twice as long and adopts a more forensic style that provides lots of detail about the minutiae of Johnston's life. A former political staffer, Rice brings a keen appreciation of politics to the writing. He observes, when one of Johnston's local opponents calls for the end of the party system, that it was a 'sentiment (that) will win a round of applause even today, but the party system is not so naively exorcised'.

Both Sir Hal Colebatch and Bertie Johnston have fascinating life stories that their respective biographers, despite their stylistic differences, tell well.

Their state political careers were also full of incident, with Colebatch briefly reaching the premiership and having to deal with a violent waterfront dispute, while Johnston was instrumental in bringing down a state Labor government.

However, for the student of Australian political history there is much more than the human interest in these books. Supporters of free markets in the twenty-first century should appreciate how hard the free trade case was to prosecute in the 1930s, when free trade seemed dead and democracy was facing an uphill battle to survive.

And, while others were preaching a mantra of appeasement at the end of that sorry decade, Sir Hal Colebatch, saw that:

'every nation that has put the ideal of peace before the ideal of liberty has lost first its liberty then its peace, while every nation that has put the ideal of liberty first ... has generally preserved both its liberty and its peace'.

