

## THE POLITICS OF CONSOLIDATION: ROBERT MENZIES

ON 4 APRIL 1960, *Time Magazine* announced to its international readership that ‘things are looking up down-under’: Australia was emerging ‘out of the dreaming’.<sup>1</sup> Its cover image was a modernist version of iconography, a portrait by William Dobell of Robert Menzies, who had then been prime minister for just over ten years. The backhanded misappropriation of an Indigenous concept in the article’s title might now be read as indicative of the era, but its purpose was clear: Australia had shrugged off its colonial origins and was being applauded as an enterprising modern economy with a vibrant lifestyle. And its arrival on the world stage owed everything to the leadership of Robert Menzies. He had become the longest-serving Australian prime minister (and would continue for another six years). And he had travelled a long way since his ignominious resignation after his first term as prime minister nearly twenty years earlier. In doing so, he had already had a profound influence on public life.

Robert Menzies’ long tenure as prime minister in the mid twentieth century (1949–66) has ensured that his performance has been revisited

by both critics and champions ever since. He has become a foundational figure in the way the role has subsequently been understood. Even trenchant opponents acknowledged the iconic status he came to occupy: 'He looked like a PM, he behaved like a PM and he had the presence of a PM'.<sup>2</sup> The drama of his first brief, tumultuous term (1939–41) and the bitter intra-party conflict that precipitated his resignation have rightly been seen as forcing him to reconsider how power should be exercised. The steps he took to regain office reveal the lessons he had drawn from that searing experience. His behaviour would have to be modified: impatience curbed, arrogance reined in and openness to others practised. The Country Party—commonly a partner in non-Labor coalitions—had refused to serve under Menzies during most of his first term, and would have to be appeased. The failure of the United Australia Party (UAP) demanded significant organisational change and attention to the values for which the leading anti-Labor Party stood. This in turn required close attention to how the seemingly successful centralisation of Commonwealth powers under John Curtin and Ben Chifley could be challenged.

It would take Menzies eight years—from 1941 to 1949—to accomplish these goals and regain the prime ministership. His achievement provides one of the outstanding examples of opposition leadership in Australian politics. So successful was it that the great liberal pioneer Alfred Deakin has been overshadowed, and the most competent pre-World War II conservative prime minister, Stanley Bruce, is largely forgotten. Menzies has come to be seen as the authentic voice of Australian liberalism. He is rightly acknowledged as the founder of the Liberal Party. No-one recalls its first manifestation (1909–17), nor the circumstances that caused it to be rebadged as the Nationalist Party and then the UAP, for Menzies effectively remade the party in the 1940s. Successors such as John Howard (Liberal prime minister from 1996 to 2007) have asserted that their purpose was to prosecute Menzies' agenda in a new age.<sup>3</sup> Only John Curtin's rescue of the shattered Labor Party after James Scullin's 1931 defeat, and Gough Whitlam's fight (1967–72) to develop a policy program, reform his party and bring it back into contention after twenty-three years in the wilderness, can match Menzies' initiative.

And only Curtin and Menzies could be said to have managed the transition to office in a manner that saw their primary objectives substantially realised. In each case, what was developed in opposition formed the bedrock for what was done in office.

### **Reinventing Australia's Anti-Labor Politics**

Menzies' loss of office in 1941 was devastating. As he left the crucial party meeting in which his decision to resign was announced, he is said to have remarked to his private secretary, with tears in his eyes, that 'I have been done ... I'll lie down and bleed awhile'. His biographer concluded that his spirit was broken.<sup>4</sup> He retreated to the backbench, where he was to remain until 1943. Yet it was soon apparent that his ambition scarcely faltered. There were repeated efforts to find an alternative and influential public role, many of them involving attempts to return to England and the British War Cabinet (all blocked by Winston Churchill), and at least one proposal (a diversionary tactic initiated by Churchill) that he should succeed Richard Casey as ambassador to Washington. This was thwarted by John Curtin's cabinet.<sup>5</sup> Of more consequence was that within six months of relinquishing the prime ministership, Menzies commenced a series of radio broadcasts that would be the catalyst for, as he later reflected, 'the revival of liberalism in Australia'.<sup>6</sup> His intention was to establish unity of purpose within the fragmented remnant party that the UAP had become. Effective advocacy of a philosophy for the contemporary anti-Labor cause would restore public attention and see him become the voice of a new party.

'The forgotten people', one of Menzies' radio broadcasts, delivered on 22 May 1942, has become a touchstone for the analysis of his appeal to a substantial Australian constituency.<sup>7</sup> Regarded as 'one of the few classic statements of the Australian Liberal philosophy',<sup>8</sup> it has been perceptively analysed by political historian Judith Brett, who draws our attention to the way it represented the opposition between socialism and individualism in a context where liberal values—if the ascendance of Curtin and Chifley continued—could possibly be eclipsed.<sup>9</sup> Eschewing the 'false class war' that he associated with Labor's politics, Menzies spoke for 'the forgotten people', those situated between wealthy elites

and the organised labour movement. This group comprised, in his view, the backbone of the nation. Menzies skilfully created a moral category

whose members are defined by their political values, social attitudes and moral qualities as much as by their social and economic position ... the logic of the speech is the members' possession of these virtues as *individuals* rather than members of a class. As a moral category, the middle class has no material economic boundaries; anyone can belong to it through identifying with the values associated with it.<sup>10</sup>

Within this group, individual purpose was represented as anchored within the domestic context of the family and obligations to it. For Menzies, the patriotic instinct was rooted in the defence of hearth and home; the genesis of responsibility was to give one's children 'a chance in life'; the imperative behind community engagement was to be 'lifters, not leaners'. Such ideas, grounded on 'independence of spirit', real life being lived away from the public sphere and a limited role for the state, were to be progressively elaborated throughout the 1940s.<sup>11</sup> While war continued and Curtin's appeal for collective effort held sway, with the promise of a new world to be delivered through managed postwar reconstruction still resonating, Menzies' ideals gained little traction. But he had planted a seed that would flourish once attention turned from the privations of war towards the prospects for peace.

The seed was nurtured not only by Menzies but also by progressive thinkers in business. They had been willing to work with Labor governments in the total war effort. Now they envisaged a postwar world in which the benefits achieved through business–government cooperation were to be sustained by transferring the initiative from the bureaucratic managers of the war economy to private sector leaders. Such views were disseminated in an influential pamphlet, *Looking Forward*, developed by an economist, CD Kemp, and published in 1944 by a pioneering think tank—the Victorian Branch of the Institute for Public Affairs (IPA)—of which he was then director. Individual rights were represented as sacrosanct. Keynesian economics and a role for the state were accepted, but 'public works ... should be regarded as a balancing factor rather

than a permanent field of government activity'. Indeed, planning of the economy in which government maintained the initiative would lead to totalitarianism. In contrast, 'efficiency ... promoted under a system founded in competitive free enterprise ... holds out to all participants ... incentives to give of their best'.<sup>12</sup> Menzies was already closely engaged with Kemp and the Victorian IPA; their ideas would be fundamental to the program of the party he was now engaged in establishing. Menzies was dominant in crafting the policy platform for the anti-Labor cause in the election of 1943, and even more crucially in 1946 and 1949.

The work of institutional reform was pursued in concert with this development of the program for contemporary liberalism. One of the first steps was to 'ginger up' the opposition. An indicative instance illustrates the tactics Menzies adopted to insist that the UAP should act on its beliefs. The UAP had advocated that Australian conscripts should be deployed in all areas where the Japanese were to be fought. Yet despite divisions in party opinion, the leadership (including Menzies) agreed not to move an amendment of Curtin's proposal to allow for only limited deployment of conscripted militia in the South-West Pacific. UAP leader Billy Hughes—expelled from the Labor Party for proposing conscription in 1916—gained satisfaction from seeing Curtin forced to adopt this measure. He thought in time compulsion would be extended to other theatres, but an amendment at this point would see the Bill abandoned or would provoke an unwanted election.<sup>13</sup> When the Bill was debated, however, Menzies, with two colleagues, recanted. He argued that 'this is a world war and ... no limit can be set in the duty of Australia in relation to it'.<sup>14</sup>

They failed to alter the Bill, but their action triggered furious denunciation by Hughes, and some thought Menzies and his allies were damaged by their stand. But his sometime critic, media proprietor Keith Murdoch, believed Menzies 'had gained in the hearts and minds of hundreds and thousands of people in the street'. The incident provoked Hughes to call the first party meeting since his assumption of party leadership (succeeding Menzies) over a year before. There was talk among Menzies' friends of a spill of positions, which Menzies resisted: instead, he drafted a statement 'of a very frank kind about the

Government and our problems' and persuaded sixteen UAP MPs to sign it. Calling themselves the 'National Service Group', these dissidents handed the statement to Hughes on 31 March 1943. Their intention vigorously to seek party reform was apparent.<sup>15</sup>

The 1943 election saw the UAP decisively defeated. In its wake, established support organisations disintegrated. The view that wholesale party reform was now imperative became widespread. When the parliamentary party met, despite Hughes' efforts to forestall any immediate decision on leadership, his incompetence in meeting procedure led to chaos that was only quelled when Menzies suggested, with parliament to meet the following day, a leader must be chosen forthwith. He argued that 'the continuation in office of our election leaders would lead to shouts of ridicule and that the public would never take us seriously again'.<sup>16</sup> The meeting was unanimous in its support. In the ensuing contest, four candidates (including Menzies) stood; after he won half the votes on the first ballot, the rest dropped out and Menzies was elected. Remarkably, the devious octogenarian Hughes was not done: when he nominated as deputy, other contenders withdrew. The 'Little Digger' would retain some of the limelight, despite all. Press reception was cool: there were still doubts about Menzies, but he held the reins.

In October 1944, Menzies convened a unity conference of disparate non-labour organisations from all states with a core group of UAP MPs. There, as he recalled, 'I faced a state of affairs in which I must dedicate myself to bringing fourteen organizations into one, under one banner, and with one body of ideas'.<sup>17</sup> It was agreed to unite, to form one party, to be known as the Liberal Party of Australia. A second conference in December met to devise organisational principles, including that the party 'would raise and control its own funds ... free of any possibility of control from outside itself and would determine its own destiny'.<sup>18</sup> In the following year, six state divisions were launched, a federal constitution was implemented, a federal council met and a federal executive was elected, 761 branches were formed with 94 500 members, and a federal secretariat was established. The Liberal Party of Australia was formally launched on 31 August 1945.<sup>19</sup>

The Liberal Party was now committed to Menzies' leadership, largely rid of the ex-Labor element that had joined in the interwar years, and

with a national organisation and a more coherent philosophy than the UAP had communicated. It was at last in a position to challenge the Labor government effectively, or so it was thought. Early frustrations and the loss of the 1946 election were to dash such optimistic assumptions. It proved hard to encourage a pan-Australian conception of the party and to overcome state-mindedness—rivalries and disputes with local organisations intent on protecting their turf continued to fester. There were also reverses in state elections.<sup>20</sup> Menzies travelled extensively and fought the hardest campaign of his life for the federal election, but Labor prime minister Ben Chifley was equally wide-ranging and active.

Menzies called for a contest not about details but over fundamental principles: free enterprise, and recognition that development was the result of initiative, risk-taking and ambition:

These things are not produced by Government Departments ... They will be produced in the future as in the past by letting the citizen understand that there are still rewards for the courageous and the intelligent and the vigorous, and that the enterprise of the individual citizen is the essential foundation of the development of the State.<sup>21</sup>

His subtext was the threat of 'socialist' planning taking over everyday life. Chifley's message, an appeal to allow his government, having successfully managed the war, now to manage the peace and to deliver on the postwar reconstruction that had been promised, still prevailed.

Menzies and his followers were devastated by the election outcome: 'we may expect undisputed Socialist rule', he said, 'a steady weakening of the authority of the law, especially the industrial law, and continuing depression of individual initiative'.<sup>22</sup> There was speculation about whether Menzies could retain the leadership, or even wanted to do so, and comment in a draft party executive report on the election about 'a section of the people' hostile to Menzies who would have nothing to do with the party because of this. Menzies excised that comment before the report was presented. Soon after, the parliamentary party unanimously re-elected him leader. Notwithstanding disappointment and internal criticism, he still appeared 'the indisputable chief'.<sup>23</sup>

Menzies would face further frustration within his party in 1947–48, but gradually the tide turned, partly because of the growing appeal of his message (augmented by a 20-month radio broadcasting campaign leading up to the 1949 election) and partly because of the difficulties the Chifley government encountered. The Labor government had not gained the powers it thought necessary fully to pursue its reconstruction and social justice agenda through referenda in 1944 or in 1946. Its efforts to achieve more limited ends through other means led to compromise and disappointment. Australia's membership of the Sterling Bloc left it hostage to Britain's desperate financial predicament, unable to address shortages and compelled to retain rationing: the public saw this simply as pig-headed imposition of continuing control. A series of strikes, especially on the coalfields, and attempts by the Communist Party to consolidate control of key unions, were put down by the Labor government as firmly as any anti-Labor administration might have done, but provoked division in the broader labour movement and brought the 'socialist menace' strongly to popular attention. Chifley's overreaction to challenges to his government's banking legislation—his failed attempt to nationalise the banks—was a disastrous misjudgement that amplified such concerns and played into Menzies' hands. Labor's persistence in asserting that progress depended on ongoing government oversight finally provoked 'the forgotten people' to mobilise: as the *Sydney Morning Herald* remarked during the 1949 election campaign, 'the "white collar" men are fighting'.<sup>24</sup>

Then there was Menzies' message. He had spoken consistently since 1943 in terms that resonated with the 'forgotten people' speech and the themes of *Looking Forward*, and invariably articulated Liberal Party policies in those terms. This was augmented from April 1948 by the Liberal Party's astute use of radio broadcasting, lavishly funded by Australian and British interests keen to rid themselves of a 'socialist' government. Menzies' sober claims were ingeniously elaborated through a quiz program (addressing everyday individual problems with answers that drew on Liberal philosophy), and a series of fifteen-minute spots on more than eighty radio stations produced as a quasi-serial in which 'John Henry Austral' spoke for common sense and individual initiative



while ruthlessly lampooning the Labor government. It foreshadowed what was to be the most expensive election campaign in Australian history to that time.<sup>25</sup> When it came to the campaign proper, rather than simply listing promises, Menzies remarked, 'We believe that politics is a high and real conflict of principles.' 'Are we', he asked,

for the Socialist State, with its subordination of the individual to the universal officialdom of government, or are we for the ancient British faith that governments are the servants of the people, a faith that has given fire and quality and direction to the whole of our history for 600 years? ... In 1946 you could vote Labor, reasonably supposing that it was a party of reform and not of socialisation. In 1949 it is clear that a Labor vote is for the socialist objective and nothing else.<sup>26</sup>

For all the battle over policy detail that ensued, it was this message, invoking individual freedom and ambition in the face of the socialist menace, that was most influential (as pioneering pollster Roy Morgan and Chifley himself later remarked<sup>27</sup>). The Coalition, now led by the Liberal Party, won the 1949 election. The seed Menzies had planted in 1942 had flourished. Now the task was to ensure his authority in government.

Despite his remarkable achievement in effectively founding a new party, Menzies' authority initially was not as assured as it would later appear. Even with an influx of new Liberal MPs in 1949, there remained sceptics in the party, with reservations based on his earlier prime-ministerial performance. And the new Liberal MPs themselves, more zealous about free enterprise than was Menzies, were frustrated by his willingness to heed the advice of those public servants inherited from the Curtin–Chifley era. There were to be close-run elections in 1951, 1954 and 1961, as we will see. Paradoxically, his governments were most productive in roughly the first eight years, but his authority was only to become certain towards the end of that period. And it was in the 1960s, when his party and parliamentary supremacy was beyond question, that questions about what his governments had actually done began to bite.

Five elements undergirded the authority Menzies eventually wielded. First, the ameliorative liberalism he espoused in the 1940s—that is, a liberalism that put the individual first, but insisted that with every right came a responsibility and acknowledged a role for the state in mitigating the effects of misfortune, or the omissions of markets—now translated into a policy program for managed prosperity for which the electorate gave the Coalition credit. Second, the Cold War played into Menzies' hands: the communist threat confirmed dire predictions Menzies had made during the 1940s (and now he predicted a third world war); and internal divisions over communism split the Labor Party, with a proportion of the Catholic Labor vote syphoned off by the emergent Democratic Labor Party (DLP) and delivered to the Coalition via second preferences. Then Labor leader Herbert Vere 'Doc' Evatt's erratic performance in responding to these challenges gave Menzies the ammunition to destroy him, and the means of heightening ideological divisions. Third, Menzies proved much more adept at managing colleagues than in his earlier incarnation. In particular, his effective working relationship with the Country Party was in stark contrast with the antipathy exhibited earlier in his career and, despite some rocky passages, ensured the survival of the Coalition. Fourth, his trust in and reliance on his public service advisers established a pattern for executive–public service relations. And finally, Menzies' ability to absorb information, handle a brief, deliver speeches (whether prepared or extemporaneous), and perform with both wit and controlled aggression, and his sheer experience, made him a parliamentary performer without peer.

### **Managed Prosperity**

The postwar decades are frequently characterised as a golden age of relative stability and economic growth and, by some, as evidence of the wisdom of Menzies' rule.<sup>28</sup> Economic historians offer a more sober account, in which Menzies and his governments scarcely figure; Ian McLean, for instance, concluded that 'Domestic economic management was such as to do no serious harm, no small achievement in itself, though it is doubtful it can be accorded a major role in securing the prosperity Australians enjoyed'.<sup>29</sup> Menzies was blessed in taking office

when he did. The catalyst for much of the prosperity over which he presided lay in events that preceded his term of office. Wartime industrialisation and diversification; the augmentation in the scale, location and composition of manufacturing to satisfy war demands; and the increase in technical sophistication it required were preconditions for the growth that followed. Much closer economic relations (and a mutual aid agreement) with the United States in promoting the Pacific War saw Australia emerge in an enhanced financial position when hostilities ended. The migration program introduced by Chifley's government in 1946 would provide the labour needed for development. The liberalisation of trade in commodities following the postwar General Agreement on Tariffs and Trade (GATT) advantaged Australia. Pent-up domestic demand—a 'backlog' accumulating since the Depression and then held in check by wartime restrictions—in combination with population growth (migration plus a 'baby boom') would accelerate consumption, providing incentives for innovation and large-scale investment. This momentum was not unique to Australia: the international economy flourished, and Australia was integrated into the global trading system, so it shared in a general postwar boom.<sup>30</sup>

In four respects, however, Menzies framed and facilitated that Australian prosperity. First, Menzies' administration was as committed to national development as the Labor governments of John Curtin and Ben Chifley had been, but the aim now was not government dictation of how that was to be achieved, but rather to 'help the individual to help himself, to create a climate ... favourable to his activity and growth'.<sup>31</sup> Second, Menzies agreed that there must be partnership between government and business, but not with the sort of 'directorship' once envisaged by Labor's reconstruction planners. Bureaucrats in government employ should work with, not dictate to, the entrepreneurs whose energy and initiative would drive the economy: enterprise should lead. Third, that did not, however, mean that planning, regulation and intervention were irrelevant: 'Where government action or control has seemed to us to be the best answer to a practical problem, we have adopted that answer', said Menzies. 'But our first impulse is always to seek the private enterprise answer.'<sup>32</sup> Fourth, the tolerance of government action was accompanied

by an acceptance of the expanded bureaucracy (and indeed many of the personnel) recruited in the 1940s. This in turn meant that Keynesian econocrats would continue to flourish relatively unimpeded, save that programs and spending would be directed not towards the provision of welfare and benefits (as Labor had intended) but oriented instead to encouraging enterprise and the subsidisation of private choice.

Housing policy illustrates the Menzies government's approach to the social dimension of economic management, and its departure from the initial postwar reconstruction model. Australia had emerged from depression and war with a housing crisis. Labor in government had focused upon public provision, believing that private enterprise did not have the capacity to meet the shortfall. It negotiated a Commonwealth-State Housing Agreement (CSHA) in 1945, under which the Commonwealth offered low-interest loans to the states for housing construction, primarily for rental to low-income families. Targets were set, but rarely were Commonwealth aspirations met.

For Menzies, housing was not just a practical issue but a marker of liberal values. It had been a critical element in his 'Forgotten People' broadcast. There, he emphasised the home as the foundation of national life, the redoubt of the family and the product of (and reward for) individual enterprise.<sup>33</sup> It was an appeal resonant with long-term Australian values concerning home ownership.<sup>34</sup> It was congruent with current experience: where governments could not deliver, you must do it yourself—and many did. And this chimed with the pioneer legend, a reaching back by resourceful individuals to the energy and improvisation of the imagined past.<sup>35</sup>

It was not that Menzies' government vacated the field. Rather, it adopted policies that promoted private investment and consumption. The long postwar boom underwrote just such an approach. Under Menzies, CSHA funding was redirected. Instead of the focus on public provision for rental purposes, especially for those on lower incomes, there were new measures in 1956 allowing Commonwealth funding to be made available to building societies for home lending, the introduction of a home savings grant scheme a little later, and in 1965 the introduction of national housing insurance to encourage lenders to offer loans at

a higher level against valuations.<sup>36</sup> Here was the public subsidisation of private choice in full flower. Menzies saw it as a reassertion of the ‘proper’ relations between federal and state governments<sup>37</sup>—provision for the disadvantaged would be left to independent state housing commissions, undermining Labor’s attempt at an integrated plan for public housing. Suburbanisation was entrenched. Rates of owner occupation rose dramatically. Arguably there was a democratisation of home ownership and a recognition by the left of the advantages of suburban life for the ordinary Australian.<sup>38</sup> The housing story of the 1950s and 1960s was widely rated a success, and redounded to Menzies’ credit. Until, that is, its unforeseen consequences started to bite.

The recognition and encouragement of private choice became the governing rhetoric of the 1950s, with Menzies its chief exponent. Yet, as noted earlier, there was a large measure of acceptance of public social and economic planning,<sup>39</sup> and a reliance on the public service. Menzies, in effect, set the terms of reference, then depended on his officials for policy content, delivery and implementation. It was a golden age not only for the economy, but also for ‘the mandarins.’<sup>40</sup> However, popular understanding of ‘expert’ decisions was mediated by Menzies, and always in terms intended to engage with his promise to ‘the forgotten people’.

The Menzies government combined industry protection—which, in the hands of his minister for commerce and agriculture and then trade, Country Party leader John McEwen, saw tariffs reach unprecedented heights—with at least some elements of demand management. Control of taxation gave government the means to resource major infrastructure projects (for instance, the Snowy Mountains Hydro-electric Scheme, initiated in 1949 by Chifley but brought to fruition under Menzies) and to step up public investment when private demand slackened. Population management and social engineering were endorsed; for instance, direction of migrant labour to areas of need (also introduced under Chifley). Initiatives thought central to economic development—the expansion of tertiary education (following the Menzies-initiated Murray Report, 1957), for instance—were funded by the Commonwealth. Menzies’ faith in the public sector allowed the postwar public service to play a significant role in the achievements of the Menzies era. These included

advances in relative equality, and hence social integration; mediation of the balance of advantage between different economic groups; regional equalisation through federal programs; and the near universalisation of educational access and standards.<sup>41</sup>

The incremental realisation of such aims reinforced Menzies' authority. Yet progress was not always smooth. On the one hand, the government took advantage of increasing revenues for its investment in infrastructure and to assist private investment. On the other, consumer demand driven by the 'backlog' of depression and war was allowed relatively free rein. That drove prices up and inflation was a recurrent threat. In one instance it was exacerbated by the Korean War (commencing in June 1950), when high demand for commodities, especially wool, drove a price boom. Income growth spread into the domestic economy and into increased expenditure on imports. Belief in countercyclical intervention in such cases then induced government economists to recommend 'disciplinary' measures to curb inflation and control the balance of payments. In 1951, reacting to the Korean War boom and galloping inflation, the government produced a 'horror' budget cutting public spending and increasing taxes. In a later instance, in 1960, it induced a fierce 'credit squeeze'.

The public reaction was adverse: anger and dismay were fiercely expressed in 1952, and Menzies came close to losing the 1961 election. The politically embarrassing alternation of 'hell-for-leather-expansionism, punctuated by sharp deflationary measures',<sup>42</sup> influenced contemporary perceptions of the Menzies era. More significantly, his promise that 'progress is not to be based upon the poverty or despair of those who cannot compete' was undercut: 'discipline' and deflation ensured periodic retreats from social policy.<sup>43</sup>

This 'stop-go' pattern signified the tension between Menzies' political objectives and his reliance upon the influential 'Treasury line'.<sup>44</sup> Privately, he was given to sardonic observations about 'Treasury witchcraft' and its failure to understand public relations.<sup>45</sup> But his public expression of responsible economic policy was usually dependent upon the Treasury brief. It would lead to internal conflict and policy inconsistency when, for instance, Menzies sided with Roland Wilson (secretary of Treasury)

in Wilson's periodic conflict with John McEwen and Jack Crawford (secretary of the Department of Trade), and with influential economist HC 'Nugget' Coombs (successively governor of the Commonwealth Bank, 1949–60, and the Reserve Bank, 1960–68), over who should exercise authority in the provision of economic advice. It would reach its apogee when Menzies, on the advice of Wilson, impugned the 1965 report of a Committee of Economic Inquiry (chaired by Dr James Vernon) that his government had established in the wake of the 1960–61 credit squeeze. The Vernon Inquiry recommended the establishment of an Advisory Council on Economic Growth, but Wilson would not brook an alternative source that might challenge Treasury and Menzies killed it.<sup>46</sup>

In overall terms, however, notwithstanding episodes of disenchantment, the public was willing to accept that the Coalition government was author of their improving economic circumstances—real GDP increased at an annual average rate of 4.2 per cent in the 1950s and 5.1 per cent in the 1960s<sup>47</sup>—and Menzies could persuasively be represented as the architect of their good fortune. He was blessed indeed.

### **'The Great World Struggle'**

There has been a long tradition of Australian anti-socialism—George Reid's Free Trade Party adopted the anti-socialist banner in 1906. Menzies was schooled in this tradition. But liberals continued to defend freedom of opinion and expression, even when they abhorred an opponent's philosophy, as did Menzies until the late 1940s. By then, however, influenced by the deteriorating relations between East and West, and by Australian and overseas strategic analyses of the emerging Cold War, Menzies had come to believe in the imminence of a third world war in which a communist fifth column would undermine Australia. His initial diffidence about banning the Communist Party when first urged by Percy Spender and other party stalwarts to do so was overcome. Communists now represented a threat so extreme that the liberal commitment to defending civil liberties had to be set aside. Menzies declared in his 1949 election campaign: 'The Communist Party will be declared unlawful, and dissolved'. He promised that illegality would be attached to any new association following communist tenets, and members of the

Communist Party would be disqualified from government employment and from office in any registered industrial organisation.<sup>48</sup> Once elected, he commenced implementing these proposals.

The Cold War was another gift for Menzies. The notion of a continuing crisis of national defence and of the state action (and decisive leadership) necessary to address it was not peculiar to Australia, but it was well suited to Menzies' purposes. The Korean War gave real point to the threat he had forecast before the 1949 election. The encouragement of a mentality favourable to a security state afforded him means of reinforcing his image as a strong leader. His access to secret intelligence gave him the whip hand in parliament and in the media. The huge investment in defence added to the inflation roller-coaster, but it also allowed for continued government intervention in the economy in ways that served his interests. As prosperity increased, the threat that all that had been gained would be swept away by the enemy remained a potent incentive to stay the course with the Coalition.

Above all, the anti-communist crusade led to the disintegration of effective opposition from Labor and provided the platform on which Menzies would destroy its leader, 'Doc' Evatt. The confluence of these strands further ensured Menzies' ascendancy. Critics have argued that Menzies' utilisation of what he called 'the great world struggle' was entirely opportunistic, a cynical, orchestrated strategy for defeating Labor.<sup>49</sup> His biographer, AW Martin, however, demonstrates persuasively that this is to oversimplify what was core to Menzies: his conviction that there would be another war.<sup>50</sup> Menzies could undoubtedly see the advantage Cold War politics delivered to him, and his astute political calculation played its part, but it was also a crusade driven by belief and principle.

The demand for 'semi-war' preparations and industrial capacity to provide for potential conflict was another incentive for commitments to increased productivity, technological development and industry protection that shaped postwar economic development. Menzies wanted defence and development, 'guns and butter', all at once. The Snowy Mountains scheme, for example, was not only represented as an investment in necessary infrastructure but also as meeting the power shortage



necessary for defence. High spending exacerbated economic volatility, which constrained Menzies' ambition. He could not reproduce a United States style security state in Australia. Pursuit of these twin goals led not only to an overheated economy—inflation and currency instability—but also to constrictions on productivity related to the domestic consumer backlog. Yet Menzies could use the rhetoric of Cold War challenges to gain public support for sacrifice, and the desperate need for action as an excuse for failing to introduce stronger anti-inflationary measures. Cold War imperatives were thus married to developmental aspirations and to managed prosperity.<sup>51</sup>

In conjunction, there was the determination to outlaw the Communist Party of Australia (CPA). In 1950 the government introduced legislation with that objective, relying on the Commonwealth defence power. The CPA and some unions immediately initiated a constitutional challenge. In March 1951, the High Court declared in their favour, finding that the Act was invalid in that it was aimed at specific persons or bodies rather than regulating or proscribing specific conduct, the factual nature of which should be tested by courts.<sup>52</sup> The government then decided to take the issue to the people. A referendum to change the constitution would be conducted following an early election.

Menzies triggered a double dissolution election to take place on 28 April: Labor, he said, had 'used its Senate majority to slow down the machinery of government; and did violence to our legislative programme'.<sup>53</sup> The impending referendum was mentioned in his policy speech, and the government was returned on a strongly anti-socialist platform. A confidential internal report by state secretaries of the Liberal Party would later record their belief that anti-communism had been a significant factor in the Coalition victory.<sup>54</sup> The referendum, proposing the addition of a new section to the constitution to empower the Commonwealth Parliament to make laws in respect of communists and communism where this was necessary for the security of the Commonwealth, was to take place on 22 September 1951.

Evatt may well have been torn between his awareness that the referendum threatened the stability of the Labor Party, given the intense anti-communism of its Catholic supporters and MPs, and his

international reputation as an advocate for human rights and civil liberties. He had, when attorney-general in the Chifley government, been a notable agitator for such causes and an assertive participant in the establishment of the United Nations. Should party welfare or high principle (and personal reputation) govern his action? In the event, he opted to lead the 'No' campaign, and with such success that it delivered an improbable victory. Just three months before the referendum, 80 per cent of respondents in a Gallup Poll had said they were 'likely' to vote 'Yes' to a proposal to ban the CPA. And during the campaign, the press was almost universally hostile to Evatt and his cause (though his speeches, like Menzies', were regularly reproduced).<sup>55</sup> Yet on the day the national vote registered a slim majority 'against' Menzies' proposal (2 370 009 vs. 2 317 927 'for'), albeit with a significant informal vote. Only two states, Queensland and Western Australia, supported the measure. The loss was a setback for Menzies, but it had the effect he may well have predicted: it would, in conjunction with Evatt's mismanagement of his colleagues, provide further momentum towards the disastrous split in Labor's ranks that was to follow.

There were remarkable parallels between Menzies and Evatt. They were born in the same year, 1894. Though neither was from a particularly disadvantaged family, each had gained educational benefit, and escape from their small town origins (Jeparit in Victoria and East Maitland in New South Wales, respectively) by winning scholarships to elite metropolitan schools: Wesley College, Melbourne, in Menzies' case, and the selective Fort Street Boys' High School, Sydney, in Evatt's. Both were outstanding students at university and went on to brilliant legal careers. By their early thirties, each had large and flourishing practices at the bar. Evatt was appointed the youngest justice of the High Court of Australia, aged only thirty-six. He was a significant scholar as well, having completed a law doctorate (LLD, 1924, published 1936) and published three further books of legal and political history before 1940. Each had served in state politics before entering the federal sphere. Both had served as Commonwealth attorney-general and travelled overseas, beginning to attain an international reputation in that capacity, before attaining party leadership. Each thought that they were the pre-eminent

champion of liberalism (for Evatt had decided in 1915 that the Labor Party was the only party committed to 'true liberalism'<sup>56</sup>). They were, equally, inordinately ambitious and incapable of concealing it. Perhaps these very similarities provoked what became an intense rivalry: they loathed each other. Their antipathy boiled over in 1954, in the third act of 'the great world struggle': the Petrov affair.<sup>57</sup> And it was here that Menzies' distinctive advantage over Evatt became apparent.

Despite his achievements and brilliance, Evatt's fatal flaw was a persistent suspicion of, and inability to read, others. He was unreasonably demanding of inferiors, always impatient, occasionally devious, insensitive about the effects of his imperious incursions into the lives of those around him, mistrustful of anyone who might have pretensions as an equal, and passionately competitive when confronted. It was a paranoid style.<sup>58</sup> Norman Makin, a ministerial colleague in Labor's wartime governments and later ambassador to Washington under Evatt (then minister of external affairs), remarked that

it was inevitable he would come into head-on collision with any contemporary of his time ... There was undoubtedly a great inward upsurge of feeling that impelled him to do and say things which sent 'sparks flying from the anvil'. He was fearless, but failed correctly to assess an adversary.<sup>59</sup>

Menzies, in contrast, was now an adept reader of others. He had governed the arrogance that had impaired his assessment of opponents from 1939 to 1941. The accounts of those who worked with him in the 1950s, and especially his private correspondence, show him to be a close observer of behaviour, a connoisseur of gossip and an astute judge of character and motives.<sup>60</sup> He would deride Evatt's 'fitting on his shaggy brow the halo of martyrdom', and was especially attentive to accounts of his misadventures, which he translated into comic stories.<sup>61</sup> The veneer of humour scarcely conceals the malicious glee Menzies took in capturing Evatt's faults. Much of Menzies' own account of 'the Petrov Spy Case' revolved 'around the personality and actions of Evatt ... a strange and controversial figure'.<sup>62</sup>

Vladimir Petrov, third secretary at the Soviet Embassy, defected on 3 April 1954, bringing with him documents that purported to reveal Soviet espionage in Australia. Menzies had been forewarned of a possible defection by Charles Spry, director-general of the Australian Security Intelligence Agency (ASIO), in early February, but later claimed not to have remembered the name that had been mentioned. Menzies was immediately briefed when it occurred but said nothing of the defection for ten days, since ‘the formalities of diplomatic communication had to be attended to.’<sup>63</sup> Then, on the night of 13 April, only a day before parliament was to rise prior to an election he had called for 29 May, Menzies announced Petrov’s defection to the House of Representatives, and his proposal to establish a Royal Commission into Soviet Espionage. It was a revelation that appeared stunningly to confirm suggestions of communist subversion made as early as 1948 by party figures such as Richard Casey and Percy Spender, and much amplified in 1952 when the Liberal maverick WC Wentworth questioned Casey (then minister for external affairs) about a leak of confidential material to a communist paper, eliciting from Casey a reference to a ‘nest of traitors’ in the public service.<sup>64</sup> The opposition did not oppose the proposed royal commission but, significantly, Evatt—having an engagement in Sydney—was not in the House when Menzies made his announcement.

The following day, parliament’s last sitting day, Evatt endorsed the royal commission, and the opposition subsequently approved its terms of reference. However, Evatt bitterly denounced the government for its discourtesy in failing to inform him of the impending announcement, proceeding in his absence and not consulting about the workings of the commission. Menzies always insisted that the slight was unintended: he had not known in time that Evatt was not to be in the House. Whether or not that can be believed, in fact, Evatt was rarely if ever briefed on security matters. Menzies and Spry (who had been appointed early in the Menzies regime) had decided that Evatt’s unpredictable behaviour disqualified him from access to sensitive confidential material.<sup>65</sup>

Menzies, along with his colleagues, believed in the ‘nest of traitors’ hypothesis. He was well aware that ASIO kept a register of known communists and suspected sympathisers, some of whom were public

servants; indeed, Spry had reported to cabinet on these matters in 1952.<sup>66</sup> Their beliefs would eventually be vindicated: not perhaps as definitively as might have been hoped when the royal commission's report was delivered, but years later when analyses of transcripts from the Soviet embassies in London, Washington and Canberra proved there was espionage in the West and that local communists were willing agents.<sup>67</sup> The Petrov affair was not simply contrived to frame Labor. Menzies' actions were not wholly opportunistic, but, again, a mixture of conviction and calculation. The circumstances and timing of the announcement, Menzies must have guessed, would provoke Evatt's innate suspicion: he was primed to overreact.

Menzies said no more about Petrov or espionage during the 1954 election, but colleagues did so. The royal commission commenced some twelve days before the election and though no witnesses were called initially, the 'communist threat' was again brought to public attention. The government squeaked home by a narrow margin. Evatt was devastated, sure that he had been destined for victory and that the Petrov defection had been engineered to his disadvantage. When documents before the commission then appeared to suggest that members of Evatt's staff had been sources of information for Soviet contacts, Evatt was convinced of a conspiracy and sought leave to represent two of them before the commission. There he embarked on a fishing expedition and became increasingly erratic and intemperate, and his leave to appear was withdrawn. The commissioners would later comment adversely on Evatt's 'constant reiteration of vague charges of infamy', all of which 'turned out to be fantastic and wholly unsupported by any credible evidence'.<sup>68</sup>

Evatt then turned on the 'conspiracy' in his own party. For years he had done his best to conciliate the right-wing, vehemently anti-communist Catholics in the Labor Caucus. Now Evatt lashed out at them, issuing a press statement on 5 October 1954 in which he accused 'a small group' of repeated disloyalty intended to assist the Menzies government, and proposed to report its members to the federal executive for 'appropriate action' at the forthcoming federal conference.<sup>69</sup> They were, he suggested later, backed by 'an outside, semi-fascist body' financed by big business and Liberal politicians.<sup>70</sup> His target was the

Catholic Social Studies Movement, inspired by BA Santamaria, whose publication *News Weekly* was referred to in his public statement as their 'organ'. The Movement (as it was commonly called) had infiltrated the Labor Party's own Industrial Groups, intended to combat communist influence in trade unions. Evatt's earlier conciliation of Movement activists and the 'Groupers' having failed, they now became the target of his rage and frustration.<sup>71</sup>

Anti-communists in the party, already unsettled by Evatt's role in the 1951 referendum campaign and dismayed by his performance at the espionage royal commission, were provoked beyond measure by his statement. Simmering tensions between more and less radical factions in the party now erupted into a self-destructive civil war. Over the next year, splits occurred in most state branches and at the federal level, leading to the creation of the Australian Labor Party Anti-Communist (ALP-AC), which later became the DLP. The ACL and later the DLP would thereafter direct second preferences to the Liberal Party: Labor was about to be driven into the wilderness.<sup>72</sup>

When the royal commission's final report was debated in October 1955, Evatt tried again to revive his case—this time with the advantage that the report, while finding evidence to sustain the case that espionage indeed took place, found nothing that could lead to charges against any Australian individual being laid. Here, surely, was the proof that it was all an attempt to discredit himself and the Labor Party. Yet again, he seriously misjudged the situation, producing a long, fevered and at times incoherent speech, traducing ASIO and the commissioners—and in the course of which he remarked that he had written to Russian foreign minister Vyacheslav Molotov asking if certain documents Petrov had produced were genuine, and that Molotov had replied that they were forgeries, fabricated on the instructions of 'persons interested in the deterioration of Soviet–Australian relations'.<sup>73</sup>

Opposition members, who had been given no warning, were stupefied; the government benches dissolved in laughter. The speech Menzies made in reply was brilliant, forensic in its demolition of Evatt's argument, and exceptionally cruel.<sup>74</sup> The reference to Molotov, he remarked, will 'satisfy all sane and sensible people that the right honourable gentleman,

suffering from persecution delusions, is introducing us into a world of sheer fantasy'.<sup>75</sup> His closing riposte was that 'honourable public opinion' would acquit those whom Evatt had vilified in his speech.

But the same honourable public opinion will not acquit the man who made these reckless and villainous charges ... I am therefore compelled to say that, in the name of all these good and honourable men, in the name of public decency, in the name of the safety of Australia, the man on trial in this debate is the right honourable gentleman himself.<sup>76</sup>

The next day in what, given the circumstances of previous weeks, amounted to a theatrical climax, Menzies announced that he had advised the governor-general to dissolve the parliament and to call an election for the House and for half the Senate, to take place on 10 December 1955. It had been just eighteen months since the 1954 election. The official rationale was that a Senate election was necessary by 30 June 1956; this would bring the elections for both Houses into alignment. Menzies also referred to needing a mandate to solve the present 'economic crisis'. It was evident to all that the government was seizing an advantage—Evatt denounced the reasons given as a deception—but even the Labor deputy leader, Arthur Calwell, conceded that the tension and excitement of previous weeks had made parliament unworkable and an election would 'clear the air'.<sup>77</sup> At the 1955 election, the government achieved a secure majority, assisted by the preferences of the ALP-AC. Menzies believed that Evatt's 'strange advocacy' had been 'most damaging to his own party' and that he 'had ruined himself as a real political force'.<sup>78</sup> No doubt, that had been exactly Menzies' intention. 'The great world struggle' had delivered an immense domestic dividend.

### **Commonwealth Statesman**

Menzies' ambition was not limited to the domestic sphere. The drive that led him to travel to London in the early years of World War II, to be at the centre of affairs rather than at the periphery, with such cost to his party and eventually to his reputation, remained unabated. Now the energy with which he engaged in 'the great world struggle' was a signal

to those he identified as ‘great and powerful friends’<sup>79</sup> of his eagerness to be seen as one with them. This time, his effort was not solely to gain entry to the British power elite but to be seen as a leader in the British Commonwealth. From that vantage, he could influence not only other Commonwealth countries but also the important ‘powerful friend’, the United States. It was a rational calculation. Menzies would gain more traction and more attention as a leader in such a transnational collective than he would speaking for Australia alone.

Menzies succeeded in building an international reputation as a Commonwealth statesman. Arguably, it was an instance of strategic decision making—adopting one tactic for the international audience, and another for domestic consumption where there was growing concern about regional relationships. However, while Menzies could offer a tenable defence against the charge that his governments were not sufficiently alert to the geopolitical realities of Australia’s region,<sup>80</sup> the focus on London and Washington that ensued profoundly shaped Australian foreign policy in the 1950s and 1960s. He never missed Commonwealth Prime Ministers’ Conferences, and invariably extended these trips to visit Washington. He became friends with successive British conservative prime ministers, Anthony Eden and Harold Macmillan. He met with every American president and developed close relations with their advisers, such as Dwight Eisenhower’s secretary of state, John Foster Dulles—Menzies’ facility as a persuasive advocate of their interests made him a valued public speaker in both countries.

Australia’s loyalty ensured some access to the intelligence resources of these Cold War allies. Certainly Menzies’ engagement—sometimes as an intermediary—in the complex interrelations between these parties gained him international recognition and a stature that could be represented in Australia as serving strategic interests, especially by encouraging continued US engagement in the Asia-Pacific region. He was well aware of Australia’s reliance on American power, but privately he still felt that moral leadership depended on Britain, as he assured Macmillan in 1959:

deeply as I respect the Americans and realistically as I understand their immense power and significance, I have for a long time felt that they



are not yet ripe for the intellectual and spiritual leadership which many people have assumed they can give. Great Britain still has the major resources in this field.<sup>81</sup>

Menzies impressed Australia's allies. The American ambassador to Australia, in advance of Menzies' first official state visit to the United States following the 1955 Prime Ministers' Conference, reported back to the president's counsel that he was 'easily the coming spokesman of the Commonwealth: one of the most effective advocates I have ever seen in action ... We are fortunate in having such a friend'.<sup>82</sup> And in 1959, in a speech reported in Australia, Macmillan would describe him as 'perhaps the greatest figure in our Commonwealth today'.<sup>83</sup>

Such alliances led Menzies to commit Australian military support to the United States in the Korean War almost immediately it was announced in 1950; to Britain in its battle with communist insurgents during 'the Malayan emergency' between 1950 and 1960; and to the US intervention in Vietnam in 1962. He was easily persuaded to agree to a British request to conduct atomic tests in Australia between 1952 and 1963: Menzies took the decision unilaterally but met no resistance in cabinet. The hope was that this would lead to a sharing of nuclear technology: it was never realised. 'Blind loyalty'<sup>84</sup> was also said to be the catalyst for Menzies agreeing to lead a delegation to Egypt to negotiate a means for ending the Suez Crisis in 1956.

The Suez Crisis arose when the Egyptian president, Gamel Abdel Nasser, having been rebuffed in attempts to raise finance from Western powers to build new infrastructure, decided in July 1956 to nationalise the Suez Canal and use shipping tolls as an alternative source of funds. The canal, a major artery for international trade, had been managed by a French/British consortium since 1869 under a 99-year agreement with Egypt. After Nasser's announcement, the British and French were intent on restoring their control, but as an outcome of a hastily convened international conference, they agreed to a plan devised by Dulles to explore Nasser's willingness to entertain negotiations that could lead to a new convention governing the canal. It was agreed that Menzies should lead a small international committee to open discussions with

Nasser. Menzies, against the advice of his own ministers, Richard Casey (external affairs) and Philip McBride (defence), had given unconditional support to the British position and been an outspoken participant in the conference. He insisted that he had nothing to do with the decision that he should lead the delegation: he had been 'drafted' by British prime minister Anthony Eden and Dulles.<sup>85</sup> In the event, he was caught between his loyalty to Britain and US determination that armed force was to be avoided. Before discussions with Nasser concluded (during which Menzies had already informally warned him of the possibility of military intervention if amicable agreement could not be reached), president Eisenhower unconditionally rejected the use of force. Nasser rejected the delegation's proposals.

In early November, Britain and France, in collusion with Israel, invaded Egypt. The intervention was short-lived: immediate US censure and UN intervention along with isolation by the diplomatic community forced their withdrawal, and in March 1957 the canal reopened under Egyptian control. Britain's pretensions as a world power were shattered. It effectively ended Eden's career and forced his successor, Macmillan, to focus on the restoration of US relations. And, though he would never admit it, it was a debacle for Menzies. The pessimistic forecasts of his more pragmatic colleagues, Casey and McBride, were confirmed. Menzies, despite his efforts, was not forewarned of the British and French invasion. Nasser's insistence during negotiations that what was proposed to him by Menzies' committee amounted to colonialism struck a chord with developing nations, including those in the Commonwealth. This was a catalyst for battles to come. And at least some of the Liberal-oriented progeny of 'the forgotten people' were so outraged by Menzies' participation in the British reversion to 'the jungle of power politics, imperialism and nationalism' that it sparked a transition to a lifelong affiliation with the Labor Party.<sup>86</sup>

The Commonwealth architecture to which Menzies had been so committed began to crumble. In part it was simply the dawning reality that Britain had been seriously weakened as an economic power: it could no longer afford, for instance, to be strong in both Europe and Asia. It was also because former colonial dependencies were alert to anything

they perceived as signifying a residual colonial mentality among the Commonwealth's senior statesmen. Having been anointed as such, Menzies took his role as an adviser to leaders of 'less mature' polities (precisely the category in which he had placed Nasser<sup>87</sup>) seriously. It was not always appreciated. And in 1960, when he took up the cudgels for his 'great and powerful friends' once more at the UN General Assembly—Menzies having now assumed the external affairs portfolio himself—he was again depicted as on the wrong side of history.

After a breakdown in US–Soviet summitry, Indian prime minister Jawaharlal Nehru had proposed a motion at a special meeting of the UN General Assembly on behalf of five 'neutralist' nations calling for renewed contact between Eisenhower and Nikita Khrushchev. Having taken no advice from his own officials, attorney-general Garfield Barwick (who Menzies had initially sent to lead a delegation to the meeting before belatedly deciding to attend himself) and James Plimsoll (Australia's representative at the General Assembly), Menzies moved an amending resolution. It would expand the summit to include Britain and France alongside the United States and Russia, but without regard for the non-aligned nations supporting Nehru's motion. It had been discussed with Eisenhower and drafted in consultation with Macmillan and the US State Department. It attracted only five votes and precipitated a furious denunciation from Nehru in the assembly. According to Australia's US ambassador, Howard Beale, Menzies never forgave Macmillan and Eisenhower for this 'great humiliation'.<sup>88</sup>

In 1961 Britain played an equivocal role in South Africa's departure from the Commonwealth, despite Menzies' efforts to retain its engagement. When Macmillan then handed the chair of the Prime Ministers' Conference to Nehru rather than to him, Menzies was deeply offended. His disillusion with Macmillan was complete and he now despaired about the Commonwealth's future. 'If I survive the next election', he told his staunch ally Eric Harrison, formerly the Liberal deputy leader and now high commissioner in London, 'I will not be in a hurry to attend another Prime Ministers' Conference in which the balance of power has changed so much and in which my own views have become so relatively unimportant'.<sup>89</sup>

As his international dealings made evident, Menzies maintained a hierarchy of values the assumed superiority of which relegated other positions to inferior status. His statement that the Americans were not yet ready for spiritual leadership was as nothing relative to the condescension visited on 'lesser' civilisations. Egyptians, he said well before the Suez fiasco, were 'a dangerous lot of backward adolescents mouthing the slogans of democracy, full of self-importance and basic ignorance'.<sup>90</sup> And his telling interpretation of Nehru's harsh criticism of his role at the UN was that it revealed how thin the civilised veneer was: 'He sneered, he distorted what I had said, he was grossly offensive. All the primitive came out in him.'<sup>91</sup> AW Martin makes the case that Menzies' attitudes were simply those of a man of his times,<sup>92</sup> and yet some colleagues, equally committed to great power connections, such as Paul Hasluck, Garfield Barwick and Richard Casey, not to mention their senior officials, were more attuned to how the times were changing. Their advice was ignored. At a time when the British themselves were attempting to deal with decolonisation through the Commonwealth, which was surely Macmillan's objective, Menzies' unreflective assertion of superior British values was bound to be wrong-footed in the end.

Yet Menzies, advantaged by the postwar situation in which Australia adopted an independent voice rather than allowing its international relations to be refracted through the British Foreign Office, undoubtedly spoke for what he conceived to be Australian interests. Empire loyalty and common cause with desired allies were factors, as was his ambition to be seen as a statesman, but he was motivated by national interests. He was sometimes humiliated when acting on what he took to be the shared concerns of great and powerful friends, yet it is an oversimplification to assume he was driven simply by deference. The Commonwealth was for him not just a valuable association but also a platform from which he gained a vantage not available to him simply as the Australian prime minister. It was not his only platform: he travelled tirelessly and worked hard to build the alliances and gain admission to the councils on which Australian foreign policy would rely in the postwar decades. He won considerable regard in doing so. From the earliest years of his administration, he set a benchmark in international engagement that later prime ministers would strive to emulate.

### **Menzies' Boys**

One of the striking features of the way in which Menzies worked was his trust in and reliance on the public service. He profited from the institutional development that had taken place under John Curtin and Ben Chifley, but established a pattern of relationships between the bureaucracy and the executive of which Stanley Bruce—an earlier prime minister committed to the 'science' of administration—can only have dreamed, and that has scarcely been matched by any of Menzies' successors. It gave 'the seven dwarfs'—notable bureaucratic chiefs of great intellect but short stature—the scope to drive the professionalisation of the Commonwealth public service.<sup>93</sup> Douglas Copland, the economist who had advised every prime minister from Bruce to Menzies, remarked during Menzies' first prime-ministerial term that he spent more time with his 'experts' than with his ministers.<sup>94</sup> It was a pattern that would become amplified during his second term. John Bunting, later secretary of the Prime Minister's Department (PMD), but one of the bright young men who had been recruited to the Department of Post War Reconstruction in the 1940s, observed that during his period of opposition leadership, Menzies was in the habit of catching up with senior bureaucrats in King's Hall as they passed to and from their ministers' parliamentary offices. He took it as a sign of the neutrality that Menzies ascribed to senior public servants: their loyalty to the government of the day was taken for granted.<sup>95</sup>

Once in power again, Menzies resisted pressure from his party colleagues to dispense with senior officials who had been influential in the period of Labor's ascendancy, and was proud of it.<sup>96</sup> Nugget Coombs, architect of much of Labor's postwar reconstruction agenda, and Peter Lawler, a young public servant and member of the Labor Party, each had cause to testify to Menzies' assumption that they could serve his government just as efficiently as they had his predecessors, despite their political allegiance.<sup>97</sup> Tony Eggleton recalled his surprise at Menzies' remarks when he went to see him as a candidate to join Menzies' office as press secretary:

He said, 'I don't know anything about your politics and nor do I want to know ... I don't mind what your politics are: the only thing is, do

you feel comfortable about working for me and my government? And, if you are, that's, that's all I need to know'. And then, as I got to work with him, he said ... a number of times, 'Oh, I'd like you to ring so and so in the Department to get this piece of information ...' And he'd say, 'Oh, it's interesting ... he's a Chairman of one of the ALP branches in Canberra ... If you hear he's a Labor fellow, don't worry: he's a very good chap'.<sup>98</sup>

'Stiffly formal in address until a newcomer was accepted', said one of his private secretaries, William Heseltine, 'the process of acceptance once made was complete. We were admitted to meals, to meditations, to family life and to the joys and discomforts of travel in a way both complete and immensely flattering'.<sup>99</sup> The trust and confidence Menzies extended to both his staff and his senior officials allowed some of them to join an inner circle to which few of his political colleagues had access. They became part of his special 'family'.<sup>100</sup> And like family, they were as concerned with Menzies' health and wellbeing as with policy objectives. Thus, Allen Brown, a Coombs recruit, appointed initially as secretary of PMD by Chifley, and ever a consummate professional, would implore Menzies not to attend the 1952 Commonwealth Economic Conference despite its 'intrinsic importance' for Australia: 'You know that you are run down physically and very tired; you are picking up every stray wog and finding it very difficult to get rid of them ... Going to a northern winter and the fog of London cannot improve this'.<sup>101</sup> Implicit in Brown's message, and clearly expressed by Heseltine, was that 'one of the remarkable things about this rather shy, cold and detached man is that he was capable of evoking the warmest feelings of affection in all who worked for him'.<sup>102</sup>

John Bunting, who succeeded Brown as secretary of PMD in 1959, gives the fullest account of how this affection tempered working relations: 'the boys' (as Bunting called them) were not only his advisers but his companions.<sup>103</sup> 'He enjoyed their company as much as he appreciated their official ministrations.' But there were limits: it was 'a personal, though not undue official friendship'.<sup>104</sup> A suitable distance between ministers and senior officials was to be observed. Nonetheless,

Bunting observes, for Menzies 'talking was relaxation' and, especially on his frequent and gruelling international trips, at the end of the day 'Menzies looked for "the boys"—and companionship'.<sup>105</sup> 'The boys' knew their place, their duty to the boss and what was expected. The ambitions of politicians on the other hand, except for those few whose allegiance to Menzies' cause was always clear, had to be managed: they might turn on him as they had once before; he might be forced to disappoint their aspirations; and the best of them might eventually be his rivals.

Ben Chifley, that 'expert in human relations', had achieved full rapport with the senior public service.<sup>106</sup> Menzies, with little of Chifley's gift, might have been expected to falter. Instead, by manifesting trust, respecting professionalism and expecting integrity, he too achieved just such a rapport. It was this approach that, as Alan Davies noted, saw a 'relatively free hand given to bureaucrats in running their enterprises; the reliance on experts ... a high level of bureaucratic innovation'.<sup>107</sup> In Paul Hasluck's view,

it was Menzies who was mainly responsible for seeing that the Commonwealth Public Service was re-established after the war as an efficient, non-partisan and self-respecting institution. This was among his major achievements. Through him, too, some of the greatest public servants in Australian history found the opportunity throughout the 1950s and 1960s to make their own independent contribution to Australian government and maintain the traditional place of the public service in the government structure.<sup>108</sup>

Bunting, endorsing another senior official, Jack Crawford, makes the case that it was

an integrated enterprise ... between the Prime Minister (and ministers) and public servants. From this integrated effort came, without fuss or advertisement by the officials, a great deal of the material that was translated into policy by the Government, and led to much of the achievement of the whole Menzies period.<sup>109</sup>

A consequence of the reliance on senior officials was that Menzies' prime ministerial office (PMO)<sup>110</sup> remained small, though equally bound to him by affection and loyalty. Heseltine, in the mid-1950s, served as Menzies' private secretary (seconded from PMD) and noted that there was a personal secretary, Hazel Craig (who had worked for both Curtin and Chifley); a press secretary, Hugh Dash (who was also assisted by a secretary); three typists (one of whom managed the office switchboard); and two cabinet room attendants—a complement of nine. Dash was something of a court jester, but he also served as Menzies' 'eyes and ears in the ... press gallery—and indispensable late night drinking companion and competitive raconteur'.<sup>111</sup> There was no place in his office (or those of any other minister) for a 'political appointee'.<sup>112</sup> Years later, towards the end of Menzies' final term, when Eggleton joined the PMO, little had changed. The office remained small, and all policy advice came from the PMD.<sup>113</sup>

The 'integrated enterprise' between the executive and senior officials did not mean that all things ran smoothly. Menzies did not invariably accept advice from his cabinet colleagues, or 'the boys', especially when their pragmatism was at odds with his values and ambitions in relation to the Commonwealth, his relations with 'great and powerful friends' or the utility of the UN. At times, Menzies may have wished that his occasional expression of private misgivings (the sarcastic comments about Treasury witchcraft peppering his letters<sup>114</sup>) had translated into public action, for instance in relation to accepting the advice not only of Treasury but also 'the boys' that led to the 1961 credit squeeze, substantial public dissatisfaction and near defeat at that year's election. The relatively free hand given to bureaucrats may well have allowed 'the seven dwarfs' to make substantial independent contributions to policy; it also led to clashes between some big egos. Roland Wilson's fiercely combative promotion of the 'Treasury line' led not only to intermittent warfare with Jack Crawford (and John McEwen) over trade policy, but to the dismissal of the government-commissioned Vernon Report. Allen Brown's aspirations to give the PMD powers more effectively to coordinate others and to serve as an independent source of advice to the prime minister had Menzies' support. Yet the staffing changes this



entailed were thwarted by the chairman of the Public Service Board, Fred Wheeler. 'Independence' when it came to economic analysis was continually obstructed by Wilson. Nonetheless, Brown had succeeded in persuading Menzies of the importance of a more activist department with a broad policy role. Menzies issued a memorandum in 1955 that expanded the services PMD was to provide to the prime minister, fundamentally altering the functions of the department. It would take decades for Brown's vision to be realised, but the groundwork had been laid.<sup>115</sup>

On the matters that were closest to Menzies' heart—a robust public service, promotion of higher education, and the development of the national capital—and for which he would later claim credit, the influence of 'the boys' is indisputable. His pride in his contribution to the development of what he persisted in calling the 'civil service' was manifest, and his periodic and astute reorganisation of cabinet and administration were significant, but the drivers of improved administrative practice were figures like Allen Brown and his successors.<sup>116</sup> The 'heroic' representation, to which Menzies' own account contributed, that he had saved Australian universities in the late 1950s through initiating an expert inquiry and instituting Commonwealth funding measures, was not entirely accurate.<sup>117</sup> He was initially tardy in responding to the urgings of 'the boys'; he was not the originator of Commonwealth support (it had commenced in a small way in 1943, under Curtin); he did not invent the idea of what became the Murray inquiry—for a time he opposed it. But as AW Martin points out, 'that idea developed, partly as a result of discussions among officials in his own Department and partly through the pressure of committed academic agitators ... the way was prepared for him to act when attention to the mounting university crisis became unavoidable.' And once converted, 'he used all his power in Cabinet and party to have a good committee appointed and to see that its recommendations were implemented'.<sup>118</sup> Grant Harman, having assessed the story of higher education reform, remarks that credit for the developments between 1949 and 1966 should go as much to the influential advisers of the period as to Menzies but concludes that none of it would have occurred without Menzies' strong commitment.<sup>119</sup>

The same inference could be drawn about Menzies' role in the active development of Canberra, generated not only by expert advice but also by his own frustrations with the quotidian details of dysfunction in the experience of living there, and in managing government in the 'bush capital'.<sup>120</sup> It would lead to the introduction of the National Capital Development Commission (NCDC).<sup>121</sup> Finally, even trade and industry development, in which Menzies had less of a claim to centrality than in the other three domains, was drawn into his story of achievement. He would brandish the landmark Japanese trade treaty of 1957, which economic historians now regard as 'arguably the most significant economic policy innovation during the Menzies era',<sup>122</sup> as a counter to the criticism that he had been too focused on London and Washington.<sup>123</sup> In fact, while the Japanese treaty could not have gone ahead without Menzies' endorsement and support, credit properly belongs to John McEwen, minister for trade (1956–63), and then secretary of the Department of Trade, Jack Crawford.

Indicative of the Menzies era, in all of these cases, there is a strong impress of the British connection. Brown and Bunting's refinement of PMD took advantage of visits (and staff postings) to the British Cabinet Office. When vice-chancellors suggested Sir Keith Murray, chairman of the British University Grants Committee, should be invited to lead the inquiry into Australian universities, Menzies immediately opened negotiations directly with Murray in England. Menzies himself was the prime mover in the appointment of Sir William Holford, a famous British urban planner, to advise on the development of Canberra and of the NCDC. All were later justifiably recounted as signal achievements. Only in the area of trade, where Menzies acknowledged McEwen but accentuated his own role,<sup>124</sup> was his story easily faulted. McEwen's own memoir persuasively demonstrated that he had primary carriage of the Japanese trade treaty initiative. Crawford later revealed that McEwen would have gained even better terms for Australia in renegotiating the Ottawa Agreement that had regulated trade with Britain since 1932 had Menzies not intervened to increase the level of preference afforded British manufacturers. Australian business conglomerates of the time were scathing about Menzies' perceived deference to the British Treasury, much preferring McEwen's forthright economic nationalism.<sup>125</sup>

### **The Art of Politics**

Menzies published two essays on ‘the art and science of politics’, one in 1948 before he regained the prime ministership, and a second in 1970 after his retirement.<sup>126</sup> Further experience had not changed his views. These essays capture the skill sets that he emphasised in his exercise of leadership, and can frame our discussion of how he managed cabinet, his party (and the Coalition), parliament and the public stage. He stressed that a leader must understand ‘political science’—facts, evidence, values and their institutional contexts—but then he must communicate, which requires ‘art’. He articulated ‘liberal’ values and was prepared to leave the ‘scientific’ input to ‘the boys’. His skill was in assimilating the brief they provided once the principles he advocated had been understood. For Menzies’ own preoccupation, which he universalised as the leadership role, was with the ‘art’ of politics: ‘to provide exposition, persuasion and inspiration’.<sup>127</sup>

The art of politics is to convey ideas to others ... to persuade a majority to agree, to create or encourage a public opinion so soundly based that it endures ... This means that, political science having been applied and a thoughtful and competent judgment arrived at, the art of speech or of written language becomes supreme. For good or even great ideas can be quite infertile unless they are clearly conveyed to others.<sup>128</sup>

For Menzies, then, leadership was a discursive practice, intimately tied to public performance. Talking was not only ‘his relaxation’, as Bunting observed, but also the essence of politics. It was how he managed men and created impressions. It was at its peak in parliament, which was Menzies’ natural forum. It was there that his capacity for ‘exposition, persuasion and inspiration’ flourished. He relished the public theatre it allowed. Previous Labor leaders had checked him—Curtin with his own (very different) rhetorical flair, and Chifley with laconic plain speaking that sometimes made Menzies’ judiciously contrived performance seem precious. Menzies had learned the lesson. He still prepared carefully but called more on his undeniable talent for the extemporaneous and for humour, often with deadly effect. Against Evatt he dispensed with the chivalry that had largely prevailed between himself, Curtin and Chifley.

His bent for ruthless demolition was unleashed. Once he had bested 'poor old Bert' (as he referred to Evatt privately), there were few who could take him on convincingly in the chamber.

Menzies' showmanship extended not only to parliament and the public stage but also to informal settings: Sundays at The Lodge, usually involving dinner parties with 'the boys' and select luminaries; drinks with his ministers in the anteroom after cabinet meetings; chats with backbenchers in King's Hall; discussions in lobbies at meetings of Commonwealth prime ministers.<sup>129</sup> His performance would demonstrate a command of detail, but almost always leavened with humour. He played off colleagues: Coombs described Country Party leader Artie Fadden as the ideal straight man for Menzies' amusing performance.<sup>130</sup> Joviality was intended to offset aloofness; wit was meant to disarm. In informal contexts it usually involved comic stories but could also become a weapon: his one-liners were used against interjectors; his capacity for lethal put-downs in political debate evinced flashes of cruelty he seemed unable to resist. For those regularly associated with Menzies, his anecdotes could become all too familiar;<sup>131</sup> but many continued to find them a delightful aspect of their interactions with him. Those encountering him for the first time were often captivated.

Menzies created a leadership persona, a public face that not only served to disarm, impress and manage others, but also to mask the 'shy, cold and detached man' that some of 'the boys', such as Heseltine, perceived. It also concealed the shrewd character assessments taking place. Woe betide the minion, however, who misinterpreted the jovial performance as genuine fellow-feeling. Gavin Souter notes that after Menzies the 'superb raconteur' had provoked peals of laughter from a group of backbenchers with the punchline of one of his anecdotes, one of them went

so far as to slap the Prime Minister on the back and say: 'You old bastard!' The laughter ceased. Menzies said, 'Good evening gentlemen', and left the room. As [Labor MP] Leslie Haylen wrote about a similar incident between the leader and some of his followers, 'the Godhead had withdrawn beyond the veil'.<sup>132</sup>

Menzies' marked sense of *amour-propre* was not to be breached, and his capacity to freeze out those who trespassed was yet another means of control.

In cabinet, the 'science' side of the equation was manifest in the periodic reorganisation of administration, committees and portfolios through which Menzies incrementally increased efficiency. 'Science' was also part of Menzies' preparation: 'he read his Cabinet papers and the notes prepared by his department. He always studied his brief'.<sup>133</sup> There was experimentation with high-level advisory bodies to coordinate policy. A cabinet secretariat was established and innovations in note taking and process were introduced by Allen Brown. Brown was also instrumental in Menzies' 1955 decision to split the executive, with twelve ministers of cabinet rank and ten ministers outside cabinet. Cabinet discussion was also unusually open to the incorporation of experts—departmental officials who could present material and participate in debates. That said, cabinet was intensely partisan: the likely impact of decisions in disadvantaging the opposition was manifest in discussion.<sup>134</sup>

As for 'art', the discursive mode was apparent in the frequent resort to informal, bilateral discussion outside cabinet through which Menzies, with select ministers and officials, collectively determined the policy imperatives of the day. Outside the room, in discussion, Menzies managed tensions with those who sometimes disagreed, or who felt their advice had been ignored. There was art, too, in the way Menzies constrained strong personalities and potential challengers in his ministry, frustrating their wishes (Richard Casey), arguing that regional balance in cabinet required them to remain in lesser portfolios than their talents deserved (Paul Hasluck), holding out until their patience was exhausted then offering an attractive exit option (Percy Spender, Garfield Barwick), until, having dispensed with rivals, he could exercise patronage in selecting his successor (Harold Holt). We will return to these instances.

Inside cabinet, Menzies' capacity to persuade was a combination of his skill in elucidating the principles of a position, and his ability then to 'patiently let each minister have his say and then disentangle the argument, presenting in his summing up the points that mattered

and those that were secondary and the major questions which Cabinet must first decide'.<sup>135</sup> He succeeded, argued Hasluck, not because he was authoritarian or domineering but because he was the best man there.<sup>136</sup>

Menzies' 'art' could not be exercised so easily in managing the Coalition, especially after Artie Fadden relinquished the Country Party leadership to the tough, wily John McEwen in 1958. McEwen's ruthlessness and commitment to his own departmental objectives and party interests equalled Menzies' own. And when McEwen failed to get his way, he would launch public campaigns for his policies, albeit not always successfully.<sup>137</sup> Menzies' suspicion of McEwen—whom he dubbed 'Le Noir', signifying his Machiavellian capacity<sup>138</sup>—would increase. But he could not afford again to allow the Coalition to divide in acrimony, as it had during his first prime-ministerial term. Careful negotiation and compromise rather than persuasive art were necessary.

Menzies could command the party room. His mastery of parliament and his 'creation' of the party itself overawed most Liberal MPs: the standing he had achieved carried great weight. His ability to put an argument could not be gainsaid. There was a succession of individuals with whom he engaged because of their conspicuous loyalty, or perceived talent, or they amused him.<sup>139</sup> But he did not stroll down to the parliamentary dining room to dine with his backbenchers, as John Howard later would, nor establish routines for regular availability. He would chat amiably with groups in the corridors—ad hoc contact seemed the preferred mode—but would withdraw abruptly if the interaction displeased him. And so there were recurrent stories of the backbench's dismay—significantly, in 1952 with reference to its feeling that 'Government [should] take more notice of party and public feeling, and less of the "expert" guides who have led it astray'.<sup>140</sup> In 1957, Peter Carrington, British high commissioner (and later a close friend of Menzies), reported to his superiors that 'His relations are unsatisfactory with his own backbenchers who resent what they regard as his cavalier treatment of them. He has seldom met them during the last year, and there is a growing feeling ... that they are not consulted as they should be'.<sup>141</sup> These patterns would surge and abate, but never entirely dissipate. Evidently, there was a hierarchy of those to whom Menzies would

attend in forming his views, and once 'thoughtful' conclusions had been reached, neither backbench nor public opinion would much sway him from what he knew to be 'right'.

In consequence, in the public realm too, Menzies' 'magic' was not as far-reaching as is sometimes suggested. His talent as a speaker might have been thought a signal advantage on the public stage.<sup>142</sup> It had won him great acclaim abroad. Yet there were countervailing factors at home. There was the loyalty of Labor voters, and their abiding fury at the man who had contributed so much to the division of the party. There was an undercurrent of feeling that

over small things the Government has not always had a happy touch ... a general feeling ... and Mr Menzies does not take sufficient pains to counteract it—that he is not as closely in touch as he should be with the bread and butter issues ... which affect ... the interests and concerns of the average Australian.<sup>143</sup>

Above all, there was the tutelary air of a man who, having gained the knowledge needed for the 'right' decision, was so intent on advocacy that he failed to listen to those whom he was trying to persuade.

Skill in exposition, quickness on his feet, humour and facility in dealing with interjectors could not always override these obstinate facts. Neither could his undeniable courage, manifest in a willingness to perform in circumstances where he could be assured of a hostile audience, always win over objectors. Therefore, eloquence did not always give him control of an audience, and artfulness did not invariably allow him to deal well with dissent, or to control his temper. Repeatedly, in successive campaigns, a few meetings descended into bedlam.<sup>144</sup> Yet all this notwithstanding, Menzies' 'art' meant he consistently commanded public attention. He was always the lead story.

The occasional difficulty of public meetings could be offset by Menzies' command of other means of communication. Radio delivery, at which he had proved so adept in 'the revival of liberalism', remained his favoured medium. Like Joseph Lyons, he had a talent for broadcasting. He was less comfortable with television when it arrived, but he

predicted that it would be the next important medium. And there too, once he found the formula he wanted, which was ‘to appear that he was in your living room, reasoning with you’,<sup>145</sup> he got the best of the opposition. Respondents, whatever their political preferences, agreed on his eloquence in his first televised policy speech.<sup>146</sup> Menzies might also have used the press to communicate, like Curtin, but here a distinct ambivalence cut in.

The direct communication integral to Menzies’ conception of the political art could be served by radio and to some extent by television, but he believed that the selectivity and editorial intrusions of print journalists distorted and trivialised his message. He longed for someone ‘first class’ to intervene, like Curtin’s legendary press secretary, Don Rodgers,<sup>147</sup> but overlooked the effort Curtin made to relate directly with the gallery. In fact, press secretaries such as Charles Meeking and Hugh Dash proved to be loyal intermediaries. In the early 1950s Menzies held regular press conferences, but over time they became ever fewer and more perfunctory. Only a few journalists were willing to confront him: most were afraid to trade punches with a man so able with an acerbic comeback.<sup>148</sup> He was immune to requests for comments in passing, telling importunate journalists they could learn what he had to say by listening to him in parliament. He once warned Dulles that a propensity for thinking aloud in public about alternative options rather than deciding exactly what was to be said and sticking to it allowed journalists to cherry pick what they wanted, contributing to Dulles’ reputation for inconsistency.<sup>149</sup>

Menzies’ relations with journalists in general had never recovered from his perception of their hostility towards him during his first prime ministership and in the long campaign to win power again. His suspicion concerning them fostered mood swings: he could veer from genial and friendly one day to cold, distant and contemptuous the next. His gibes against them could be cruel. He made little effort to charm the men who presented him to the public.<sup>150</sup> His variable relations with the great press proprietors were factors. He was friendly with Frank Packer (Consolidated Press) and John Williams (Herald and Weekly Times), both of whom he knighted—their papers remained effusive



in their support. He had long been close to Keith Murdoch (*Adelaide Advertiser*, *Melbourne Herald*, *Brisbane Courier-Mail* and others), who had played an influential role in the formation of the UAP and whom he had controversially appointed director-general of information at the beginning of World War II. In contrast, despite early sociable links with Warwick Fairfax, Menzies came to regard the influential Fairfax press, especially the *Sydney Morning Herald*, as consistently unfair and poisonous in its reporting on his administration.<sup>151</sup> In the end, through patronage on the one hand and a war of attrition on the other, Clem Lloyd concluded,

Menzies established an ascendancy over the Gallery as absolute and assured as his dominance of parliament, ministry, party and electorate ... It was a gradual process, but the overwhelming effect of the long Menzies hegemony on political journalism was one of pervasive enervation.<sup>152</sup>

There could be limited critique of the Menzian art of politics thereafter.

### **Authority Assured**

By the late 1950s, Menzies' authority was assured. Decisive victory at the 1958 election, said AW Martin, 'put the Coalition Government in a seemingly impregnable position, marked definitive confirmation of Menzies' ascendancy over his followers and, equally, conveyed a widespread air of inevitability about his leadership of the nation'.<sup>153</sup> The nation-building initiatives he had inherited from the Labor governments of the 1940s had been consolidated, but now with an emphasis on private enterprise rather than social planning and individual choice rather than collective direction. The institutional changes he had championed, especially in relation to public service efficiency, had also been consolidated. The mandarins he had encouraged were at the top of their game: they were, as Bunting noted, contributing much of what would be understood as the Menzies legacy. For all the glitches in stop-go developmentalism and in managing economic policy and the (expensive) imperatives of a Cold War security state, the increase in prosperity was demonstrable. Even if luck had played a large part, the government reaped the reward.

The Labor Party had been split and driven into the wilderness, and DLP preferences now cushioned the Coalition. Notwithstanding the debacle of Suez, Menzies' role in the Commonwealth, staunch support of Anglo-American Cold War politics, and courting of 'great and powerful friends' had made him a player on the world stage, and recognised as such not only there but also at home. Many of the objectives closest to Menzies' heart had been achieved or were in train. It was all of this that *Time Magazine* praised in the cover story with which we commenced this chapter. Attention to how Menzies approached his political work has been necessary to explain how he reached this point of assured authority by 1960. It is also the basis on which we can assess his ongoing influence on the role of prime minister.

Pre-war anti-Labor parties had always looked to leaders for salvation, sometimes parachuting Labor defectors into the role, but theirs was a patchwork enterprise, constantly wrestling with philosophical coherence. Menzies' strong direction of the postwar Liberal Party certainly cemented leadership predominance, but now with organisational stability and vigorous branches whose support surmounted earlier perceptions that the cause was the creation of shadowy business conglomerates, and would change tack according to their needs. Most importantly, there was now a clearly articulated philosophy associated with a constituency Menzies persuasively represented as bound together not merely by interests but by moral imperatives. He demonstrated the congruence of leadership and philosophy that not only ensured the ongoing viability of the Liberal Party as one of the great Australian parties, but also became an aspiration for Labor too as it fought to recover from the split of the 1950s. Strong leadership and an associated narrative (ideally with a moral core) was now the expectation on both sides.

Others had pursued a role on the international stage—Hughes during World War 1 and its aftermath; Bruce as high commissioner in London, after losing office; Menzies himself in attempts to influence the British War Cabinet; and Evatt as Labor attorney-general and participant in the formative debates at the UN. Yet no prime minister had achieved a reputation as an international statesman such as that Menzies

attained in the 1950s. This too would become an abiding expectation of Australian leaders thereafter.

The development of a stable partnership between executive government and the public service ‘as an efficient, non-partisan and self-respecting institution’ was, as Hasluck observed, ‘among his major achievements’.<sup>154</sup> It was not without a downside, and was not fully endorsed by all of his successors (not least on his own side). But the necessity of ensuring administrative competence and the institutional availability of expert professional advice in pursuing political objectives, foreshadowed by Bruce, and demonstrated by Curtin and Chifley, was now firmly established by Menzies as a constant in the Australian polity. We will see that there is a good story to be told about the contribution of the Australian Public Service (APS) to Australian life: its genesis can largely be attributed to Menzies.

Criticism of Menzies would never abate, even in the years of his greatest success, but nevertheless, enduring memories of his ‘ideal of party cohesion, electoral success, parliamentary domination, tight cabinet control and stable government’<sup>155</sup> would become the touchstone not only for later Liberal leaders but for all prime ministers. That much of it was achieved through the ‘art of politics’—careful preparation allied with eloquence, wit, quick apprehension, extemporisation, controlled aggression, ruthless deposition of opposing leaders, and above all public theatre—was an aspiration coveted by many but achieved by only a few (perhaps most notably Gough Whitlam and Paul Keating). Yet leadership communication and capturing the public stage as had Menzies would become increasingly important later in the twentieth century.

The way Menzies worked, the manner of his performance, established a leadership repertoire that had enduring effects both on public expectations and on leader candidates themselves. It was a benchmark that was as liable to show up incapacities—as it would in his most immediate successors, Harold Holt, John Gorton and William McMahon—as to encourage achievement, but it was rarely forgotten. And almost coinciding with the moment at which it was most fully realised, when Menzies had held the prime ministership for a little over ten years, his standing began to ebb.