

freedom. It was adopted to declare a clear principle in opposition to Labor, which was committed to socialism and more recently to planning.

Communism and Catholics

The Communist Party reached its greatest strength in 1945, the year the war ended. The war helped the party because it turned communist Russia into an ally of the democracies. The newspapers switched from condemning atrocities in Russia to praising the Red Army. The dictator Stalin became 'Uncle Joe'. The courage and determination of the Russian soldiers and people seemed to show that communism had worked. Again, as in 1917, Russia was an inspiration to many activists who could not bear to think that the death of millions in war was to bring back a world of private profit and gross inequality. Writers, artists and students as well as workers joined the Communist Party.

In 1945 communists and their supporters had a clear majority at the national congress of the Australian Council of Trade Unions. The Labor Party was opposed to communism, but now communists controlled the institutions on which the party was based. Labor decided it must break the hold of the communists in the unions. It set up 'industrial groups' in the unions which were to organise workers to throw out the communist leaders.

There was already a secret organisation at work on the same task. It was called simply 'the movement'. The Catholic bishops had created it to organise Catholic workers in the unions against the communists. The movement was run by an extraordinary man, B.A. Santamaria, who was thinker, organiser and spymaster. When his cover was eventually blown, his name made him sound like an alien force. He was in fact born in Australia of Italian parents, who ran a greengrocer's shop in Melbourne's Brunswick. He went to Melbourne University on a scholarship.

Santamaria planned to beat the communists at their own game. He trained his activists well and put them in charge of a small group. Groups could later elect their leaders but only from the trained activists. The groups met secretly. The job of the members was to win others to their cause without revealing the organisation they belonged to. Then when the time for electing union leaders came around the whole network would be activated to elect a non-

communist candidate. The movement merged easily into the industrial groups that had been set up by the Labor Party. The members of the movement were known as 'groupers'.

The first aim of the movement was to defeat the communists. Santamaria's long-term aim was to take over the Labor Party and use it to create a society in which the Catholic religion would flourish. Life in large cities, he believed, killed off religion. He wanted Australia to be a land of small farms and small towns, where most people would be property owners and where cooperatives and credit unions would replace private businesses and banks.

The Labor Party was in great danger. Within its ranks a civil war was hotting up: one side wanted to create a communist Australia; the other a Catholic Australia.

After the war communism was advancing worldwide. In the countries liberated from the Nazis by the Red Army, Stalin installed communist governments. Communist movements were becoming stronger in Asia. The communists were poised to take control of



*B.A. Santamaria with
Archbishop Romolo
Carboni at a Catholic Rural
Movement Convention
1956*

China. It looked as if the democracies, having just defeated Nazism, might have to fight another war for survival against communism. Tension between the two sides mounted—not into a war, but into what was called the Cold War.

The communists in Australia thought they would advance their cause by showing up the Labor government as no friend of the workers. In the unions they controlled they organised many strikes and go-slows, pushing to get better wages than the Arbitration Court had awarded. Labor supported arbitration; the communists denounced it as a bosses' trick. In the winter of 1949 they organised a strike in the coalfields. Coal was a key commodity. Without it steam engines could not run, and gas and electricity could not be produced. As the strike continued, factories closed, many thousands were thrown out of work, and homes lost power for light and cooking. The communist strategy of creating a crisis was working.

The Labor government was now led by Ben Chifley, who had taken over when Curtin died just before the end of the war. Chifley had been an engine driver and had been involved in a great strike in New South Wales in 1917. He was devoted to improving the conditions of workers. He did not big-note himself as prime minister; as often as he could escape Canberra, he returned to his small home at Bathurst, the same one he had lived in when he was driving trains. Now his job was to break a strike. As prime minister he could not let the country grind to a halt, and he well knew that the communists were using this strike for their own purposes. The

**LANCE SHARKEY, COMMUNIST PARTY LEADER,
ON STRIKES, 1942**

Strikes properly led and conducted, and properly timed, are a revolutionary weapon. Strikes develop the labour movement, organise and unite workers and win the intermediate social strata to the side of revolution.

Political strikes are a higher form of struggle than economic strikes. Such strikes challenge the Government, the State, and the rule of the capitalist class. One of our chief trade union tasks is the politicisation of strikes.

security service, which had its spies in the party, was keeping the prime minister informed on the communists' plans. He hit back hard. He froze the funds of the union in the banks so that they could not pay money to the strikers, imprisoned the leaders of the strike, and sent in soldiers to cut coal. The miners soon agreed to go back to work. This was a great defeat for the communists.


Though he had to be a strike breaker, Chifley showed he was a true Labor man by his attempt to nationalise the banks. Labor people had a particular hatred for banks because in hard times banks thought of their profits, not the wellbeing of the community. They remembered, too, how the banks had refused to cooperate with the Labor government in the Depression.

Chifley had removed the independence of the Commonwealth Bank and brought it under the control of the government. Through the Commonwealth Bank the government could control the activities of the private banks. Big business did not like government interference in banking. It challenged one part of Chifley's law and the High Court held that it was unconstitutional. In August 1947 Chifley decided that before any other challenges were made he would settle the private banks once and for all. They would be abolished. There would be one bank, owned and run by the government. This was the way to secure control of the economy and full employment.

This was the biggest step Labor had ever made towards socialism. Labor people were delighted; here at last was a Labor government that took the Labor platform seriously. The nationalisation law passed through the parliament. Then the banks challenged it in the High Court, which ruled that it was unconstitutional because section 92 of the constitution declared that trade and commerce between the states was to be absolutely free. The government took the case to the Privy Council in London and lost again. So the private banks survived, but Labor's attempt to nationalise them was a central issue in the 1949 election.

The new Liberal Party denounced the Labor Party as a threat to freedom. Part of its case was that Labor was soft on communism. As Chifley had used troops to break the communist coal strike, this was not so convincing, though the strike showed that the communists were a threat. The Liberals promised to ban the Communist Party. It was Labor's own attempt to nationalise the banks that gave the Liberals the ammunition they needed for the election. How could Australians be free, they asked, if there was only one bank that

**THIS ELECTION IS A REFERENDUM
ON SOCIALISM**



"The case against Socialism is a deadly one. It concerns the spiritual, mental and physical future of our families.
"Socialism must mean the reduction of human freedom.
"You cannot socialise the means of production without socialising men and women.
"The real freedoms are to worship, to think, to speak, to choose, to be ambitious, to be independent, to be industrious, to acquire skill, to seek reward."
REMEMBER : Every Labour candidate signs the Socialist pledge.

For Security and Progress
VOTE

I LIBERAL

AND FOR THE SENATE :
1 SPOONER; 2 REID; 3 McCALLUM; 4 TATE

Authorised by: J. L. Carrick, 30 Ash Street, Sydney

William A. Cooney Pty. Ltd., Printers, 72 Liverpool Street, Sydney

*Liberal Party
handbill, 1949
election*

could lend them money and look after their savings, and that bank was owned by the government? It was the first step towards the total control of society that socialists wanted.

The Liberals won the election and Menzies became prime minister again. He moved swiftly to bring in a law to ban the Communist Party.

The normal rule in a free society is that any group of people has the right to organise and put its viewpoint. Menzies himself had supported that position and had been opposed to banning the Communist Party. He said he had changed his mind because Australia and the other democracies would quite likely soon be at war with communism. This made the Communist Party in Australia a special danger. In a war with communism it would be working for Australia's enemies.

He gave other reasons why the normal rule should not apply to the communists: they were not a debating club trying to persuade people to their point of view. They were a secret organisation, receiving orders and funds from Moscow, with the aim of overthrowing democracy. If the communists were in charge they would stamp out freedom. Should they be allowed freedom to destroy freedom?

Chifley, as leader of the Labor Party, was in a very difficult position. The communist unions did not want Labor to support a ban. The Catholic 'groupers' were strong supporters of a ban. Chifley said Labor would support a ban but with safeguards for the civil liberties of people who might be accused of being communist. Menzies proposed that if the government declared a person to be a communist, that person had to prove that he or she was not a communist. The normal rule in British law is that you are innocent until proven guilty. Menzies said the onus of proof had to be changed, because if the government's secret agents had to appear in court to give evidence their cover would be blown.

Some people in the Liberal Party were worried about the switching of the onus of proof and some newspapers were opposed to it. On this issue Labor was in a strong position, and because it still had a majority in the Senate it was able to alter the Bill. Menzies accepted some changes but not the key one on onus of proof. Then the federal executive of the Labor Party told the Labor parliamentarians to let the Bill pass as Menzies wanted it. This showed that the 'grouper' influence in the party organisation was growing. The executive was also worried that if Menzies called an election on communism Labor might be defeated.

Chifley was very disappointed, but he accepted these outside orders calmly. This was how the Labor Party was run. No man, not even a prime minister, was bigger than the party. He believed that if Labor remained united, if its members maintained solidarity, the

Labor Party would eventually create a much better world for ordinary men and women.

As soon as the law banning the Communist Party came into force, the communist unions challenged it in the High Court. Chifley's deputy, Dr Bert Evatt, offered to be their lawyer. Evatt was a very clever lawyer—he was a doctor of laws—and a great defender of civil liberties. He was not of course defending communism in taking up this case, but the 'groupers' in his party and the Liberals attacked him as the friend of communists.

Evatt won the case. The High Court declared that in peace the federal government did not have the power to ban a party. The Commonwealth had tried to argue that banning the communists was necessary for the defence of the country as 'defence' is a clear Commonwealth power.

Menzies decided to hold a referendum to change the constitution so that the Commonwealth would have the power to ban the communists. Chifley died in June 1951, two months before the campaign began, and Evatt became leader of the Labor Party. He threw himself into the fight to win a No vote and was not put off by opinion polls showing that 80 per cent of the people supported the banning of the Communist Party. Evatt hammered the point that Menzies was attacking the principles of British justice. There were other ways of dealing with communism than by the public naming of people as communists who might or might not be communists, and leaving them to defend themselves. He accused Menzies of taking Australia down the road to a totalitarian state. The communists accused Menzies of being a fascist.

The No case won very narrowly. It was a great victory for civil liberties. But almost 50 per cent of Australians were worried enough about communism to support a ban. It is a great dilemma that antidemocratic movements present to democracies. Our bias must be in favour of allowing all parties to operate, but who will say that modern-day Germany is wrong to ban the Nazi party?

The fight in the unions between communists and Catholics continued. More and more unions were taken out of the communists' hands. Evatt did not handle this great conflict well. He did not have Chifley's solidity and patience or his concern for the party rather than himself. In 1954 Evatt launched a public attack on one side in this struggle—the Catholics. The general public heard for the first time about Santamaria and his movement. Evatt denounced them for wanting to take over the party.

The uncovering of a secret organisation of Catholics alarmed Protestants and those who wanted a strict division between Church and State. Of course Catholics could bring their Catholic outlook into politics, but was it right for Santamaria, supported by Archbishop Mannix, to organise a movement to take over one of the major political parties so that it would follow Catholic teaching?

Evatt drew on anti-Catholic feeling to strengthen his position in the party. He now opposed migration from the Catholic parts

**SHOULD THE COMMUNIST PARTY BE BANNED?
THE 1951 REFERENDUM**

The Yes case

Communist activity in Australia has become a grave menace to our industrial peace, to production, to national security and defence.

Aggressive Communism follows the same technique all over the world. Its chief instrument is the local 'fifth column', small in numbers, who get into key places with the greatest capacity and opportunity for damage at the chosen time.

The Communist doctrine—which is the same the world over, and many advocates of which in Australia have actually been trained in Moscow—finds its fullest expression in the Soviet Union. There you will find no Opposition or Opposition Leader; no free or democratic Trades Unions; no free practice of religion; no free press. But outside the Soviet Union all these things are invoked by the Communists, falsely, for their own ends.

Do you really think that we must under all circumstances concede freedom of speech to the enemies of free speech?

The No case

Labor is utterly opposed to Communism. Labor has taken the only effective action to combat Communism in Australia.

The Question is not whether you are against Communism but whether you approve of the Menzies Government's referendum proposals, which are unnecessary, unjust and totalitarian and could threaten all minority groups.


Labor absolutely refuses to abandon British justice for the methods of the police state. In short, we are NOT going to end democracy.

Referendum to
be taken on
Saturday
22 September
1951... the
Case FOR and
AGAINST
Canberra, 1951

of Europe, like Italy, because it was strengthening the Catholic Church in Australia.

The result of Evatt's attack was that the Labor Party split. About half the Catholic 'groupers' left, or were thrown out, and they formed a new party. It was called the Democratic Labor Party and was very strongly anticommunist. It had no hope of winning office,

WANTED
FOR ATTEMPTED MURDER
OF AUSTRALIAN DEMOCRACY



RECORD:
1914 Resigned his Commission.
1938 Forced export of pig-iron to Japan.
1939 Cut Burma Road life-line to China.
1941 Infamous Brisbane Line Scandal.
1950 Conscripted Australian youth. Jailed Australian workers.
1951 Agreed to Japanese re-armament.

REWARD
FREEDOM and PEACE
Vote: "NO"
on SEPTEMBER 22nd

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but it was determined to keep the Labor Party out of government until it got rid of communists in the unions. It told its supporters at elections to give their second preference to the Liberal Party. In close elections it was these votes that kept the Liberals in power until 1972.


The Liberals now had an organised body of Catholic supporters in the Democratic Labor Party. Menzies in 1963 gave them what the Labor Party had always refused—state aid to Catholic and other private schools, which was resumed after being denied for 80 or more years. Though the Labor Party still had many Catholic parliamentarians and supporters, it was even more determined to keep to its old policy of opposing state aid rather than do what the Catholic Church wanted.

Communism continued to create difficulties for the Labor Party. In union elections Labor men sometimes ran on joint tickets with the communists in battles against the Catholic ‘groupers’. The

**CRISIS
IN
FEDERATION!**

—o—

**In Whose Interests shall the Teachers'
Federation of N.S.W. be Controlled?**



**In the Interests of the Teachers of N.S.W.
OR
in the Interests of Moscow?**

TWO FLAGS

Your school received a flag in honour of the Jubilee Year.
It is an Australian flag

NOT
A Russian flag!
It consists of a combination of the Union Jack and the
Southern Cross on a ground of BLUE

NOT
of a Hammer and Sickle on a ground of Red.
Hundreds of Teachers of N.S.W.

DIED
for the Australian Flag
Thousands FOUGHT for it!

YOU
And every teacher should work for it!

SERVE IT
by insisting on the application of the Democratic principles for
which it stands, within the Teachers' Federation.

DEMAND
Election of all Senior Officers by secret ballot of
all members.

The fight against communists in the unions continued in the 1950s: the anticommunists' campaign to gain control of the Teachers Federation



Stopping the communist threat from the north: an election advertisement of the Democratic Labor Party

Labor Party instructed its members not to appear on ‘unity tickets’, but they continued to operate. This allowed the Liberals to attack Labor for being soft on communism.

In foreign affairs the Liberal government gave strong support to the fight against communism in Asia, in the 1950s in Malaya and in the 1960s in Vietnam. The Labor Party opposed these wars, which the Liberals said were important for Australia’s security. In 1966 the Liberals under Harold Holt, the leader who followed Menzies, won a huge election victory on their policy of fighting in the Vietnam War.

After this defeat Labor chose a new leader, Gough Whitlam. He set out to make the Labor Party electable after its years in the wilderness. He got rid of ‘unity tickets’, and persuaded the party to give up its opposition to state aid and adopt a policy of giving aid to schools according to need. He got the party to change its rules so that the conference and the executive would no longer give orders to the parliamentary leaders. The leaders would always be members of these bodies.

In 1971 Whitlam visited communist China, a country Australia had not recognised. Whitlam promised that a Labor government would recognise it. The Liberal prime minister William McMahon attacked Whitlam for going to China. But it turned out that Richard Nixon, the United States president, had been talking to Chinese leaders and was himself planning to visit China! The United States had decided that different communist regimes posed different threats and that it would become friends with China as a way to control Russia.

McMahon was made to look silly. Communism as an issue in Australian politics was finally dead.