

A Broad but Not Infinite Church

The Meanings of Liberalism

Gregory Melleuish and Imre Salusinszky

Writing in *The Australian* recently, columnist Janet Albrechtsen claimed that it would be a ‘perishing’ version of conservatism that refused to admit Malcolm Turnbull to the fraternity simply because of his prominent role in the republic referendum. The heated response she elicited showed, first, that there are conflicting definitions of ‘conservatism’ around. Second, it reaffirmed that in politics, as in pharmaceuticals or parcel delivery, labels do matter.

But very few people in Australian political history have fought over who gets to be called a conservative. In fact they have recognised that being stuck with the conservative label can well mean the political kiss of death. What has been fought over much more bitterly has been the right to be known as a liberal—indeed, the issue surfaced all over again in arguments over the legacy of former Victorian Premier Sir Rupert Hamer. And right now, there is no label more in danger than ‘liberal’ of being rendered meaningless.

An article titled ‘Stuck in the Middle’ in *The Australian* last year pondered how ‘John Howard’s decision to stay on has left small-l liberals lamenting their lot’. Among the liberals canvassed were: former communist Stuart Macintyre, who continues to write glowingly of the communist contribution to Australian history; novelist Marion Halligan, who on a *7.30 Report* panel in 2002 suggested that the

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September 11 terrorists were ‘incredibly brave’ and promoting a ‘form of humanity’, adding that the most chilling thing she had heard since the terror attacks was Americans singing patriotic songs; and historian Humphrey McQueen, who as recently as 1999 publicly reconfirmed his vows to Maoism.

The term ‘liberal’ is notoriously slippery, but there would surely be an argument against extending it to cover an adherent of Maoism, an ideology that resulted in the slaughter of an estimated 35 million Chinese in the cause of absolute state power. Such a strange menagerie of liberals was reminiscent of the column in 2000 in which Phillip Adams, a former communist who even now refuses to concede that capitalism has been an improvement in Russia, lambasted John Howard for not being liberal enough.

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Or are we all liberals now? After the demise of the Soviet Union over ten years ago, liberalism was left standing as the only coherent political philosophy of reform. In the light of 20th century history it was a startling outcome. In the 1930s, the world seemed to be headed for either a fascist or a communist future. For the hard ‘new men’ of Nazi Germany, Fascist Italy and the Soviet Union, liberals were regarded with contempt as weak and decadent. They were yesterday’s men. But as the dominoes fell one by one it turned out that yesterday’s men were those, especially among the intelligentsia, who had welcomed these brutal authoritarian leviathans as the tomorrow people.

We haven’t been in this situation since the second half of the 19th century when everyone in political life in Australia wanted to be known as a liberal. It was a situation not unlike today. In the wake of the failed 1848 revolutions many who had once described themselves as

radicals, and who had wanted radical political change, sought to change their spots and to re-describe themselves as ‘liberals’. By 1860 people who had formerly been radicals or conservatives sought to stand under the same umbrella as those who had always called themselves liberal. Liberalism had become the only game in town.

But unfortunately, when everyone wants to be a liberal this indicates not so much that liberal ideals of individualism and freedom have triumphed, but that ‘liberalism’ has become a label on which some very strange ideas can be printed. This is the situation to which we have returned.

Consider the weird permutations of the term in 19th century Australia. Liberals at first were strong supporters of self-reliance and minimum government interference in their lives. To be a liberal in 1860 meant, almost by definition, to uphold free trade. But within a few years there were people calling themselves liberals who advocated protection of industry and other forms of government control. They called those who adhered to principles of self-reliance and individual initiative ‘conservatives’. A ‘liberal’ such as C. H. Pearson could justify this change by arguing that state intervention was the logical outcome of the application of liberal principles.

By the early 20th century in Australia, those who followed Pearson’s casuistical logic appropriated the term liberal. These included his former student Alfred Deakin who used the term to mean essentially a form of state socialism. Deakin dominated the politics of the first decade of the 20th century in Australia. ‘Liberals’ sang the praises of the White Australia Policy. Those who believed in free markets and the individual and showed no great enthusiasm for racist immigration policies were called ‘conservatives’—though not all conservatives embraced these ideas—and were seen as outmoded and reactionary. They were yesterday’s people. Protection, arbitration and state paternalism were the means through which the state would create the hard and virile Australian ‘new man’.

So when the Free traders and Deakinites came together in their shotgun wedding in 1910, it was clear that this fused entity would call itself the Liberal Party. Both groups claimed the term ‘liberal’ for themselves, even if they meant by it

quite different things. But the Deakinite meaning stuck for much of the 20th century, despite the fact that many of those who copped the label 'conservative' believed in free markets, while a lot of so-called liberals often sang the praises of government intervention, and sometimes practised social engineering. After all, as John Gorton once claimed, we are all socialists now.

Much of this changed around 25 years ago when liberals who believed in freedom and individualism were able to come out of the conservative closet, reconnecting with the classical liberalism practised in 19th century Britain and initially in Australia.

The re-birth of liberalism was not before time. Australian conservatives have believed in some odd ideas. Many, from B. A. Santamaria to Robert Manne, have been less than enthusiastic about free markets and the individual. Santamaria often waxed lyrical about the less than liberal policies of Singapore while Manne has been an enthusiastic advocate of state intervention and protective tariffs.

Meanwhile there were many who were comfortable with the now long established idea that liberalism involved state intervention. They found the notion that people might do things for themselves, rather than being told what to do by bureaucrats and intellectuals, a bit of a threat. In their eyes they were the true liberals and these newcomers were immoral interlopers. So they invented the term 'neo-liberal' to describe liberals who believed in free markets and individualism, as a means of keeping the liberal tag for themselves and casting aspersions on those who had the nerve to believe that liberalism might be connected with doing things for oneself.

Consequently, the honeymoon for liberals, that is to say real liberals, has been all too short. Adherents of the old state socialist ideal now know that they won't get their ideas up by calling themselves socialists. Socialism smells of coercion and of the gulag and of being told what sorts of clothes to wear. But if they can call themselves liberals then they might have a chance. This is because possession of the term 'liberal' turns one miraculously into a moderate. If 'liberal' can be manipulated to become synonymous

with 'Left', then those who believe in free trade, small government and market solutions—all core liberal values—can be configured as right-wing ratbags. Equally state control and direction also suddenly become 'moderate' policies even if the outcome is coercion and thought control. Hence state monopoly of education can be construed as a 'liberal' policy even if the consequences of such a monopoly are decidedly illiberal.

In this project the Left has been helped both by the broad meaning of the word 'liberal' in British and Australian usage, and by the specific, but heterodox, centre-Left sense of the term in the United States. There, religion plays a much more powerful role in political life, and in the culture generally, than in Australia or Britain. Hence, attitudes on social issues such as the rights of women and minorities, gay marriage and abortion, have more force in determining political labelling in America.

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Thus, it is to those with a liberal view on such issues that the term 'liberal' has adhered in the United States, even though many of those on the conservative side have more liberal views on questions such as government intervention in the economy, or free trade. Yet when one looks at the social policies of US liberals through British or Australian liberal eyes, one often sees a faux-liberalism based on equality and entitlement, enabled by the state, rather than on liberty.

It must nevertheless be conceded that in recent times many Australian liberals who believe in free markets have become closely identified with social conservatism, as personified by John Howard. Fine, but this now needs counterbalancing by liberals who are prepared to apply a more

freedom-based paradigm to social issues. The reason why such issues have received only muted attention from liberals lately is not so far to seek: such issues were given a bad name by Paul Keating and all who sailed with him.

To abandon the British and Australian sense of the term 'liberal' and adopt the US sense is confusing. It concedes ground that must not be conceded. After all, Americans do not consider people such as Noam Chomsky or Michael Moore—two heroes of the Australian cultural Left—to be liberals: they are leftists. Copybook US liberals such as the Clintons, or Edward Kennedy, would be somewhere to the right of Mark Latham.

But above all, it is the unbreakable connection between liberalism and free trade in British liberal thought that is most compelling, and that should make us hesitate before conceding the term to the Left. Free trade is central to liberalism because it embodies two of liberalism's central values. The first of these is the belief that individuals should stand on their own two feet without being propped up by the state. The second is the principle that it is not the job of the state to 'pick winners' and to favour particular or vested interests.

Liberalism received its most powerful incarnation in the 19th century when English politicians such as Cobden and Gladstone realised that the Corn Laws, or grain tariffs, were harming the poor in England by raising the price of bread. By abolishing such tariffs the English government recognised that it was wrong to prop up artificially one particular interest when others, including the poor, had to bear the cost.

In Australia in the late 19th century George Reid recognised the same truth when, as Premier of New South Wales, he slashed tariffs. It was the

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working classes who benefited from the resulting drop in price of food and other essential items. Everything that liberalism means in its British and Australian usage flows from the insight that state intervention, especially in the form of tariffs, not only hurts many people but also destroys individual self-reliance.

Since this realisation, it has been free trade, not social justice advocacy, that has done most to narrow the gap between the rich and the poor and to create the conditions under which a free society can prosper. It did so within the industrialised world in Gladstone's time, and it does so in ours between the industrialised and developing worlds.

The Labor governments of both Gough Whitlam and Bob Hawke were among the most vigorous free-traders in Australia's history. The Left, which is far from being the same thing as Labor, distrusts markets and distrusts the workings of international trade. Just as it once supported White Australia now it throws itself into another irrational attempt to keep the wider world out of Australia: anti-globalisation. There is no shred of liberalism in such a view. Nevertheless, most of the members of the Left who would appropriate the term liberal for themselves are strong believers in using the state to keep the dark forces of globalisation, be they economic or cultural, out of Australia.

Some right-of-centre polemicists in Australia have been extremely sloppy in extending the US sense of 'liberal' pejoratively to the Australian cultural Left. And it is a label that the Left has been only too happy to accept, as it tries to shake itself free of the stigma—nay, even the memory—of its long historical infatuation with various totalitarianisms.

Liberalism is indeed a broad church: for example, unlike 'conservative', it pretty well describes the mainstream leadership groups of both our major political parties. It is a term that can comfortably embrace all those who place a very high value on individual and economic freedom, and who seek to create a peaceful world founded on those freedoms. After all, it has proved to be the only set of political and economic principles that has gone the distance in the modern world.

Maoists, however, need not apply.