

The Liberals: The NSW Division 1945–2000

by Ian Hancock

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With the Liberal Party out of power in every state and territory, the release of Ian Hancock's history of the party in New South Wales is timely. Comparisons between the Liberals' current travails and previous periods of introspection will come easily to readers over thirty, so, happily, Hancock does better than simply recounting tales of earlier lean times for the Liberals.

Hancock points out that the debates taking place at present—between liberals and conservatives, idealists and pragmatists, centralisers and federalists, branch stackers and interventionists—are permanent features of right-of-centre politics in Australia. They persist because they are insoluble without tearing the party apart. Election victories alleviate the problems of party organisation and policy development, but after the inevitable losses they are still there waiting to be dealt with again.

There is, Hancock concedes, 'little to inspire a warm and optimistic view' of the party's NSW division. The success of the Liberals at the national level has masked a bleak picture for some of the state divisions. The Liberal Party has governed in NSW for just eighteen of its sixty-three years in existence—a record considerably worse than its predecessor conservative parties.

Hancock commences with an overview of parties of the right before World War II. As far back as 1902, with Federation having removed the trade issue from provincial politics, the free traders and protectionists in

NSW merged to form a party with the 'Liberal' moniker.

This Liberal Party struggled with the issues that divided its successor parties. It recognised the need for a vibrant party organisation to assist with fundraising, preselection, and campaigning, but members of Parliament insisted on their autonomy. A decentralised organisational structure led to 'branch packing,' as stacking was then called, but intervention in branch matters by the central party executive was equally frowned upon.

After three decades of upheaval in Labor and conservative ranks, the United Australia Party (UAP) looked to have found a successful formula, but Labor came to power at state and federal level during the war. NSW was as ready as any state for a new conservative force. Hancock is keen to bust the myth that the founding of the Liberal Party was chiefly Menzies' work, and argues persuasively that in structure, leadership, and finances, the party wasn't much different from its predecessors.

An interesting aspect of the formation of the Liberal Party was the role of the Institute of Public Affairs (IPA). The NSW branch of the IPA had been essential to the fundraising efforts of the UAP, and was not about to give up that role without a fight. Even though the decision to make fundraising an internal matter has left the party in a state of constant poverty, making the Liberal Party less dependent on big business than was the UAP was one of the goals of reconstituting the right.

NSW delegates at the Canberra Conference in October 1944 voted in favour of the proposed Liberal Party. Infighting on the state executive commenced before the party had even been inaugurated. Men such as Bill

Spencer and Ernest White, prominent in the parties being dissolved to form the Liberals, had to balance their own interests as powerbrokers with the undoubted grassroots enthusiasm for a new force.

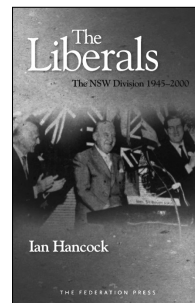
Potentially divisive debates between classical liberals and interventionists over the direction of economic policy were defused by the Chifley Government's policy of bank nationalisation, which gave the fledgling Liberal Party a cause to fight against. The party's success at federal elections was not matched at state level until the 1960s.

This and other books by Hancock provide us with the best information we have about one of the under-studied giants of Australian politics—John Carrick. He was appointed general secretary in 1948, at just twenty-nine,

entrusted with the task of managing conflict within the division. He faced the challenge of preparing a stubbornly federalist division to fight national elections, and had a big enough budget to employ field staff to keep an eye on the branches—both of which caused resentment towards him.

Carrick was central to the move towards continuous campaigning and the preselection of high-profile candidates—things we tend to think of as more recent innovations. His efforts to move the party beyond its Protestant roots were less successful. He served as a party official until becoming a Liberal senator for NSW in 1971, and it was no coincidence that the party presented a moderate face to the electorate for most of that period.

One of this book's only shortcomings is an imbalance between the briefer discussion of the party's formative years and the more detailed chronicle of recent events. While the



source material no doubt drove this allocation of space, the more recent decades will be familiar to most people who pick up the book. I would like to have learned more here about some of the characters from the early years of the division.

Hancock traces the current internecine warfare back to the emergence of the hard right in the 1960s. Carrick's efforts to prevent branch stacking could not stop experienced political operators such as Lyenko Urbanchich, complete with ASIO file, from building their networks. They gained numbers on the state executive by populating branches in safe Labor seats.

Once 'the Ugliers,' as they were labelled by their detractors, became a significant presence inside the party, they could not be removed by democratic means. In any event, apocalyptic rhetoric about the communistic Whitlam government, along with support for South Africa and Rhodesia, was hardly outside the mainstream of Liberal Party thought in the 1970s.

Hancock is unsympathetic to the right, but concedes that the moderates' legitimate complaints about intimidation on the part of their opponents were often laced with jealousy at their own declining relevance. Indeed, it was often 'the Group,' as the NSW moderates called themselves while tightening their organisation in response to the rise of the right, who played their politics the hardest. Through all of the infighting, the efforts of a handful of professionals in the party organisation and parliamentary party along with the indefatigable volunteers in the branches steered the party for its occasional victories over Labor.

Despite the efforts of the branch stackers, membership of the division has fallen from its peak at over 45,000 in the 1970s to something under 10,000 today. Given the problems

the party has experienced recently, and the public's recognition that little is to be gained by joining a political party where the MPs are sovereign, this trend is unlikely to reverse.

In all of this, the name John Winston Howard barely features. He was, of course, tied up with matters of state from an early stage of his parliamentary career. As prime minister, he gave the impression that organisational matters were very low on his list of priorities. He treated the symptoms of the winner-take-all battles that factionalism promoted (for example, he helped the moderate Marise Payne hold on to her Senate preselection) without expending political capital on systematic intervention in the organisational wing.

This is a meticulously researched and crisply written book. Those wishing to understand or participate in the ongoing debates about the future of the Liberal Party should consult it. As Hancock points out, those debates are often conducted as though the party has no history at all.

**Reviewed by
Wayne Errington**

*School Choice:
The Findings*
by **Herbert J. Walberg**
Cato Institute
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ISBN 193395041

Herbert Walberg's *School Choice* is a comprehensive review of the current academic literature investigating the effects of promoting choice in education. Walberg collates a wide range of research papers on the relative performance of charter schools, voucher schemes, and private

schools, in an attempt to measure the benefits of facilitating choice in education. Unlike many other commentaries on school choice, this one features considerable academic research from voucher programs outside the United States, providing interesting points of comparison. Yet while Walberg's summary contains a wealth of data, it fails to inspire.

The book follows a familiar path for school choice advocates. First, it details the static or declining performance levels in American schools, particularly public ones, against a backdrop of increasing spending. It asks the obvious question, 'What are we getting for all the extra money we are spending?' It then delves into numerous studies that attest to the success of school choice programs as an alternative path for US education.

The book relies heavily on standardised test scores as empirical evidence of higher performance under school choice programs. While this is partly due to necessity—it is difficult to compare schools on other criteria—it is likely to understate the real gains offered by school choice. The benefits of a more positive, aspirational environment are not limited to higher test scores. Walberg cites one interesting study that reports private-school student cohorts are more likely to resemble the racial composition of their local area than public schools, and also have higher incidences of interracial friendships.

For Australian readers, the most compelling section of this book is the chapter on charter schools. Given that we already have high levels of private-school education—and some argue that we have a quasi-voucher system, given the nature of federal funding to private schools—perhaps the biggest gains for choice could be made in the area of school autonomy. Charter schools are publicly funded schools that have a higher degree of independence from central