

CONCLUSIONS

‘A Man’s Reach Should Exceed His Grasp’

Earle Page’s vision, longevity and political seniority make him twentieth-century Australia’s most important developmentalist. He was the foremost representative of this strand in Australian politics when it peaked in influence, especially when treasurer in the 1920s. His story shows that Australian developmentalism has a far more varied and richer history than implied by observers such as Donald Horne and S.J. Butlin.

Page’s determination and capacity for synthesis engaged him with, and so helps illuminate, such varied historical currents as regionalism, decentralisation, cooperative federalism and seemingly transformative technologies. That he was only partially successful in implementing his ambitious synthesis should not obscure his major and enduring influence on several of its specific components. Page’s incessant proselytising was instrumental in giving these elements a bigger place in national political culture than they would otherwise have had. He made important contributions to cooperative federalism that are still influential today. He helped consolidate the Commonwealth’s dominance through the 1927 Financial Agreement and the early systematisation of tied grants as means of extending its fiscal and policy influence. He gave regionalism lasting significance. And he helped uphold national economic planning over decades, including during periods when it was distinctly unfashionable.

Through the establishment of the Loan Council and the Australian Agricultural Council, and by promoting them as exemplars of federal cooperation, Page – as Ellis observed – ‘gave this idea orderly and practical expression’.¹ His initiatives are antecedents of today’s National Federation

1 Ellis, *A History of the Australian Country Party*, p. 327.

Reform Council and other cooperative bodies. The history of Australian federalism is broadly one of growth in central power and nationally imposed cooperation, set against a corresponding failure – despite repeated attempts – to strike an agreed and lasting balance between states and Commonwealth. Page probably increased this tension rather than resolved it, but he also contributed mightily (perhaps ironically) to shifting the balance of power towards the Commonwealth. State governments were to him obstacles around which he had to manoeuvre to implement his national vision. He was far from alone among Australian political leaders in confronting these issues, but set some basic strands of the debate via his own distinctive mix of centralism and regionalism.

By pioneering the use of tied grants to the states, Page helped usher in the Commonwealth's fiscal dominance and propensity to intervene in policy fields beyond its stated constitutional role. The importance of this only became fully apparent in the 1950s when the Commonwealth significantly broadened tied grants to fund university expansion. Under Gough Whitlam, tied grants reached about 40 per cent of total federal grants to the states, but it was Page who first gave them a firm place in Australian federalism.² Of all the policy issues Page pursued, his efforts to overcome federalism as a barrier to his nationwide agenda and the contribution this made to centralism had the most lasting national impact.

By contrast, new statism declined after Page's death, hastened by the narrow but decisive defeat of the 1967 referendum on the separation of northern New South Wales. But political interest in the allied concept of regionalism persists. Page did more than any other individual to embed this spatial and community-based dimension into modern Australian political thought. No one else of such political stature pursued regionalism and related decentralisation so intensively over such a period of time. Post-Page, a continuing sense that local government is too weak and state governments are too large has encouraged continued – and inconclusive – experiments in regional administrative structures, right up

2 For the proportion of tied grants out of total federal grants to the states, see Scott Bennett and Richard Webb, *Specific Purpose Payments and the Australian Federal System*, Parliamentary Library Research Paper no. 17, 2007–08, Parliament of Australia, Canberra, 2008, figure 1.

to the current Regional Development Australia committees.³ Page's most distinctive contribution here was his challenge to more conventional new staters that regionalism ought not just be an expression of local patriotism but should be used to spark economic and social vitalism across the nation.

Page left less of a policy legacy on hydroelectricity, rural residential universities and planning. The 1960–61 credit squeeze led to the 1965 Vernon Committee of Economic Enquiry that raised a flicker of renewed interest in planning by recommending 'more co-ordinated long-term planning of public investment between the states and the Commonwealth'.⁴ But by the time such findings were handed down, the economy had recovered and Vernon's proposed independent expert advisory bodies were summarily dismissed by Prime Minister Menzies.⁵

What Page did – and did not – achieve helps to provide a more nuanced understanding of Australian developmentalism by defining what the nation's political culture would tolerate. Over the course of his career, the Australian political imagination typically fell short of grand national visions and was increasingly limited to fostering steady improvement in material living standards. Reactions to his initiatives collectively challenge assumptions by some historians and other commentators that the Australian body politic of his time was firmly committed to ambitious nation-building. Government and public support for developmentalist proposals to shape Australia was usually very mixed indeed.

Support most consistently came from applied intellectuals such as Bland, Thompson, Holmes and Page himself. Page's grand ideas on national development were challenged from several quarters. His Country Party

3 Others include the Whitlam Government's Regional Organisations of Councils and the Keating Government's Regional Development Organisations. See Lyndon Megarrity, *Local Government and the Commonwealth: An Evolving Relationship*, Parliamentary Library Research Paper no. 10, 2010–11, Parliament of Australia, Canberra, 31 January 2011; and Andrew H. Kelly, Brian Dollery and Bligh Grant, 'Regional development and local government: Three generations of federal intervention', *Australasian Journal of Regional Studies*, vol. 15, no. 2, 2009, pp. 171–93. A.J. Brown refers to continuing 'conflict around a frozen territorial structure which is widely recognised as delivering neither the level of national unity nor the serious political decentralisation which many Australians have long desired'; Brown, 'Constitutional schizophrenia', p. 53.

4 Committee of Economic Enquiry, *Report*, Commonwealth of Australia, Canberra, 1965, p. 17.12. The committee was informally named for its chair James Vernon, managing director of Colonial Sugar Refining.

5 See Martin, *Robert Menzies: A Life, Volume 2*, p. 531, and *Commonwealth Parliamentary Debates*, 21 September 1965, pp. 1080–7. In recommending a Special Projects Commission, Vernon drew on British and Canadian exemplars, not Page's admired DMC; see Committee of Economic Enquiry, *Report*, pp. 3.16, 17.28.

colleagues preferred to see their party settle into protecting an established stake in the political mainstream. Vested interests, particularly among primary producers, gave little priority to the nationwide, production-side initiatives that Page advocated. Outright sceptics, such as press commentators who were dismissive of Page's ill-defined proposals for national planning, helped to ensure that these schemes were not taken seriously. Even more tellingly, Page was increasingly challenged by a growing body of professional expertise within and outside government. From often hard experience, such experts became increasingly aware of the constraints imposed by aridity, soil infertility, a small and dispersed population, isolation from international markets and the fundamental limits of government. Popular accounts of national development that dwell on such famed projects as the Snowy Mountains Scheme often fail to also consider the many development proposals that were rejected, of which Page was a fecund generator. Such rejection reflected the sound technical judgement of the times; it also suggests a more cautious past political culture than is realised today.

Page's developmentalism was thus restrained by cautious economists, engineers, officials, business leaders and state governments. The states in 1923 opposed national planning of electrical power. The Cohen Royal Commission clinically dissected the case for new states. The DMC and the New South Wales Government doubted Page's vision for the Clarence. Engineers scorned the practicality of hydroelectricity on most of mainland Australia. National planning proposals attracted the accusation that Page was a mere dreamer. Committees on constitutional review and the dairy industry declined to accept his call for nationwide action. Even an ostensible ally such as Herbert Gepp was wary of proposals for unlimited development as talk that 'damages our credit abroad and hampers the formation of rational plans for development'.⁶

Page's incessant campaigning and the responses he elicited unintendedly helped to draw out this growing realisation of national limitations. These were (and often still are) so fundamental that they could not be readily overcome by Page's public appeals. National optimism that Australia could be engineered to realise a near limitless development potential wilted in the face of experience and a growing emphasis on seeking benefits from within an increasingly hardened political culture. Development was

6 Gepp, *Democracy's Danger*, p. 27.

publicly supported throughout Australia during the twentieth century, but there was growing caution by decision-makers about how far such visions should extend. Over time, Page had fewer and fewer allies in government and business who shared his breadth of vision.

Nor was the Australian public's support practical and decisive. Local demands for amenities and a wider sense that Australia was falling short of its potential helped Page win attention, but were only occasionally sufficient for implementation of ambitious development projects. Popular enthusiasm, such as for new states, covered only selected elements of Page's vision and was readily assuaged, leaving him lamenting public indifference. Big projects like the Snowy Mountains Scheme were government initiatives that the public acquiesced in rather than demanded. Page's long career helps show that although developmentalism was a major theme in twentieth-century Australia, it has been strongest as an abstract national ideal that only occasionally bore fruit. It persisted at a shallow popular level but increasingly struggled as a vision that policy-makers were prepared to strive towards. By mid-century it often manifested as a form of nostalgia from which Page at the end of his career gained some belated public praise. This has not fundamentally changed in a nation in which policy debate commonly takes the form of an ongoing tension between populist and technocratic world views.

What Page was proudest of achieving was not he and his party's well-known work on orderly marketing or trade agreements, but rather such initiatives as the University of New England, the Financial Agreement and the AAC, each of which constituted a step towards his broader vision. Tireless though he was, Page's policy passions were not wholly his inventions – major policy initiatives are rarely solely the work of an individual. There are antecedents for the Loan Council and Financial Agreement, he pioneered but did not invent tied grants, and regionalism and decentralisation pre-date him. Aitkin's summation of Page as probably the most inventive federal politician of the twentieth century needs qualification, but he was entirely accurate in adding that Page is Australia's most under-regarded such figure.

Page's originality lies more in his capacity for synthesis, which made him a far wider visionary than other prominent developmentalists in government. Thomas Playford focused on outbidding rival states to secure manufacturing for South Australia. Queensland's William Forgan Smith favoured public works and primary industry. In Tasmania, Eric Reece

as a minister and later premier considered hydroelectricity to be the key to decentralisation and industry. Page, by contrast, was a more truly national figure who assembled a far broader vision of a more developed Australia, one that incorporated a distinct social element. It was not his commitment to national development that drew criticism, but rather the seemingly limitless extent of his ambitions and the assumptions he made about how readily they could be realised. His vision was so broad as to draw concerns even in the optimistic 1920s – that it amounted to a full theoretical framework drew scepticism not praise.

Page offered an alternative role for government to W.K. Hancock's oft-repeated description of Australians seeing 'the State as a vast public utility'.⁷ He instead saw it as applying triggers of regionalism, planning and electrification to catalyse communities and private enterprise into leading development. Page's devotion to this nationwide vision has been obscured by the wider Country Party's sectoralism, assumptions that Australian political thought is invariably derivative and a focus on the drama of his 1939 clash with Menzies. Also important was biographers' tendency until recently to conventionalise Australian political figures – overlooking Deakin's spiritualism and Curtin's depressiveness, for example. To these we can add Page's ambitious imagining of how the formative Australian nation of the first half of the twentieth century should be shaped.

Page's ideas are hard to classify collectively using traditional concepts of liberalism, conservatism and socialism. He fiercely opposed public ownership but wanted government and business to work together. Primarily, he saw himself as an innovator, who only selectively defended established paradigms such as the harnessing of imperial links. That he was so distinctive a visionary raises the question of why he held high office in a nation of supposed pragmatists. His personal resilience and stable support base around Grafton are just part of the explanation.

Page endured mainly as the Country Party did, despite the increasing divergence between them over time. It gave him public status, aided by allied civic movements. His foremost political achievement of a coalition at the national level with the urban-based conservatives struck a long-term balance between a separate persona for the Country Party and its scope to influence the political mainstream, in contrast to the mixed

7 Hancock, *Australia*, p. 55.

fortunes of rural protest parties in other nations.⁸ The coalition also had indirect value to Page in that the senior partner tempered his impetuosity, especially under the watchful leadership of Stanley Bruce. The success of the coalition contributed to a personal prestige that for Page largely survived growing policy differences with his peers.⁹

Also integral to Page's endurance were his political skills. He drew on his national standing and sense of strategy to defend the coalition and outshine potential rivals such as Charles Hardy. He remained cannily alert to opportunities to promote his agenda. This made Page's insertion of ideas into the political process spasmodic. Yet such studied opportunism – his attempts to seize the psychological moment – is hardly uncommon in politics. The political journalist Henry Fairlie famously wrote of 'the patience of politics'.¹⁰ Page could wait for decades, but once set on an outcome was relentless.

Page was active for so long that he was exposed to major changes in political culture. After the relatively ready optimism of his early career and first stint in government during the 1920s, the dwindling of policy-makers' faith in developmentalism was compounded by new economic theories and modes of governance. His career contributes to understanding how this rise of professional economic expertise redefined the reach of central government. The optimism of the 1920s faltered as that decade progressed and was then sidelined by the search for responses to the economic crisis of the Great Depression. This contributed to the rise of economic expertise that became central to the development of national policy and was harnessed to the resurgent optimism of the immediate post-war years. But as economic prosperity took hold, mainstream policy settings shifted by the early 1950s to more limited ambitions of managing steady growth, rather than trying to spark the comprehensive economic and social engineering Page continued to advocate.

8 Chapter 1 of Graham, *Formation of the Australian Country Parties*, provides a summary history of early twentieth-century agrarian political movements, especially in the United States and Canada.

9 Graham, *ibid.*, also reflects on the importance of the coalition strategy to the Country Party and the role played in this by Page at the national level, and at the state level by figures such as Bruxner in New South Wales and Alex Monger in Western Australia, pp. 195, 295.

10 Henry Fairlie, *The Life of Politics*, Methuen, London, 1968, p. 84. Fairlie said that the phrase originated with R.A. Butler.

Nor did Page accept the de-radicalisation of his own Country Party, becoming the foremost critic of the narrowing of its focus onto defending rural incomes. He clung so tenaciously to his goals that he drifted towards marginalisation, something this ever-hopeful individual never accepted. Although Page held a high position in the party's organisation until his death, from the late 1930s he had only a handful of colleagues to whom he could relate on matters of policy. Generational change further eroded his personal political standing.

Page also had personal limitations. Ellis's descriptions of endearing strengths read also as shortcomings, such as his calling Page 'a crusader' without also noting the crusader's typical righteous inflexibility.¹¹ Outwardly, Page bears a distinct similarity to the 'active-positive' category in James David Barber's political typology of United States presidents. Characteristics include well-defined personal goals and a strong desire for results, but also a failure to take account of the irrational in politics, with a consequent difficulty in understanding why others can see things differently.¹² These similarities are reflected in Page's unwavering commitment to his vision of the nation and corresponding anger over the barriers he encountered.

Page saw his policy goals as so compellingly rational that he frequently failed to argue as persuasively as someone of his intelligence was capable. He never convincingly detailed how planning would work, why private investors would fund hydroelectric dams, or how regionalism could be reconciled with his instinctive centralism. As Bruce discovered, Page was not good at selling an idea, no small problem for someone with so big an agenda. Page was more likely to suddenly impose a goal when the time seemed right than slowly build support. He interacted with civic and political groups selectively and had too diverse a range of interests to secure broad backing. Australia in his time was open to incremental change, but less so to the sudden realignments he proposed. Tellingly, Page became sensitive to accusations of achieving less than he ought to have.¹³

11 Ellis, *A Pen in Politics*, p. 96.

12 James David Barber, *The Presidential Character: Predicting Performance in the White House*, third edition, Prentice Hall, Englewood Cliffs, 1985 (first published 1972), pp. 8–10.

13 For example, his angry exchange with the Labor Member for Adelaide, Cyril Chambers, *Commonwealth Parliamentary Debates*, 22 May 1956, p. 2324.

His successes and his failures suggest how difficult it has been in Australian public life to win support for a seemingly abstract vision of the entire nation, as against immediately pragmatic answers to specific issues. Progress is more likely to arise from incremental change based on a strong empirical case for clearly stated material goals, especially if this does not rely on collaboration between national and state governments. State–Commonwealth relations remain contested, with Page’s contribution to the rise of Commonwealth power not being matched by an agreed commensurate shift in constitutional responsibilities away from the states. Tensions between countryside and city over the allocation of public resources have not been resolved by limited experiments in regionalism that fall far short of Page’s nation-shaping federal units. His National Council and other planning proposals demonstrate the difficulty of implementing a coherent national economic policy in an unresolved federal system.

Yet as Australia’s most significant developmentalist, Page still helps draw out currents of thought. His career supports revisionist arguments by James Walter and others that Australian political life was richer in ideas than often assumed, especially those promulgated by applied thinkers. He was a powerful exception to the ‘Australian scepticism’ identified by the sociologist John Carroll as a national trait, in which ‘there are no grand visions of the past, the present, or the future’ and no ‘convinced belief that mundane institutions ... can be radically transformed for the better, that idealistic passion can be translated into social progress’.¹⁴

Page’s developmentalism helps enlarge understanding of what ideas define Australian civilisation. There is a widespread assumption that Australia reached a broad political consensus about 1910 based on the Deakinite vision, and that subsequent debate predominantly concerned its implementation.¹⁵ In fact, Page offered a very different spatially oriented developmentalist vision of the nation. By doing so he also qualifies perceptions of the Country Party as predominantly a party of resistance. He affirms the endurance of the tradition created by European settlers that they could make much of a continent they saw as bearing no great burden of history and as having no previous owners of the land. Inspired

14 John Carroll, ‘National identity’, in Carroll (ed.), *Intruders in the Bush*, Oxford University Press, Melbourne, 1982, pp. 211, 214, 215.

15 See for example Geoff Stokes (ed.), *Australian Political Ideas*, UNSW Press, Kensington, NSW, 1994, p. 6; and Paul Kelly, *The End of Certainty: The Story of the 1980s*, Allen & Unwin, St Leonards, NSW, 1992, introduction.

by admiration of overseas development experience as he frequently was, Page's efforts to create an Australia according to his national vision amounted to a form of national pride.

Page thus shows how assessment of the career of an influential individual and the ideas they upheld can help illuminate the wider past and even cast light on the present. He is an example of the historical value of querying assumptions that prominent yet little studied national figures were merely reflective of the institutions in which they embedded themselves. An important minority of political figures such as Page ranged so widely in thought and vision that the study of their interactions with wider public culture can broaden interpretations of Australian history.

The strategic place of Page in Australian history is that he offered a full alternative to the Deakinite settlement. No one else of his political standing provided such a comprehensive challenge for so long to this mainstream national policy prescription. As ready faith in the nation's development narrowed to a predominantly popular ideal overshadowed by the management of steady growth, Page was increasingly lonely as one of the very few developmentalist optimists left in national politics.

In sum, Earle Page is historically important as Australian developmentalism's foremost standard bearer. He broadened developmentalist thought by providing a rare synthesis of ideas that were otherwise typically seen with little regard for how they could strengthen each other. This both delineated and stretched the breadth of visions and policies current in Australian politics. He was instrumental in giving elements of his vision, especially regionalism, cooperative federalism and a strong national government, greater and more lasting significance in Australian history than they would otherwise have had. Page's long career confirms that Australia has long inspired popular ideals of national development. Studying his life establishes his place in Australian history and, through this, contributes to establishing that of Australian developmentalism as a persistent ideal in public life but which as a practical concept was increasingly challenged during the twentieth century.

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