

Illawarra Unity - Journal of the Illawarra Branch of the Australian Society for the Study of Labour History

Volume 1
Issue 1 *Illawarra Unity*

Article 4

December 1996

'Right Turn!'

Rowan Cahill
University of Wollongong, rowanc@uow.edu.au

Follow this and additional works at: <https://ro.uow.edu.au/unity>

Recommended Citation

Cahill, Rowan, 'Right Turn!', *Illawarra Unity - Journal of the Illawarra Branch of the Australian Society for the Study of Labour History*, 1(1), 1996, 17-24.

Available at: <https://ro.uow.edu.au/unity/vol1/iss1/4>

Research Online is the open access institutional repository for the University of Wollongong. For further information contact the UOW Library: research-pubs@uow.edu.au

'Right Turn!'

Abstract

As I begin let me pay tribute to the great Left journalist Rupert Lockwood who, in the 1930s, began to uncover the secret history I'm about to relate. He suffered for what he found out, said, and wrote. He was the man who knew too much; at the time the archival material and scholarly research was not available for him to footnote and substantiate with certainty and safety. For many people the period between the two World Wars is a sepia toned era of nostalgia and innocence—Gladys Moncrieff, the Dad and Dave movies, Fatty Finn, Donald Bradman, Ginger Meggs, the birth of Qantas, the bodyline series, Boy Charlton, Kingsford Smith, electricity, radio, the new city of Canberra, the Spirit of Progress, Smith's Weekly . . . there were lows, like the Depression, and a constitutional crisis involving Jack Lang (but then that was Jack Lang). And there were some nutters running around like the New Guard, but that amounted to little more than a bloke with a sword and a horse, and a tussle at the opening of the Harbour Bridge in 1932. My Australia of the 20s and 30s, however, is a different world, one that D.H. Lawrence glimpsed in 1922 when he visited Australia, and wrote about in his novel Kangaroo the following year. Lawrence's insights into Australian political realities were still being dismissed by critics as hocus pocus well into the 1950s; Kangaroo, apparently, Illawarra Unity 18 was not about an ingrained Australian martial authoritarianism, indeed fascism; Lawrence was simply writing for some unfathomable reason about Italian fascism in an Australian setting. We now know better.

'RIGHT TURN!'

Rowan Cahill

As I begin let me pay tribute to the great Left journalist Rupert Lockwood who, in the 1930s, began to uncover the secret history I'm about to relate. He suffered for what he found out, said, and wrote. He was the man who knew too much; at the time the archival material and scholarly research was not available for him to footnote and substantiate with certainty and safety.

For many people the period between the two World Wars is a sepia toned era of nostalgia and innocence—Gladys Moncrieff, the Dad and Dave movies, Fatty Finn, Donald Bradman, Ginger Meggs, the birth of Qantas, the bodyline series, Boy Charlton, Kingsford Smith, electricity, radio, the new city of Canberra, the Spirit of Progress, *Smith's Weekly* . . . there were lows, like the Depression, and a constitutional crisis involving Jack Lang (but then *that* was Jack Lang). And there were some nutters running around like the New Guard, but that amounted to little more than a bloke with a sword and a horse, and a tussle at the opening of the Harbour Bridge in 1932.

My Australia of the 20s and 30s, however, is a different world, one that D.H. Lawrence glimpsed in 1922 when he visited Australia, and wrote about in his novel *Kangaroo* the following year. Lawrence's insights into Australian political realities were still being dismissed by critics as hocus pocus well into the 1950s; *Kangaroo*, apparently,

Illawarra Unity

was not about an ingrained Australian martial authoritarianism, indeed fascism; Lawrence was simply writing for some unfathomable reason about Italian fascism in an Australian setting.

We now know better.

Between the wars well armed, well financed, well organised secret armies flourished in Australia with leadership and strategic ties that linked them with the highest levels of conservative politics and the military. Characterised by an anti-communist psychosis, a deep distrust of democracy, and a preference for martial law type 'law and order' programs, these outfits involved an estimated 130,000 men in a male population of two million. In the main they were not *private armies* but as Andrew Moore had argued a 'formally accredited civilian arm of the state's coercive apparatus'. Their hand was clearly evident during the Melbourne Police Strike of 1923; they were around as late as 1950 when an outfit called 'The Association', led by Sir Thomas Blarney, Major General C.H. Simpson, Sir Leslie Morshead, Brigadier Frederic Hinton, disbanded following the election of Prime Minister Menzies and the consolidation of ASIO under Colonel Charles Spry—Menzies and Spry, the duo that later in the 1950s tried to introduce internment camps and the death penalty for communists—the latter term being very elastic.*

These anti democratic-forces subscribed to a view of society where an elite of *natural* minders, custodians by right of birth, intelligence, training, wealth or whatever, guided society, presiding over a quiescent public, making the *right* decisions on its behalf because they knew what was best.

Spreading the anti-fascist message in the 20s and 30s was no easy matter. Mussolini and Hitler enjoyed a good press in Australia for much of the period; their abolition of party politics, their strikebreaking, anti-communism, and general efficiency appealed to many people. Disinformation and propaganda fell on eager ears; as late as 1938 the Nazi emissary Count von Luckner could tell appreciative Australian audiences that Hitler was a nice guy, and that communists and Jews in Germany were

interned for their own protection and enjoying holiday style accommodation.

Censorship in the 1930s made Australia one of the most repressive English speaking nations in the world. Left wing literature warning of the growing threats posed by fascism and nazism, increasingly made it to the banned list.

The Commonwealth government tried to gag the Czech anti-fascist writer Egon Kisch and prevent him from entering Australia in 1934. Visiting English writer H.G. Wells was publicly rebuked in January 1939 by Prime Minister Joseph Lyons for describing Hitler as a 'certifiable lunatic', Mussolini and Hitler as 'criminal Caesars', and warning of the threat posed to Australia by Japan.

Such was the tenor of the times; a time when the German Consulate General could complain about anti-Nazi comments made on radio by prominent broadcaster Eric Baume, be backed by the Bulletin, and have Baume taken off the air; a time when the progressive New Theatre's play about the Dalfram boycott, *War on the Waterfront*, was banned yet pro-fascist articles in the Sydney based Italian newspaper *Il Giornale Italiano* appeared as late as June 1940 when Italy came into the war against the Allies.

It can be argued that much of what I've related was done in the name of appeasement. Maybe so . . . If so, it was a mighty vigorous, enthusiastic form of appeasement, beginning very early, and using the full weight of the law to try and stem political debate and thwart the expression of personal freedom of conscience. Indeed the 1930s was the decade in which it became increasingly necessary to mount vigorous campaigns in defence of basic civil liberties and democratic freedoms in Australia.

Meanwhile in the cockroach world of political surveillance and espionage, Australian authorities regarded local communists as foes more so than they did the agents of Germany and Japan.

German Nazis organised in Australia from 1934 onwards, centred on consulates and functioned as an arm of the state; developed close ties with German residents, their organisations, and German commercial and trading interests in Australia; established branches of the Nazi

Illawarra Unity

Party; developed ties with local sympathisers in business, the media, and amongst the high society rich and powerful, including, not surprisingly, names that now crop up prominently as being members of the secret armies. The Australian facilities of the Hamburg-Amerika shipping line provided the Nazis with generous operational mobility and cover. It was not until 1938 that Hitler's antipodean Organisation was seriously investigated by Australian security authorities.

Between the wars the Japanese had a good run in Australia, due to Eurocentred thinking, the myths about fortress Singapore, and friends in high places. The 1931 invasion of Manchuria did not ruffle many Australian feathers; the mood was isolationist and Manchuria was another world. By 1937 *The Bulletin* could portray full scale war in China as a 'local scrap'; in March 1941 Prime Minister Menzies in London could ignore Japan's mobilisation in Indo-China and talk about Australia wanting 'to draw closer to Japan and appreciate its problems'. For some Australian admirers of Mussolini and Hitler during the two decades, Japan was the Asian bulwark against the extension of communism, particularly in the period 1934-38.

The nature and extent of Japanese espionage in Australia between the wars is a neglected field of scholarly examination, hindered by relevant documentation not being available for public access. However some of it is. Between 1919 and 1926, Japanese espionage centred on the Newcastle area because of the region's strategic role in the Australian economy of the time, its coalfields, while the Port Stephens area was a favoured site for the Eastern Australia naval base.

Espionage was land and sea based, involving Japanese businesses and commercial officers; photography; illicit activity by Japanese shipping, or chartered shipping, equipped with extraordinarily long range radio equipment and crewed by Japanese ex-naval personnel; the purchase of land or rental of premises near strategic maritime and naval locations (e.g. the Sydney consular residence overlooked the RAN Garden Island base). In the 1930s the

Japanese Consulate-General served as the centre of espionage in Australia. Chancellor in the NSW Consulate 1939 to the Pearl Harbour year, was a Japanese Naval Intelligence trained veteran from Japan's covert Singapore operation.

After 1926 Japan's espionage interests widened to Australia generally, the northern approaches, the Gulf of Carpentaria, Western Australia, and to a lesser extent South Australian waters.

Conservative Australian governments were slow to react officially, though there were questions in parliament, some newspaper speculation, and naval intelligence warnings. In 1936 there was a reaction that typified the whole business; a patrol vessel designed for British estuary work, and lacking decent cooking and sleeping facilities, was assigned to patrol Northern Territory. Once, when arresting a Japanese lugger for trespass, the launch grounded. It had to be rescued by the trespassers who brought it to safety; the Japanese apparently had superior charts of our coastal waters than those in use by the Australian Navy.

In the Australian Archives seized Japanese Consular records show other dimensions of activity. Information of economic and strategic interest was assiduously collected, for example details of ports and harbours, Yampi Sound, Australia's petroleum potential; even Canberra's water-supply was scrutinised. Japanese propaganda was distributed in high volumes by organisations like the Japanese Chamber of Commerce (which also collected munitions data and attempted to influence Commonwealth Government tariff and finance policies).

From 1928 onwards a Japan-Australia society functioned, drawing together Japanese business and intelligence interests, and the social and business elites of Sydney and Melbourne, people who in turn often became articulators of appeasement if not blatantly pro-Japanese.

Consular activity included the entertainment of influential people; media personnel especially were targeted; such social contact was followed by extensive debriefing of materials gathered, or contacts made, by the

Illawarra Unity

Japanese. Payments went to newspapers, and to a wide range of Australians, for services rendered, from the 'Fund for the development of knowledge' or 'Top Secret Fund'.

Early in 1946 the experienced anti-fascist intelligence agent Major Bob Wake, later Deputy Director of the Chifley government's ASIO, examined the Consular records. In a report to Attorney-General Evatt he recommended a full and lengthy analysis of the documents by specialists, cross referenced to overseas data and relevant agencies. Wake believed the material would provide data of interest to the Departments of External Affairs, Commerce, Trade and Customs. Further, that in conjunction with data from US Counter Intelligence, Consular records could help ferret out Australian traitors.

Wake's recommendation was not acted upon. The 1946 charging of Australian broadcaster Major Charles Cousens for alleged acts of treason in wartime perhaps explains why. Apart from the complex legalities involved, credible prosecution witnesses were matched by credible defence witnesses; the case was high profile, socially divisive, expensive; it provided grist to communist mills; and intelligence evidence, especially from the 1930s, early 1940s, was ripped to pieces by career hungry defence counsel, being sloppily and unprofessionally collected in the first place. The pro-Japanese had not been high on the 1930s agenda. Indeed some whose job it was to collect such data now appear themselves to have been Japanese fellow-travellers. Eventually the charge against Cousens was dropped.

In December 1945 in Japan, Melbourne Herald journalist Denis Warner interviewed a Japanese Officer awaiting possible war crimes indictment. He was Kennosuke Sato, American educated, associated with brutal interrogation of Australian POWs in the Ofuna camp, a veteran of the invasion of China where he held the army rank of Lieutenant General, later a specialist consultant in Australian affairs at Imperial Japanese Naval HQ, Tokyo.

In 1935 Sato had come to Australia as a foreign affairs editor for a Japanese newspaper, and stayed nine months. Whilst here he moved in the best of circles and made friends

amongst business and pastoral elites.

Sato told Warner of his hidden agenda. His mission to Australia had been to sound out and cultivate pro-Japanese interests. Following the 1942 invasion of Australia he was to be the Chief Civil Administration, a role he expected to perform with specially groomed Japanese administrators and the assistance of what he termed Australian 'co-operators'.

Sato never faced charges. Following interrogation by US Counter Intelligence he returned briefly to journalism, retired in October, 1946, and died in 1967. His family, employer, and Japanese authorities have subsequently remained either silent or been obstructionist in regard to requests for information about Sato's life and career.

The idea of a collaborationist Australia offends many sensibilities, academic and otherwise. However some of us argue it is a logical extension of the history of the 'between the wars' period; the Japanese Consular records and related materials help support the thesis by way of suggestion and subtext; it is a reading and projection of the period supported by a small but insistent body of research.

It is then in this total 'between the wars' context of deceit, treachery, duplicity and moral decay that the actions of the *Dalfram* boycotters shine as beacons of hope, resilience, and a triumph of conscience; 58 years later, Ted Roach, I salute and thank you.

A NOTE OF SOURCES

On secret armies: Andrew Moore, *The Secret Army and the Premier*, Kensington, 1989. The Moore quote is from his essay 'Guns across the Yarra' in the Sydney Labour History Group's, *What Rough Beast? The State and Social Order in Australian History*, Sydney, 1982, p. 231. The passing reference to 1950s internment camps and the death penalty: L. Louis, 'Pig Iron Bob finds a further use for Scrap Iron: Barbed Wire for his Cold War Concentration Camps', *The Hummer*, No. 35, January/June 1993; L. Louis, 'Communism as a Hanging Offence in the Cold War in

Illawarra Unity

Australia, 1950-1953', *Journal of Australian Studies*, No. 46, September 1995. Censorship: Peter Coleman, *Obscenity, Blasphemy, Sediton. Censorship in Australia, Brisbane*, 1962. On political surveillance: Frank Cain, *The Origins of Political Surveillance in Australia*, Sydney, 1983; Richard Hall, *The Secret State. Australia's Spy Industry*, Stanmore, 1978. Japanese espionage: R.D. Walton, 'Feeling for the Jugular: Japanese Espionage at Newcastle 1919-1926', *Australian Journal of Politics and History*, 1986, Vol. 32, No. 1. The Japanese Consular material, Australian Archives: Investigation Branch, Security Service; CRS C443, NA 1983/293, Consular Investigation Files. Major Wake's report, Australian Archives, NSW, ST 1604/1 Item N. 40344. The Sato story, Melbourne *Herald* January 1 and 2, 1946; February 22, 1946. The Cousins case: Ivan Chapman, Tokyo Calling. *The Charles Cousins Case*, Sydney, 1990. Andrew Cottle has placed the notion of a collaborationist Australia firmly on the historiographical map with his *The Brisbane Line: A Reinterpretation*, Phd thesis, Macquarie University, 1991. The work of Rupert Lockwood is relevant: see his key Cold War pamphlet *What is in Document 'J'*? Freedom Press, Canberra, 1954; also his *War on the Waterfront. Menzies, Japan and the Pig-iron Dispute*, Sydney, 1987.

Rowan Cahill

Bowral

February 1996

Paper presented by Ted Roach to the National Conference of The Australian Society for the Study of Labour History held in Newcastle—24-27 June 1993.