Labour History, no. 105 (November 2013): 113–30. ISSN 0023-6942

Labor, Capital and Land: The Transnational Dimensions of the 1910 Federal Land Tax

Andrew Dilley*

While Australian labour historians have devoted attention to land radicalism in the 1890s, its continuation into the 1900s has attracted less attention. This article highlights the importance of land taxation in federal Labor politics, focusing on the struggle surrounding the progressive land taxes introduced by Andrew Fisher's government in 1910. It uses these struggles to engage with a recent transnational turn amongst labour historians, highlighting the heavy influence by New Zealand precedents, and the ways debates drew on a global vocabulary of examples. Nonetheless, these transnational influences were deployed in the service of locally (or nationally) determined goals. This contrasted with capital's organisationally integrated transnational campaign against the tax, led by the London-based pastoral finance lobby. Finally, an examination in the defeat of this lobby suggests that the attraction of the nation state to politicised labour was in part a product of the more intensive globalisation of capital.

> Taxes to the right of them,
> Taxes to the left of them,
> Taxes in front of them,
> Crushing and grinding,
> Stormed by Fisher and Vaughan,
> Landowners all forlorn,
> Single tax come at last
> Farmers all stand aghast,
> No justice finding.[1]

On 27 September 1910, the former South Australian treasurer Richard Butler entertained fellow Liberal members of the state's Legislative Assembly with this painful parody of the "Charge of the Light Brigade" (which the Melbourne *Argus* flatteringly compared to the English radical Ebeneezer Elliot's 1830 *Corn Law Rhymes*). Butler continued to portray land legislation by the Labor governments of Crawford Vaughan (at state level) and Andrew Fisher (at federal level) as Australian manifestations of a global assault on landholders: "a mixture of Henry George and Lloyd George."[2] Land radicalism in the 1890s has long established a place in the historiography of the Australian labour movement. Peter Love's and Raymond Markey's seminal studies emphasise the centrality of opposition to the "Land Monopoly" in Labor politics, while the influence of Henry George's single tax movement has long attracted attention, most recently from Melissa Bellanta.[3]

* I would like to thank Dr Andrew Newby, Dr Frank Bongiorno, the participants of the Australian Studies Seminar at King's College London, and the two anonymous referees of *Labour History* for comments on earlier versions of this article. All errors remain, of course, my own.

1. *Argus* (Melbourne), 28 September 1910, 4.
2. *Ibid*.
3. Peter Love, *Labour and the Money Power: Australian Labour Populism 1890–1950* (Carlton, Victoria: Melbourne University Press, 1984); Raymond Markey, *The Making of the Labor Party in New South Wales, 1880–1900* (Sydney: New South Wales University Press, 1988); F. Picard, "Henry George and the Labour Split of 1891," *Historical Studies: Australia and New Zealand* 6, no. 21 (1953): 45–63; Bruce

However, the continuing power of land radicalism during the early years of federation (hinted at in Butler's verse) has not been subjected to similar scrutiny, although the states introduced a complex morass of taxation and resumption policies designed to promote "closer settlement"[4] and the Federal Labour Party (FLP) made progressive land taxation one of its most distinctive advances on Deakinite progressivism. The prominence of land taxation in the early FLP programme is scarcely mentioned in Ross McMullin's *Light on the Hill* or in David Day's compendious biography of Fisher. Nick Dyrenfurth's study of Labor political culture and the recent special issue of *Labour History* on the second Fisher government concede only a little more space.[5] This article builds on Marian Sawyer's brief but suggestive comments to highlight the continued prominence of land in Australian politics in the first decades of the twentieth century and the degree to which support for, and crucially opposition to, land radicalism were both located within and shaped by broader and to some extent contrasting matrices of global connections.

Through this juxtaposition a series of comments become possible on the recent "transnational turn" in labour history.[6] For Australian labour historians, this shift has coincided with Ann Curthoys' call for an end to the (supposed) insularity of Australian historiography more generally, and the (re)location of Australian history in broader pan-imperial, British, anglophone, and other global contexts.[7] A growing number of studies have highlighted transnational dimensions to Australian labour history through circulations of people and ideas, not least the recent special issue on the Fisher Government.[8] Some connections have proved particularly significant, not least those across the Tasman.[9] Even so, as Markey and Nick Dyrenfurth both recently argued transnational (along with comparative) approaches remain "potential" or "promising" fields for the study of Australian labour history.[10]

Scates, "'Wobblers': Single Taxers in the Labour Movement, Melbourne 1889–1899," *Historical Studies* 21, no. 83 (1984): 174–96; Melissa Bellanta, "Transcending Class? Australia's Single Taxers in the Early 1890s," *Labour History* 92 (2007): 17–30.

4. George Knibbs, *Official Yearbook of the Commonwealth of Australia* (Melbourne: Commonwealth Bureau of Census and Statistics, 1910), 301–10.
5. Ross McMullin, *The Light on the Hill: The Australian Labor Party 1891–1991* (Oxford: Oxford University Press, 1991), 75; David Day, *Andrew Fisher: Prime Minister of Australia* (Sydney: Fourth Estate, 2008), 151, 197–213, 234; Nick Dyrenfurth, *Heroes and Villains: The Rise and Fall of the Early Australian Labor Party* (North Melbourne: Australian Scholarly Publishing, 2011), 137–41; Marian Sawyer, "Andrew Fisher and the Era of Liberal Reform," *Labour History*, no. 102 (2012): 71–86.
6. Marcel van der Linden, *Transnational Labour History: Explorations* (Aldershot, Hants: Ashgate, 2003); Michael P. Hanagan, "An Agenda for Transnational Labor History," *International Review of Social History* 49, no. 3 (2004) : 455–74; Neville Kirk, Donald M. MacRaild, and Melanie Nolan, "Introduction: Transnational Ideas, Activities, and Organisations in Labour History, 1860s–1920s," *Labour History Review* 74, no. 3 (2009): 221–32.
7. Ann Curthoys, "Does Australian History Have a Future?" *Australian Historical Studies* 33, no. 118 (2002): 140–52.
8. Jonathan Hyslop, "The Imperial Working Class Makes Itself 'White': White Labourism in Britain, Australia, and South Africa before the First World War," *Journal of Historical Sociology* 12, no. 4 (1999): 398–421; Frank Bongiorno, "Fabian Socialism and British Australia, 1890–1972," in *Rediscovering the British World*, ed. Phillip A. Buckner and R. Douglas Francis (Calgary: University of Calgary Press, 2005): 209–31; Mark Hearn and Nick Dyrenfurth, "Reinterpreting the Second Fisher Government," *Labour History*, no. 102 (2012): 1–10. See also Neville Kirk, *Labour and the Politics of Empire: Britain and Australia 1900 to the Present* (Manchester: Manchester University Press, 2011), especially 9–10. Kirk emphasises a comparative rather than transnational methodology.
9. Ray Markey and Kerry Taylor, "Trans-Tasman Labour History: Introduction," *Labour History*, no. 95 (2008); Ray Markey, "An Antipodean Phenomenon: Comparing the Labo(u)r Party in New Zealand and Australia," *Labour History*, no. 95 (2008): 69–95.
10. Ray Markey, "The Australian Place in Comparative Labour History," *Labour History*, no. 100 (2011): 178; Nick Dyrenfurth, "Labour and Politics," *Labour History*, no. 100 (2011): 120.

Transnational approaches undoubtedly have great potential to open up new avenues of enquiry. However in realising this potential, certain nuances are necessary. It is necessary to recognise the distinctions between different types of connections (transfers of ideas, circulations of people, institutional or organisational integration, the drawing of parallels based on common underlying processes), to acknowledge that some connections are denser than others, and to consider the way global transfers (particularly of ideas) are adapted to local circumstances. Equally, there is a risk that transnational approaches may tilt too far, and underemphasise the significance of the nation state. Neville Kirk, David Day, and Nick Dyrenfurth have all recently re-asserted the power of appeals to Australian national identity for Fisher's Labour party, confirming Leslie Crisp's old judgement that the FLP's "international sentiment [was] … marginal, superficial, and intermittent" compared with the party's "robustly nationalistic" core.[11] The tendency of labour movements to operate within increasingly national(ist) frameworks was itself a global phenomenon which scholars such have begun to place in a comparative and transnational context.[12] Finally, as labour history takes a transnational turn, it is worthwhile to recall John Rickard's call for labour historians to pay equal attention to the political mobilisation of capital.[13] Thus, it is essential to analyse the transnational nature of the political forces opposing labour, particularly the global integration of capital in the late-nineteenth and early-twentieth centuries, and hence develop Luke Trainor's observation that in the late-nineteenth century the bonds connecting Australian and British economic elites were stronger than those linking the British and Australian trades union movements.[14] This article develops the point, suggesting that these differences between the transnational forms adopted by capital and labour, and the closer integration of the former, may help explain the attractions labour movements (not least in Australia) found in the nation and (more importantly) the state.

The power or otherwise of British capital in Australia and the close connections with Britain possessed by elements of Australia's business and (non-Labor) political elites have been frequently debated in studies of Australian nationalism. Radical critiques, including Brian Fitzpatrick's classic, portrayed these elites as collaborators colluding in British exploitation.[15] Critics have often emphasised the successes of governments of all hues in asserting Australian autonomy (or "economic nationalism") when bargaining with Britain.[16] Much of this literature unhelpfully conflates imperialism and exploitation – unhelpful because control need not be

11. Leslie Finlay Crisp, *The Australian Federal Labour Party, 1901–1951* (London: Longmans, 1954), 98; Kirk, *Labour and the Politics of Empire*, 75–81; Day, *Andrew Fisher*, 148; Dyrenfurth, *Heroes and Villains*, 106.
12. Linden, *Transnational Labour History*, 11–22.
13. John Rickard, *Class and Politics: New South Wales, Victoria and the Early Commonwealth* (Canberra: Australian National University Press, 1976), 114.
14. Luke Trainor, *British Imperialism and Australian Nationalism: Manipulation, Conflict, and Compromise in the Late Nineteenth Century* (Cambridge: Cambridge University Press, 1994), 130–40, 177–88.
15. Brian Fitzpatrick, *The British Empire in Australia: An Economic History, 1834–1939* (Melbourne: Melbourne University Press, 1941).
16. Kosmas Tsokhas, *Making a Nation State: Cultural Identity, Economic Nationalism and Sexuality in Australian History* (Carlton South, Vic.: Melbourne University Press, 2001), 11. See also Kosmas Tsokhas, *Markets, Money and Empire: The Political Economy of the Australian Wool Industry* (Carlton, Vic.: Melbourne University Press, 1990), 1–15; Geoffrey Bolton, "Money: Trade, Investment and Economic Nationalism," in *Australia's Empire*, ed. Deryck Schreuder and Stuart Ward (Oxford: Oxford University Press, 2008): 211–30.

economically detrimental.[17] Recent writing on British financial imperialism more broadly has moved beyond a one dimensional juxtaposition of British control and Australian autonomy. Peter Cain and Tony Hopkins have distinguished between "structural power" (the framework within which bargains were made) and "relational power" (pertaining to particular bargains within that framework). Cain and Hopkins suggest that structural power manifested itself most powerfully in moments of financial crisis (the early-1890s and the early-1930s in the Australian case).[18] Subsequent work by Bernard Attard and Andrew Smith (as well as my own work) has confirmed the close entanglement (and periodic influence) of London finance in political life in Australia, Canada, and New Zealand within a structure generated by debt. As well as varying with the state of the economy, the influence of London finance depended on various transnational elements (or "Bridgeheads"): on the strength of alliances between groups in the City and in borrowing nations, on the political purchase of the City's allies, and on the degree to which economic discourse connected borrowing from Britain (hence maintaining credit) and economic welfare. Thus, while the following article describes a moment in which the influence of Anglo-Australian financial connections proved weak, they were not inevitably weak. The balance of power on the relational level ebbed and flowed.[19] In understanding the politics of the land tax, it is necessary to acknowledge the *potential* influence of London finance and the transnational elements facilitating this influence, and to consider the way these factors in turn shaped Labor ideology and policy.

Thus the aim of this article is not to reject transnational approaches in order to re-assert an older dialectic between Australian nationalism and British imperialism, nor to present evidence of Australian autonomy within that dialectic. Rather it seeks to explore the significance of different forms (and differences between forms) of transnational connection in the evolution of both support for and opposition to the FLPs progressive land taxation policy. The article first traces the genesis of that policy, acknowledging English radical and Georgite influences, and charting their eclipse by a model developed in New Zealand. It then highlights the centrality of land taxation in the 1910 election and highlights the way global parallels – particularly New Zealand and Britain – inflected political debate. Finally it traces the fortunes of a further and potentially powerful if ultimately unsuccessful challenge to the policy: an integrated campaign in Australia and London centred on Anglo-Australian pastoral finance companies and premised on Australia's supposed economic dependence on British capital. The FLP's ability to face down this transnational "politics of finance" *in this instance* rested on national political and economic power.

---

17. A. G. Hopkins, "Informal Empire in Argentina: An Alternative View," *Journal of Latin American Studies* 26, no. 2 (1994): 469–84.
18. Peter Cain and Antony Hopkins, *British Imperialism, 1688–2000* (Harlow: Longman, 2001), ch. 8, 21; Peter Cain and Antony Hopkins, "Afterword: The Theory and Practice of British Imperialism," in *Gentlemanly Capitalism and British Imperialism: The New Debate on Empire*, ed. Raymond E. Dumett (London: Longman, 1999), 204–8.
19. Bernard Attard, "From Free-Trade Imperialism to Structural Power: New Zealand and the Capital Market, 1856–68," *Journal of Imperial and Commonwealth History* 35, no. 4 (2007): 505–27; Bernard Attard, "Bridgeheads, 'Colonial Places' and the Queensland Financial Crisis of 1866," *Journal of Imperial and Commonwealth History* 41, no. 1 (2013): 11–36; Andrew Smith, *British Businessmen and Canadian Confederation: Constitution-Making in an Era of Anglo-Globalization* (Kingston: McGill-Queen's University Press, 2008); Andrew Dilley, *Finance, Politics, and Imperialism: Australia, Canada, and the City of London, c. 1896–1914* (Basingstoke: Palgrave Macmillan, 2012), especially 8–11, 182–90;

Progressive Land Taxation and Labor, c. 1890–1905

Australian politics had a long history of hostility to "land monopoly." The early occupation and leasing of large areas of crown land for wool production to a class of large scale and wealthy pastoralists (or "squatters") created a powerful radical critique. Late-nineteenth century Australian radicals drew on a wide British and Irish vocabulary combined with the ideology of the "young country" to condemn the transplantation of aristocracy to the new world, favouring instead the establishment of a small, independent yeomanry as the backbone of a more equal and secure new society. In the late-1880s and early-1890s a new strain emerged in Australian land radicalism as many fell under the influence of the American Henry George's argument that poverty arose from the inequitable distribution of land best rectified through a single tax on land's "unimproved value." A Single Tax League was formed in 1887 in New South Wales and George himself visited in 1890, inspiring amongst others the young W. M. "Billy" Hughes. Further hostility to the "land monopoly" emerged from the increasingly bitter struggles between employers and unions in the pastoral industry, culminating in the strikes of the late-1880s, and tensions continuing down to 1914.[20]

George's departure coincided with a drastic turn for the worse in the eastern Australian economy. The bursting of the Melbourne property bubble of the late-1880s, and the rapid fall in returns on wool led to difficulties raising loans in the City of London. These problems were accentuated when, in 1890, investors became suspicious of over borrowing by Argentina. This left Baring's merchant bank, which marketed Argentine debts, holding large volumes of Argentine bonds. Its problems required a bail out by other City institutions. The crisis reduced liquidity in the capital market and accentuated suspicions of other heavy borrowers including the Australian states. Faced with falling revenues and unable to borrow, colonial governments retrenched to maintain balanced budgets (a classic instance of the operation of structural power), precipitating a deep economic depression.[21]

Against this backdrop politicised labour emerged. As Markey, Peter Love, and Frank Bongiorno have all shown, the movement comprised a broad alliance of working-class and petit-bourgeois interests. The ideological glue binding this alliance was a broad brush "populism" which placed the interests of "the people" against various exploitative monopolies – particularly the land monopoly and the "money power" (a cosmopolitan beast with its headquarters in the City of London). Land in particular occupied a central place in populist thought. The economic dislocations of the decade highlighted the independence and security which land ownership might bring. This desire for what was often called "closer settlement" echoed a broader concern to shore up the defences of a "white" Australia against Asian incursions through a denser population. Land radicalism dovetailed with the developing vision of an Australian identity forged in the bush promulgated in publications such as the

20. Picard, "Henry George"; Scates, "Wobblers"; Love, *Labour and the Money Power*, 29; Ken Buckley and Ted Wheelwright, *No Paradise for Workers: Capitalism and the Common People in Australia 1788–1914* (Melbourne: Oxford University Press, 1988), 8–13; Bede Nairn, *Civilising Capitalism: The Beginnings of the Australian Labor Party* (Carlton, Vic.: Melbourne University Press, 1989), 45–47; Bellanta, "Transcending Class," 18–20; Markey, *The Making of the Labor Party*, 103, 297–305; Kosmas Tsokhas, "The Shearing Labour Process, 1900–1914," *Labour History*, no. 59 (1990): 87–103.

21. Ernst Arthur Boehm, *Prosperity and Depression in Australia, 1887–1897* (Oxford: Clarendon Press, 1971); Cain and Hopkins, *British Imperialism*, 222.

Bulletin.[22] Thus condemnation of the land monopoly was a more powerful strand in populism than attacks on the money power. One leading monetary radical, Frank Anstey, devoted his first book (*Monopoly and Democracy*) to denouncing the land monopoly in Victoria, and later bemoaned the movement's obsession with land.[23]

Land taxation was an early aspiration of the nascent Labor parties in New South Wales, Victoria, and Queensland, featuring on their platforms in the early-1890s.[24] The detail of Labor land policy in New South Wales reveals the transnational influences at work. Although Nairn judged that the early adoption of a land tax by the New South Wales party reflected Georgite influences, these influences were soon eclipsed by a model formulated across the Tasman. In 1891, New Zealand's Liberal government introduced a scheme of progressive land taxation. This ran alongside a separate uniform tax, and charged land with an unimproved value over £5,000 beginning at 1s.8d per £1, rising by eights to 2d on estates over £210,000, with an additional per cent charged to absentees. Despite the language of "unimproved value," the sliding scale and particularly the exemption from properties under £5,000 departed from Georgite principles (which insisted on applying taxation to *all* land).[25] These antipodean adaptations reflected lower population densities and the long-established aspirations of electorates for the establishment of an independent rural "yeomanry." The lapsed single taxer Hughes later explained that these departures recognised the existence in Australia of an "area which each individual may be permitted to occupy without detriment to the interests of the community."[26] Global transfers of ideas were contingent on local circumstances.

Reports from early Labor conferences in New South Wales reveal the gradual defeat of Georgites by supporters of the New Zealand model. In November 1893 the "New Zealand system" was pitched against proposals from the Single Tax League at a conference of the Labour Electoral League. The conference ducked the details and resolved that as "the destruction of the land monopoly is the first step in obtaining economic reform, the second plank of the Fighting Platform should be Land Value Taxation." A subsequent ballot elevated the measure to the first plank.[27] The land tax fell from the platform in 1895, perhaps reflecting the struggle between single taxers and others (especially the Australian Workers Union) for control of the movement and the passage of land legislation (with Labor support) by George Reid's government. In 1897 land taxation returned to the platform, but in a form much more closely resembling the New Zealand model: progressive (ie on a sliding scale) and with exemptions. In 1898 and 1902 unsuccessful attempts were made to restore Georgite purity by removing the exemption. In 1905 the party platform incorporated the details as well as the principles

22. Markey, *The Making of the Labor Party*, especially 205–7; Love, *Labour and the Money Power*, 1–40; Frank Bongiorno, *The People's Party: Victorian Labor and the Radical Tradition, 1875–1914* (Carlton, Vic.: Melbourne University Press, 1996); Buckley and Wheelwright, *No Paradise for Workers*, 204–7; Tsokhas, *Making a Nation State*, 15, 31.
23. Frank Anstey, *Monopoly and Democracy* (Melbourne: Labor Call Press Office, 1906). Frank Anstey, *Labor Call*, 6 February 1908, 2. See also Peter Love, "Frank Anstey and the Monetary Radicals," in *Australian Financiers: Bibliographical Essays*, ed. R. T. Appleyard and C. B. Schedvin (Melbourne: Macmillan, 1988), 259.
24. William Guthrie Spence, *Australia's Awakening* (Sydney: Worker Trustees, 1909), 596, 611, 616.
25. Nairn, *Civilising Capitalism*, 45–47; Markey, *The Making of the Labor Party*, 301; W. Pember Reeves, "Land Taxes in Australasia," *Economic Journal* 21, no. 84 (1911): 519.
26. William Morris Hughes, *The Case for Labor* (Sydney: Sydney University Press, 1970; 1st Pub. 1910), 129, 131.
27. Michael Hogan, *Labor Pains: Early Conference and Executive Reports of the Labor Party in New South Wales* (Annandale, NSW: Federation Press, 2006), 60, 83.

of New Zealand's legislation. Similar measures, with lower exemptions, featured in the platforms of the Victorian and Queensland parties in 1907.[28]

Federal Labor and Progressive Land Taxation, 1905–10

By then progressive land taxation had entered the federal arena. Despite the widespread adoption of land taxation and compulsory purchases to break up large estates by the states from 1901, progressive land taxation (with graduation and exemptions) became central to the FLP's programme.[29] The iniquities of the land monopoly remained central in many analyses of Australia's problems. For example, in 1909 W. G. Spence (the former leader of the Australian Workers Union) wrote that "the land problem is the first and most important one to be dealt with, and the only political party that even proposes to touch it is that of Labor."[30] Progressive land taxation rapidly became a policy priority. The 1902 FLP conference placed a proposal for a federal land tax on the FLP's general platform and the 1905 conference elevated the tax onto the party's "fighting platform" (its immediate programme for government), three years before the monetary radicals' pet project of a Commonwealth Bank.[31]

New Zealand continued to play an important role in shaping the details of FLP policy.[32] The 1906 manifesto invoked the experience across the Tasman to highlight the successes progressive land taxation could achieve. This influence reflected ties with (and inspiration from) New Zealand's Liberals. In June 1906 the Liberal Premier Richard Seddon made a visit to Melbourne during which he spoke at a Labor party lunch and discussed policy with Labor's leader Chris Watson including "the incidence of the New Zealand land tax."[33] In 1908 a policy of graduated land taxation on the unimproved value of estates over £5,000 was again adopted as a plank on the fighting platform (replicating almost precisely New Zealand's legislation). Yet this replication did not go unchallenged. The policy was adopted after "great discussion" (sadly behind closed doors).[34] In the broader labour movement, some radicals criticised the FLP's moderation. One Victorian hothead asked "Why not just nationalise the land?"[35] Others argued (as Deakin and other Liberals were later to do) that land policy and direct taxation were matters for the states. NSW Labor politician W. A. Holman made similar arguments, leading to a public spat with Hughes in early 1910. Such opposition was not sufficient to derail a policy which reflected continued frustrations with the land monopoly and scepticism about the capacity of the state governments to pass sufficiently robust legislation through their unelected legislative councils.[36]

---

28. Hogan, *Labor Pains*, 105–68, 183, 294; Spence, *Australia's Awakening*, 612, 617; Markey, *The Making of the Labor Party*, 302–5.
29. George Knibbs, *Official Yearbook of the Commonwealth of Australia* (Melbourne: Commonwealth Bureau of Census and Statistics, 1909), 321–32.
30. Spence, *Australia's Awakening*, 571.
31. *Daily Telegraph* (Sydney), 13 July 1905, 6; Crisp, *Australian Federal Labour Party*, 263–64.
32. Sawyer, "Andrew Fisher," 73–74, 84.
33. *Western Australian*, 8 June 1906, 5; *Kalgoorlie Western News*, 12 June 1906, 31.
34. *Age* (Melbourne), 9 July 1908, 8, 13; *Daily Telegraph*, 8 July 1908, 9.
35. *Labor Call*, 16 January 1908, 3.
36. L. F. Fitzhardinge, *William Morris Hughes, Volume 1: That Fiery Particle* (Sydney: Halsted Press, 1964), 242; Reeves, "Land Taxes," 515; Spence, *Australia's Awakening*, 572; *Land Values* (May 1910): 262. *Land Values* was a British monthly single tax journal first published in Glasgow in 1894 as *The Single Tax*. The title was changed in 1902.

Land taxation remained important in the complex political gyrations which saw Labor break with Deakin's Progressives in 1909. According to Day, Deakin's opposition to the measure contributed to the party's growing frustrations with the alliance in 1908. After Labor withdrew support from Deakin, the policy was taken up by the minority administration of 1908–09.[37] Andrew Fisher, the new Prime Minister declared in a major speech at Gympie in March 1909 that "land should not be a monopoly in this country" and pressed for progressive taxation with additional penalties for absentees, highlighting supportive New Zealand precedents, and adding that the new revenues raised could be used to bolster the Commonwealth's defences.[38] The Governor-General's speech of 26 May 1909 included land tax bills. A few days later the Progressive/Anti-Socialist fusion ejected Labor from office.[39]

The land tax featured prominently in the bitterly fought election of 1910, not least in the campaigning of Billy Hughes.[40] Hughes told a Sydney audience in February 1910 that "the Labour [sic] Party's chief plank at this election is to penalise the owners of big estates, so that it will be unprofitable to hold them."[41] In his regular letters to the Sydney *Daily Telegraph* (which reached out beyond Labor's core vote), he repeated that land was the "main issue" in the election and added that "defence and immigration are absolutely dependent on land and closer settlement." He set Labor's struggle in a global context, writing that "In England, in Germany, in Australia, wealth has been challenged, privilege called upon to justify its existence" and that Lloyd George was leading a "crusade against the land monopoly" in Britain.[42] This canny juxtaposition imparted both a sense of urgency and covert reassurance that Labor was no more radical that the British Liberals. The land tax was the only specific measure even alluded to in the concluding sentences of Labor's manifesto, which requested a majority to "break down the land monopoly, develop Australia, give effect to our platform, and administer our laws."[43] Following Labor's victory, Hughes asserted that "the advent of Labor to power was mainly due to its advocacy of a graduated land tax."[44] Alfred Deakin recorded privately that opposition to the tax had distanced his new party from popular aspirations.[45]

Labor's new government, the first in Australia to enjoy a majority in both houses, made progressive land taxation an early priority. In July 1910 the Governor-General's speech outlined the necessary legislation and emphasised the "urgent necessity" of "encouraging migrants," "more efficiently develop[ing] Australian resources," and providing revenues (as well as manpower) to "defend Australia against possible invasion."[46] Labor's decision to fund the new Australian navy begun by the fusion ministry through direct taxation rather than borrowing in London heightened

37. Day, *Andrew Fisher*, 151, 171–72.
38. Extracts from Fisher's Speech at Gympie, 30 March 1909, Prime Minister's Office Papers (hereafter PMOP), National Archives of Australia (hereafter NAA), A2863/1/2; *Daily Telegraph*, 31 March 1909, 3, 9.
39. Henry Gyles Turner, *The First Decade of the Australian Commonwealth* (Melbourne: Mason, Firth & M'Cutcheon, 1911), 217–19, 287.
40. Rickard, *Class and Politics*, 247–50.
41. Turner, *The First Decade of the Australian Commonwealth*, 287.
42. Hughes, *Case for Labor*, 121.
43. Turner, *The First Decade of the Australian Commonwealth*, 264.
44. *Daily Telegraph*, 27 August 1910, 11.
45. Rickard, *Class and Politics*, 249.
46. Quoted in H. Heaton, "The Taxation of Unimproved Value of Land in Australia," *Quarterly Journal of Economics* 39, no. 3 (1925): 422.

the thirst for revenue. So too did old aged and invalid pensions, the new federal capital, and a host of other projects. Thus, the land tax was among the first of the manifesto pledges to be implemented. In August 1910 two bills were introduced: the Land Tax Bill which introduced the tax itself, and the Land Tax Assessment Bill which established the bureaucratic machinery necessary to assess land values. Both bills attained royal consent in November 1910. After some modifications to the aggregation of properties and the level of assessments, the tax imposed a levy upon all estates with an unimproved value of over £5,000 on a sliding scale rising from 1d per £1 to 3½d per £1 on estates worth £75,000 with a flat levy of 6d per £1 on any further value. Absentees were levied a further 1d per £1 without exemptions, and all properties owned by an individual or company were aggregated together to prevent avoidance.[47]

The two bills occupied a good deal of parliamentary time and during the extensive debates both Labor and its opponents drew on a range of global analogies and precedents. Labor had virtually adopted New Zealand legislation wholesale, indeed one Liberal described the Land Tax Assessment Bill as a "scissors and paste bill." The government was even at times criticised for *departures* from New Zealand practices, which led one Labor member to exclaim, "Are we to follow New Zealand in everything?"[48] Hence, New Zealand's experiences were interrogated intensely. The bills' supporters repeatedly invoked the experiences of Australia's neighbour to show that the economic dislocations claimed by the opposition would not occur. Fisher threatened that he could "if so desired quote from official reports of New Zealand and other places showing that the effect of land taxation has not been to decrease employment or development and settlement, but really quite the reverse."[49] James Henry Scullin (then a newly elected Labor MLA) argued that "the experience of land taxation in New Zealand" showed that removing the "inflated value" from land would lead farmers to "turn … to the soil" and hence "prosperity will follow."[50] Hughes (now attorney-general, and a dominant figure in the parliamentary debate), pointed out in the Sydney *Daily Telegraph* that New Zealand was "more prosperous than ever" despite predictions that "the end of things was at hand" when the measure was introduced.[51] Faced with this barrage, the Liberal William Irvine complained of "always being referred to New Zealand."[52] Nonetheless the Liberals had no choice but to focus equally heavily on Australia's neighbour, developing two distinct lines of counter-argument. The first was to challenge Labor's reading of New Zealand's economic experiences, suggesting variously that the dominion's act had not promoted closer settlement; that it had increased the cost of living; that New Zealand was less prosperous that Australia; or that New Zealand's prosperity was unrelated to its land policy. The second was to dispute the analogy between Australia and New Zealand either on the basis of geography (climate, size, soil) or on constitutional grounds (since Australia was a federal not a unitary state).[53]

---

47. William Morris Hughes, *Daily Telegraph*, 27 August 1911, 11; Turner, *The First Decade of the Australian Commonwealth*, 287–89; Heaton, "The Taxation of Unimproved Value of Land in Australia," 423.
48. *Commonwealth Parliamentary Debates* (*CPD*), 23, 27, 29 and 30 September 1910, 3697, 3867, 3977, 4021.
49. *CPD*, 16 August 1910, 1542.
50. *CPD*, 31 August 1910, 2329.
51. *Daily Telegraph*, 10 September 1910, 11.
52. *CPD*, 12 Oct 1910, 4461.
53. *CPD*, 13, 14, 16, 19, 20 and 21 September 1910, 3015, 3002, 3087, 3095, 3120–21, 3333, 3415, 3510.

A broader range of global parallels featured in the debate. The United States appeared relatively rarely with Henry George attracting only a scattering of usually brief references.[54] Alfred Deakin was one of only several speakers to draw heavily on American parallels, in his case to emphasise that land taxation was, constitutionally, the preserve of the states. As he explained "in federal legislation, the country in which above all others we may expect to find practical illustration and evidence of value is the United States of America."[55] By contrast, British examples were particularly dense. Figures including Smith, Ricardo, the Mills, Tennyson, Gladstone, Froude, Morley, Balfour, Carlyle, Marshall, Cobden, Bright, and Chamberlain were all evoked, as were the "lessons" of English, Scottish, Irish, and Welsh experiences of land monopoly. Lloyd George's contemporaneous proposals were subjected to occasional (but surprisingly infrequent) interrogation. German, Egyptian, South African, French, and even Danish parallels were also occasionally examined.[56]

The significance of this confetti of references must be carefully considered. They embroidered an intense but essentially homespun debate. The close modelling of Australian legislation on that passed in New Zealand made the latter's experiences highly pertinent to the detailed scrutiny of the bills. The broader global analogies were deployed to either reinforce or disarm opposition warnings of immanent disaster as a result of supposedly unprecedented radicalism. The dominance of British over American and continental European examples reflects the extent to which Australian political discussions remained steeped in a wider British (world) political culture. Thus the politics of land in Australia had transnational elements: a borrowing of legislation from New Zealand and an imagined global backdrop and vocabulary of analogies.[57] Yet there were important limits. The tax's supporters in particular were not part of a single *organisationally* integrated transnational movement; their aspirations and policies were determined primarily in local and national contexts. This contrasted with one powerful element in the campaign against the land tax. For as well as the Liberal Party, the FLP also faced (and faced down) a powerful Anglo-Australian campaign opposing the tax centred on the financial interests of the City of London.

The City of London, the Pastoral Lobby and the 1910 Land Tax

In order to understand the roots and power of this campaign, it is necessary to delineate a major element in the Australian "land monopoly": Anglo-Australian pastoral finance companies. From the second half of the nineteenth century a number of companies emerged to finance the wool trade and (increasingly) to provide a range of services – including mortgages – to the pastoral industry. In the financial crisis of the early 1890s, defaults by many struggling mortgagees led many of these companies to become significant landholders in their own right. By the late-nineteenth century almost all raised capital in Britain. Most transferred their head offices to London. The relative power of Australian and London managements varied however there

54. *CPD*, 30 and 31 August 1910; 20 September 1910, 2244, 2290, 3423, 3411–12.
55. *CPD*, 12 October 1910, 4455. See also *CPD*, 30 August 1910, 2237–39.
56. *CPD*, 30 August 1910; 14, 15, 19, 20 and 28 September 1910, 1911, 2243, 3079, 3082, 3117, 3276–77, 3422–25, 3827.
57. Antipodean legislation played similar roles in British debates on land taxation. See Edmund Rogers, "The Impact of the New World on Economic and Social Debates in Britain, c. 1860–1914," (PhD diss., University of Cambridge, 2008), 67–109.

is no evidence of divisions along these lines within the firms which took part in the campaign against the tax.[58] By the turn of the twentieth century the leading representatives of the pastoral interest had become major voices on Australian affairs in London, shaping City views on Australia more generally.

Table 1: The Incidence of Australian and New Zealand Progressive Land Taxation, 1911

Total Unimproved Value	Australia		New Zealand	
	Resident	Absentee	Resident	Absentee
5,000	0.00%	0.42%	0.44%	0.45%
10,000	0.24%	0.66%	0.49%	0.53%
15,000	0.37%	0.79%	0.57%	0.65%
20,000	0.47%	0.89%	0.63%	0.23%
30,000	0.64%	1.05%	0.73%	0.89%
40,000	0.79%	1.21%	0.81%	1.01%
50,000	0.94%	1.35%	0.92%	1.17%
60,000	1.08%	1.50%	1.02%	1.32%
70,000	1.23%	1.64%	1.12%	1.47%
80,000	1.37%	1.78%	1.22%	1.62%
90,000	1.51%	1.93%	1.32%	1.77%
100,000	1.65%	2.07%	1.42%	1.92%

Note: The incidence on variable revenues would almost certainly have been higher, especially in bad years.
Source: W. Pember Reeves, "Land Taxes in Australasia," *Economic Journal* 21 (1911): 525.

The incidence of the land tax (see Table 1), particularly on absentee landholders, was considered to be heavy by the pastoral interests. The absentee clauses were also widely taken to confirm a two decade long suspicion in the City that Australian "socialism" was hostile to investors' interests and likely to violate the rules of the financial game. These fears were widespread. As the underwriter Robert Nivison and T. J. Russell of the London and Westminster Bank explained to the governor of New South Wales, there existed "in the minds of financiers [a] dread that at any moment *socialistic legislation* might be passed in Australia" and this made it hard for the state to borrow on better terms than the small South African colony of Natal.[59] Russell and Nivison together at this point organised the borrowing of every state except Queensland, and state borrowing accounted for 63.4 per cent of all Australian

58. Tsokhas, *Markets, Money and Empire*, 4–10; Simon P. Ville, *The Rural Entrepreneurs: A History of the Stock and Station Agent Industry in Australia and New Zealand* (Cambridge: Cambridge University Press, 2000); Herman M. Schwartz, *In the Dominions of Debt: Historical Perspectives on Dependent Development* (Ithaca, NY: Cornell University Press, 1989), 67. For a recent analysis asserting the power of the British office of one pastoral firm, see Kevin Tennent, "Management and the Free-Standing Company: The New Zealand and Australia Land Company c. 1866–1900," *Journal of Imperial and Commonwealth History* 41, no. 1 (2013): 81–97.

59. H. Rawson, Memorandum re NSW finances in London, January 1906, Joseph Carruthers Papers, MSS 1683/55/23/143, Mitchell Library. On Nivison and Russell, see R. P. T. Davenport-Hines, "Lord Glendyne," in Appleyard and Schedvin, *Australian Financiers*, 190–205.

finance raised in Britain from 1865–1914. While in the late-1900s, the local capital market had proved adequate and some Australian debt had been repaid in Britain, by 1910 the economy approached the limits of the local market. Although the FLP manifesto committed the party to a cessation of public borrowing, many other Australians remained convinced that in the long run development depended on securing fresh British capital.[60] Thus fears such as those articulated by Nivison and Russell underlay a potentially powerful critique against the land tax: that by damaging pastoral interests and confirming broader fears, it would stem British investment or even lead to a withdrawal of capital retarding economic development.

This argument was rarely used by Liberals during the long discussion of the land tax bills; never by Deakin and only once by Joseph Cook. John Forrest wrote in private to Fisher warning of "the effect an action of this sort will have on the money market in London."[61] Their public reticence may have reflected the electoral perils of being presented as "un-Australian pawns" of a cosmopolitan money power.[62] However, chambers of commerce, insurance companies, banks, and land companies in Australia protested (in advance of protest in London) against the tax on the grounds that it would undermine credit and hence economic development. In August 1910 a Melbourne estate agent wrote to Fisher that the tax would sacrifice "national credit, nay, national honour," concluding "if you make the name of Australia synonymous with confiscation Australia will not be trusted … this unrighteous action will even affect government loans … how is this immense continent to be developed and peopled without fresh capital."[63] Similarly the Melbourne *Argus* warned that in response to the absentee clauses, "British capitalists will be less free in lending when the states want money for public requirements? Think of the check to enterprise if the inflow of capital is retarded."[64]

Hughes initially dismissed such arguments on the grounds that little had been heard from London.[65] Yet protest soon began stirring in the London. On 18 August the *Morning Post* published an anonymous letter, widely reproduced in Australia, from "Imperialist" reporting unease at the land tax proposals amongst British investors.[66] In early September the London Chamber of Commerce wrote to High Commissioner George Reid on behalf of trustee investors, warning that capital would be diverted away from the Commonwealth. (Reid forwarded this letter, and others like it, to the federal government but otherwise remained silent as the subsequent campaign against the tax developed).[67] In mid-September, the chairmen of three leading pastoral finance companies (Edmund Doxat of Dalgety and Co, Andrew Williamson of the

60. N. Cain, "Trade and Economic Structure at the Periphery: The Australian Balance of Payments, 1890–1965," in *Australian Economic Development in the Twentieth Century*, ed. Colin Forster (London: Allen & Unwin, 1970), 103; Bernard Attard, "New Estimates of Australian Public Borrowing and Capital Raised in London, 1849–1914," *Australian Economic History Review* 47, no. 2 (2007): 163, 176; Dilley, *Finance, Politics, and Imperialism*, 28, 49–54, 88–89, 144–145.
61. *CPD*, 13, 14, 15 and 28 September 1910, 3012, 3111, 3280, 3832–33; Forrest to Fisher, 1 October 1910, PMOP, A2863/1/2907, NAA.
62. Dyrenfurth, *Heroes and Villains*, 107–8, 117–18, 141.
63. Arnold to Fisher, 15 August 1910, PMOP, A2863/1/2218, NAA.
64. "Federal Land Tax," *Argus*, 2 September 1910.
65. Kidd to London Office, September 1910, Sydney Manager London Letterbook, 68A, Australian Mercantile Land and Finance Company Papers, Dep. 162/3129/1511, Noel Butlin Archives Centre (hereafter NBAC).
66. See for example, *Mercury* (Hobart), 19 August 1910, 5; *Argus*, 19 August 1910, 7; *Sydney Morning Herald*, 19 August 1910, 7.
67. Musgrave to Reid, 6 September 1910, PMOP, A2863/1/2907, NAA.

Australian Estates Company, and Charles Kingston of the Australian Mercantile Land and Finance Company) agreed at a meeting that "it would be a mistake to let this legislation … be enacted without one word of protest from this side."[68] They called a meeting of the British Australasian Society in mid-September (a body representing the interest of British investors).[69] The society sent a stiff telegram to Fisher on 29 September warning that the alarm caused by the tax, especially the absentee clauses, would restrain or even reverse the flow of capital. An elaborating letter suggested that since investment in land and Australian government stocks "comes from the same source," doubts about the "good faith" of Australian governments would spread, capital would "flee," and "the prosperity of the country will suffer a severe blow."[70] Hughes, acting as Prime Minister while Fisher sailed to the 1911 Imperial Conference, responded that New Zealand had not suffered this fate, and dismissed the opinions of "persons 12,000 miles away … [who] are apparently blind to the true position, which is that there has never been a period in the history of Australia in which new enterprises have been entered into by greater numbers, or involving larger investments of capital."[71]

Despite the passage of the two bills into law in November 1910, the pastoral interests did not let matters rest. Complaints continued at company meetings.[72] A meeting at the AMLF offices in February 1911 considered financial support for the Liberal Party, but decided against this course due to concerns that not all companies would be willing to pledge funds. Neither could support be secured from the Anglo-Australian banks (banks operating in Australia, but run from London). In some areas of New South Wales, banks had entered the lending and mortgaging market (although particularly the Australian-based Bank of New South Wales and the Commercial Banking Company of Sydney rather than the Anglo-Australian banks).[73] Some of the Anglo-Australian banks criticised the measure (which might apply to their properties), however they were neither solely nor primarily dependent the pastoral market. Some judged that they might gain from closer settlement or wished to reserve political capital until the contours of Labor's monetary and banking proposals became clear.[74]

The lion's share of Australian borrowing was undertaken by the states, and the market for Australian government securities provided a further avenue though which to attempt to apply pressure. Doxat judged in December 1910 that "holders of Australian government securities such as insurance companies are disposed to realise [ie sell]," and thought that in the wake of the tax that no state government could float a loan with a nominal interest rate of less than 4 per cent.[75] In fact *net* borrowing by the states fell from £4.0 million in 1909 to £1.2 million in 1910. In

68. Doxat to Fairbairn, 15 September 1910, E. T. Doxat Papers, N8/30, 535–36 (hereafter Doxat Letterbooks), NBAC.
69. Bernard Attard, "How to Organise a 'Capital Strike': The British Australasian Society and the Queensland Government, 1899–1924" (paper presented to the Economic History Society Annual Conference, University of York, 5–7 April 2013).
70. British Australasian Society to Fisher, 29 September 1910, Doxat to Fisher, 7 October 1910, PMOP, A2863/1/2774, NAA.
71. *Sydney Morning Herald*, 29 November 1910, 7.
72. See for example, *The Economist*, 17 June 1911, 1311–14.
73. N. G. Butlin, "'Company Ownership' of N.S.W. Pastoral Stations, 1865–1900," *Historical Studies: Australia and New Zealand* 4, no. 14 (1950): 96–97. See also footnote 75.
74. Dilley, *Finance, Politics, and Imperialism*, 50, 59–60, 178.
75. Doxat to Fairbairn, 2 Dec 1910, 1 February 1911, *Doxat Letterbooks* N8/30, 572–73, 593–94.

1911, £1.6 million of capital was withdrawn.[76] A specially formed committee of the London Chamber of Commerce's Australasian section (in which the pastoralists were prominent) considered "that some pressure might be brought upon the Australian Government by advising British investors not to subscribe to Australian loans."[77] Yet the committee did not attempt to pursue this course not because "some members held the view that the Australian Government could get their loans taken up locally."[78] Thus the course was rejected because the chamber doubted the efficacy of a capital strike in the context of Australia's strong economy and capital markets.

Even without a coordinated alliance with bondholders and the banks, the London Chamber's committee nonetheless resolved to lobby Fisher publicly during the Imperial Conference of 1911 and to assert the *potential* dangers to Australian credit.[79] On 13 June 1911, a delegation (described by the Sydney *Bulletin* as "extremely fat") of chamber dignitaries and leading members interested in Australia (particularly pastoral financiers) met Fisher.[80] The chamber's chairman, Stanley Machin, introduced the delegation as representing the "gravest doubt[s] and misgiving[s]" of those interested in Australia and appealed to Fisher's "imperial views," asking him not to interfere with the "development of cordial relations" with the mother country. Emphasis then shifted to the effects on British investment in Australia. Ferdinand Faithfull Begg, a stockbroker and the chamber's treasurer, argued that "Any act on the part of any government in any part of the world in which investors were interested would affect the attitude of those investors, and, consequently, the flow of capital." As such an act, Andrew Williamson continued, the tax would undermine confidence in "the quarter to which Australia must ultimately look for any further outflow of capital for the development of its resources." W. Capel Slaughter (chairman of the Midland Railway Company of Western Australia) then warned that capital would be moved to Canada "or even a foreign country where there was greater respect for the rights of capital."[81] Thus transnational and global elements – the mobility of capital, the dependence of Australian development on British largess, the imperial connection – lay at the heart of the delegation's case against the tax, elements evoked in the expectation it they would place some pressure on Fisher.

Fisher delivered a rebuttal that rested squarely on national elements. He replied curtly that the policy had been submitted to and approved by the Australian people at "three different elections," that the economic progress of the Commonwealth belied their warnings, and that the "the standing credit of Australia was higher than it had ever been before." The British connection was "not involved at all." He denied the facts of their case, but also denied that his government should alter course if they were proved correct. He told the delegation that no party in Australia "desired to strike at capital and investments as capital and investments" but, "where those investments came into contact with the public interest the government was

76. Attard, "New Estimates," 176.
77. London Chamber of Commerce (hereafter LCC), Council Minute Book, 10 November 1910, 2343, MS 16459/4, London Metropolitan Archive (hereafter LMA); LCC, Australian Section Minute Books, February 1911, 157, MS 16511/1, LMA.
78. LCC, Australian Section Minute Books, February 1911, 157, MS 16511/1, LMA.
79. LCC, Australasian Trade Section Minute Books, 14 February, 31 May 1911, 157, 160–61, MS 16511/1, LMA; LCC, Council Minute Books, 11 May 1911, 2, 423, MS16459/4, LMA.
80. *Bulletin* (Sydney), 29 June 1911, 7.
81. *Chamber of Commerce Journal*, July 1911, 205–6.

in duty bound to give first consideration to the public interest."[82] Thus democratic legitimacy bolstered by national economic prosperity buttressed a response which severed the chamber of commerce delegation's assertion of a symbiotic connection between Australian national interests and British investment.

News of the delegation's frosty reception was rapidly relayed to Australia. Labor's critics rounded on the Prime Minister. The *Sydney Morning Herald* bemoaned Fisher's "temerity" for suggesting that "Australia did not care how much British capital was withdrawn," claiming "few Australians" would subscribe to such a "wild and stupid assertion."[83] Conversely, the *Bulletin* dismissed that "ancient and fishy fable that Capital would be Frightened Away" and the "wails put forward on behalf of swelled squatters and bloated squatting institutions." Of course the tax would deter "Capital from grabbing and holding huge idle tracts of fertile territory" because it "was precisely with that object that a land tax was sought."[84] The *Bulletin*'s characteristically forthright prose reveals the level of political capital invested in the tax. Unsurprisingly, despite several high court challenges and a Liberal majority in the House of Representatives in 1913, it remained on the statute books.[85] With the onset of World War I, the exigencies of war finance made repeal even less likely.[86]

Fisher's government chose – and was able – to face down lobbying from London for a number of reasons. The pastoral lobby failed to seek (and perhaps would not have been able to obtain) a close alliance with those marketing state debts and with the Anglo-Australian banking lobby. Australia's booming economy and exports bolstered the Prime Minister's position, undermining warnings of impending doom and facilitating debt service. Wool had declined as a proportion of Australia's exports from over 60 per cent before 1890 to about 30 per cent in 1913 of which an increasing proportion came from small producers, lessening the industry's political purchase.[87] The federal government was not seeking to borrow in London (although many states were), lessening its sensitivity to the lobbying.[88] The FLP's tremendous political investment in progressive land taxation and the party's recently won strength at the ballot box bolstered Fisher's position, and also made retreat politically unthinkable.

Conclusion

Progressive land taxation was a crucial and radical element of the early federal Labor programme. Transforming patterns of landholding were central to Australia's economic, political, and geopolitical destiny, and in the hands of a rhetorician like Hughes were imparted with quasi-apocalyptic overtones. Land taxation was perhaps the area in which the Fisher government pushed furthest beyond Deakinite progressivism. In contrast to the monetary radicals' pet projects of a federal note

82. *Chamber of Commerce Journal*, 205–7.
83. *Sydney Morning Herald*, 16 June 1911, 8.
84. *Bulletin*, 29 June 1911, 7.
85. Heaton, "The Taxation of Unimproved Value of Land in Australia," 424–28.
86. During World War I, Fisher and Hughes bargained hard with the British government over the purchase of Australia's wool clip. Championing short-run export earnings (and hence the pastoral industry) did not contradict the aspiration to transform rural landholdings in the long term which underlay the tax. See Tsokhas, *Markets, Money and Empire*, ch. 1.
87. Tsokhas, *Making a Nation State*, 5; Tsokhas, *Markets, Money and Empire*, 3–4.
88. Crisp, *Australian Federal Labour Party*, 263–64; Dilley, *Finance, Politics, and Imperialism*, p. 143–45, 153–54, 156.

issue and Commonwealth bank, the policy was implemented more quickly and without significant modification.

A range of transnational elements shaped Labor's land taxation policy. These consisted of borrowing of policy ideas from and their legitimisation through a global (especially British world) vocabulary of parallels, rather than deep organisational integration or (in contrast to radical trades unionism) movements of personnel. The deepest borrowings were from New Zealand; the 1910 land tax was closely modelled on New Zealand legislation. As well as close ties across the Tasman, analogous (if not identical) political economies and political aspirations eased this transfer. In the 1910 parliamentary debates, both Labor and Liberal protagonists drew on a broader global, and especially British, vocabulary of examples usually to explore the legitimacy and likely economic effects of the tax. New Zealand's land taxation policy closely matched (for Labor thinkers) Australian aspirations and conditions, while the vocabulary of analogies were used, on both sides, to bolster their predictions about the likely repercussions of the policy in Australia. In other words, the underlying logic of the policy was determined in Australia: this global vocabulary served goals determined within a national political framework.

As well as the Liberals, the FLP also faced down an Anglo-Australian pastoral finance lobby, led from the City of London. These interests were inherently transnational and drew strength from their broader connections in the City. This opposition to the tax was *organised* transnationally and was a product of British capital exports. Their case (and sense of strength of the Anglo-Australian pastoral lobby) rested on the assumption that these connections were crucial for Australian prosperity, and that a "young country" requiring capital could not afford to risk its credit (a proposition with which many Australians agreed). The failure to connect with the City interests organising borrowing by the Australian states, and to a lesser extent with the Anglo-Australian banks, weakened their leverage. Even so, their failure should not mask the potentially deep influence such lobbies could have in less benign circumstances: while the influence of London finance was loose and spasmodic, it was real. The Queensland loan embargo of the 1920s (orchestrated by essentially the same pastoral lobby over another far more radical land policy) and the events surrounding the Jack Lang affair in the early 1930s illustrated the potential for the transnational politics of finance to play a powerful and (particularly in the latter case) disruptive role in Labor politics in Australia.[89] In 1910, if Labor's opponents' power came from the globalisation of capital, Fisher's government drew strength from its command of the state secured through a nationally united movement (bolstered by a benign national economic backdrop). Labor's powerful claims on "Australian-ness" also drove a wedge between the Liberal opponents of the tax and the pastoral finance lobby, making it hard for Liberals (should they have been so inclined) to argue that economic dependence necessitated sensitivity to the London capital market. Certainly in deciding how and in what way to deploy national power, the FLP drew on and adapted global radical circuits of ideas. The case of the 1910 land tax dispute shows how faced with more truly transnational opponents, the tools and ideology of the nation state proved irresistible to a large

89. Events encapsulated in the career of E. G. Theodore; see K. H. Kennedy, "E. G. Theodore," in Appleyard and Schedvin, *Australian Financiers*, 278–308. See also Attard, "How to Organise a 'Capital Strike.'"

swathe of politicised labour in Australia, even as transnational influences inflected that ideology and helped legitimate the ways those tools were deployed.

Andrew Dilley *is a Senior Lecturer in Imperial and Global History at the University of Aberdeen. His monograph,* Finance, Politics, and Imperialism: Australia, Canada and the City of London, c. 1896–1914 *(London, Palgrave Macmillan, 2012) offers a comparative study of the impact of London finance on Australian and Canadian politics in that period. His broader research interests lie in the field of British imperial history and the political economy of Britain's relations with the dominions.*
<a.dilley@abdn.ac.uk>