Leadership lessons: Minority governments, independents and relationships.

Tracey M Arklay

The University of Queensland

Abstract

The 2010 Australian election returned the first ‘hung’ House of Representatives since the Second World War. This paper tracks the political lessons of history to the only other time when a prime minister had to work in a hung parliament. Circumstances and political parties differ, but on closer examination some common themes emerge. The prime ministership is both a gift and a burden, where control is, for the most part illusory. R.G. Menzies lacked the personal qualities his parliamentary colleagues found in Arthur Fadden. In 1941 he lost the prime ministership because he lost the support of his party room. Just as she had defeated Kevin Rudd in 2010, Julia Gillard was eventually defeated in a caucus ballot in June 2013. However, at least initially, Gillard displayed personal traits which Rudd lacked and which enabled her to retain the trust of both the ALP caucus and key independents Members. History contains some valid lessons which, given recent events, need restating: relationships in politics matter.

1 The author wishes to thank Rod Rhodes, John Kane, Anne Tiernan and two anonymous AJPH referees for their helpful comments and suggestions on earlier drafts. This essay was accepted for publication prior to the replacement of Julia Gillard as ALP leader and prime minister by her rival, Kevin Rudd in June 2013.
How valid is it to compare governments separated by more than 70 years? While political parties, along with their support base, have changed, politics remain a career choice not suited to the faint hearted. Today, a ubiquitous adversarial media, heightened level of scrutiny on all aspects of political life, and the phenomenon of social media increase the pressure. Acknowledging these differences, some truths resonate. This article examines the early federal careers of two Prime Ministers (Robert Menzies and Arthur Fadden), to ascertain whether any lessons can be drawn from history in relation to getting and then keeping the job. While the 1940s and 1950s were in many ways different from today, some of the issues plugging the ‘hung’ parliament elected in 2010 were evident then too. These include issues of trust, Cabinet leaks, rumblings from the back-bench, media speculation about leadership challenges and reliance on support from independents.\(^1\) An examination of the first federal hung parliament in Australian history provides an opportunity to examine issues such as the role and characteristics of leadership, the influence of independents, as well as the political choices and compromises that circumstances induce. This analysis shows that certain intangible characteristics, while hard to measure, that include loyalty, trust and likeability, played a role in determining who led the government and under what circumstances. On the face of it, a perceived lack of these character traits played a part in Rudd’s removal from office in 2010.\(^2\)

This essay proceeds as follows. First it provides an historical description of the circumstances that led to the first hung federal government in Australian history and the factors that combined to catapult Arthur Fadden into the Prime Ministership in 1941. I draw upon literature and first person accounts to build a portrait of Fadden’s personal qualities which are then compared to later holders of the office. Second, it gives a brief description of the circumstances that saw Fadden lose government after only 40 days – focussing specifically on how he lost crucial cross-bench support. Third, these events are considered alongside contemporary politics to ascertain what, if any conclusions can be drawn from history to shed light on Australia’s 43rd Parliament. I conclude that, regardless of the era, the prime ministership is both a gift and a burden, where control is, for the most part illusory.

As much as possible, I utilise first-hand accounts and draw upon insights provided through interviews conducted with people who remembered Arthur Fadden and Robert Menzies through family or work connections. While Fadden penned no memoirs,\(^3\) insights into his character can be gleaned through the personal correspondence with political colleagues and friends, mainly after retirement, that have been deposited in the National Library’s extensive archives.\(^4\) Likewise, Menzies biographer Allan Martin’s files on his subject are accessible at the National Library of Australia.\(^5\) Observations on Kevin Rudd and Julia Gillard are gleaned from secondary sources: books, newspapers and journal articles, but also include some observations on Rudd’s operational style from his time working for the Queensland government in the 1990s. Therefore the research method is historical, comparative and...

---


3 I am not including his ghost written book ‘They called me Artie’ because it is largely a series of vignettes and witticisms that provide very little critical analysis about Fadden’s time in office.


interpretative and draws on the literature on political leadership and to a limited degree political psychology, in so far as the paper attempts a description of the drivers, emotions, interpersonal relationships and intergroup relations of the politicians under study.6

The events of 1941 provide historical context to the dilemma which confronted the Gillard government after the 2010 election – how to hold onto power with minority support. This is a difficult, tight-rope act. The fact that the 43rd parliament functioned, in the legislative sense at least, is a testament to the tenacity of Gillard as Prime Minister. Contemporary politics illustrate how difficult the business of politics is. History shows that such difficulties, while exacerbated by a 24 hour news cycle, are not new. Arthur Fadden’s government was defeated on the floor of the Parliament precisely because of his inability to maintain the support of key independents. To comprehend this defeat, it is first necessary to understand the events that catapulted Arthur Fadden to the Prime Ministership in 1941. The years following Fadden’s entry into the federal arena coincided with the gradual disintegration of the United Australia Party (UAP). Its decline was accelerated after the sudden death in office of Prime Minister Joe Lyons, and the succession of Robert Menzies to the leadership in 1939.

When a leadership impasse occurred in the Country Party not long after the election of 1940, Fadden was invited to assume the position of leader in an acting capacity. Once in the role he cemented his position, and he remained leader for a further seventeen years. Prime Minister Robert Menzies and his new deputy did not automatically see eye to eye. Apart from Menzies’ inherent distrust of the Country Party (CP), there were policy and ideological differences to iron out. The CP worried about how war restrictions would affect primary producers7 and later Fadden pressured Menzies in relation to the Communist Party. As negotiations and war planning intensified, Menzies was absent from Australia for months at a time. Fadden assumed the role of acting Prime Minister and furthered the trust among not just his own colleagues, but those of the Opposition also. Curtin, not Menzies for example was effusive in his praise of Fadden after his stint as acting Prime Minister in 1941.

During the absence of the Prime Minister abroad, the Treasurer (Mr. Fadden) who served as Acting Prime Minister, set a standard of service to Australia, and of association with parliament, which I greatly admire …8

Tensions between Menzies and his party colleagues intensified upon his return and in August 1941 he was replaced as Prime Minister by Arthur Fadden who secured the votes of both the UAP and the CP – the first and only time a CP leader was made Prime Minister in his own right.

Fadden’s ascension to the leadership was due to his ability to bring people together. He was gregarious, mixed easily and, because of this, built up trust among colleagues. This trust saw him become the go-to leader for backbenchers, not just from the CP but also from the UAP. It assisted Fadden in understanding what a particular faction was concerned about, and enabled him to act quickly to reassure, or at least explain the action or policy that troubled them. Menzies did not have


7 National Archives Australia (NAA): A2697, vol.5, cabinet submission 512, 11 December 1940.

8 CPD 1941, vol.167, p.25.
this easy approachability and was, in his own words, prone to “intolerance and hasty judgements”. As Fadden once self-deprecatingly remarked, “Ming doesn’t tolerant fools easily, and we are none too keen on him either”. To his credit, Menzies learnt the painful lessons and softened his personal style in his second term (1949-1966). He remains Australia’s longest serving Prime Minister.

Prime Ministers have only limited opportunities to choose the circumstances surrounding their terms in office. Fadden and Menzies had the Second World War thrust upon them; Rudd in 2008 had the Global Financial Crisis, while Gillard had to forge a distinct identity for her government, based nominally around the Labor tradition but one that paradoxically emphasises economic management as a core goal, with no slack in terms of parliamentary numbers, a hostile Opposition, and with the Greens and independents to mollify. Minority governments highlight how the prime ministership may be the most powerful office in the land, but also how it is a co-dependent office, reliant on the support of political colleagues, the public service, party factions, the media, the electorate and other vested interests. It is a role that is heavily reliant on the vagaries caused by the “complex and contingent nature of power”.

Theories of leadership

There are multiple ways of defining leadership. Rarely does a leader fit one theoretical model. For instance while JW Burns’ typology of a transactional leader can be helpful in understanding aspects of Fadden’s leadership (Fadden was a strong advocate for the interests of the Country Party’s constituents, achieved many concessions for them during his parliamentary career and in return received their support and consolidated his position as leader), he also fits into the category of supportive leader. As a supportive leader he frequently displayed behaviour that ensured the “satisfaction of subordinates’ needs and preferences” by giving individuals opportunities to shine and by creating a friendly, supportive working environment. In that way he displayed elements of what Greenleaf described as ‘servant leadership’, in that he had a strong desire to serve others and for the most part was prepared to help, listen and was thus effective. On the other hand Kevin Rudd displayed transformational leadership qualities. This is best illustrated by his 2008 apology to


Australia’s indigenous people, as well as his early work on climate change. Leadership is more nuanced than any one definition can provide.

**Learning on the job**

The cliché “nice guys finish last” seems custom-made for politics, with epitaphs such as ‘head-kicker’, ‘great hater’, ‘kingmaker’, or even Paul Keating’s reflection that “leadership is not about being popular”,17 regarded as more closely reflecting reality. Yet twenty-two interviews conducted over several years with people who worked with or remembered Arthur Fadden, suggest that in his case at least, he was generally regarded as a nice man.18 Avuncular, friendly, a great socialiser, and “a hail-fellow-well-met associate of everyone”19 were some of the terms used to describe Fadden. Conversely Menzies, at least in his first iteration as Prime Minister, was perceived as arrogant, pompous, aloof and judgmental. Percy Spender once said Menzies was a person who “regarded himself as a superior being. His great fault was that he could not conceal this regard for himself from others”.20

Kevin Rudd tried another tack. He presented himself as a humble Queenslander, a boy from the country, who had a tough start to life. His early-career decision to work for Wayne Goss, initially as his chief of staff and later as director-general of the Queensland Cabinet Office in the early 1990s, proved he was “demanding”, and exacting on staff.21 More recently in October 2012 Julia Gillard sent ripples throughout the Western world when she took a stand on sexism and misogyny in the parliament. Her “superior negotiation skills” won over the independents in 2010, while her capacity to weather a barrage of criticism, some of a personal nature, won her new respect.22

Amiable and gregarious, Fadden first won the position of (acting) leader, selected as the compromise candidate in desperation by a party stalled after three separate ballots failed to end the deadlock. He was confirmed in the role, six months later – an appointment made largely on the basis of Fadden’s

---

17 Don Watson, ‘A Portrait of Paul Keating PM’ Recollections of a bleeding heart (Sydney 2011, p. 21) records the full quote as being “Leadership is not about being popular. It’s about being right and about being strong… It’s about doing what you think the nation requires, making profound judgments about profound issues”.

18 Twenty-two interviews were conducted in the course of researching the career of Arthur Fadden. Fadden died in 1973 and so many of those still alive who remembered him were themselves quite old at the time of interview. Acknowledging that interviews contain retrospective judgements and bias, the author triangulated them with other sources or assessments of Fadden to help develop an overall portrait (for more on the method, see Barry Gustafson ‘History, biography and leadership: grasping public lives’ in Paul ‘tHart and John Uhr (eds) Public leadership: perspectives and practices, ANU E Press, (Canberra, 2008, p.103).

19 Percy Spender Politics and a man (Sydney 1972, p.74)

20 He was cited by Judith Brett, Robert Menzies Forgotten People (Sydney 1992, p.292 n.6 and by Cameron Hazlehurst, Menzies Observed (Sydney 1979 p.186)

21 Patrick Weller is cited in Paul Kelly’s ‘Smart, casual Kevin’ The Weekend Australian Magazine’s, October 27-28, 2007, portrait of Opposition Leader Kevin Rudd. Weller goes on to say, ‘He pushes people and pushes them hard. He won’t be satisfied with second-rate advice or performance’.

“gift of friendship”. Labor Senator John Armstrong recalled Fadden won the nomination because “he was a man of great qualities and great ability”. Serendipity played a part in his rise to the leadership of the CP, but he held the job through a combination of adept political skills, not taking his support base for granted, and by doggedly pursuing a course of action or policy. Fadden maintained his grip on the Treasury portfolio (a position he held twice 1940-41; 1949-58) until his retirement. His reputation as a team player was cemented by his experiences as treasurer in the early 1950s, when the economy, still recovering from war, also faced a rapid rise in inflation. Throughout this period, but particularly in 1951, Fadden held his nerve and introduced a number of difficult measures that collectively became known as the “horror budget”. This budget is mentioned here because it speaks to Fadden’s character. He suffered a great deal of personal and political fallout because of the budgetary measures he introduced, yet he held firm and became recognised as a tough performer who was not easily deterred. The way he managed set-backs and criticism in both the early 1940s and again later gave Fadden a stock of moral capital that provided him with enough goodwill to weather controversies on which less well-liked contemporaries might have foundered.

What were the particular skills that enabled Fadden’s long career in politics? And importantly, what, if any, lessons do they provide for contemporary leaders? Archived letters and interviews from people closely associated with Fadden during his years as Treasurer, indicate that his departmental staff viewed him as someone who would ably represent its views in Cabinet. For the most part Fadden accepted the advice proffered by his department head, Roland Wilson. Hugh Morgan claimed that Fadden had “earned the unqualified respect of Roland Wilson”, no mean feat when considered alongside Wilson’s intellectual reputation as Australia’s longest serving Treasury head.

Some interviewees had the impression that senior journalists, including Alan Reid, had protected Fadden throughout his career. When questioned on why this might have occurred, the word “likability” was repeatedly invoked. Sir John Carrick spoke of a more nuanced Fadden, suggesting he possessed a “deeper intellect and sensitivity than he was willing to disclose to the public”.

Loyalty alongside likability and a determination to no longer work with someone was on show when Julia Gillard was urged by a majority in the Caucus to replace Kevin Rudd as Prime Minister in February 2010, and again in 2012 when, following a challenge by Rudd, she was confirmed in the

---

23 Edgar Holt, *Politics is people: the men of the Menzies era*, (Sydney 1969); but also James Killen, interviewed by author 6 June 2001; Wallace Brown, (author and former press gallery journalist, Canberra) interviewed by author 18 February 2003.

24 NLA: TRC 121/68, Interview with John Armstrong, diplomat; interviewed by Mel Pratt, 1975.


27 This view was supported by Wilson’s wife who indicated that her husband trusted Fadden (Joyce Wilson (second wife of Sir Roland Wilson, Canberra) interviewed by author, 18 August 2005.

28 Selwyn Cornish ‘*Sir Roland Wilson a biographical essay*’ (Canberra, n/d).

29 Wallace Brown, interviewed by author 18 February 2003.

30 J Carrick, pers.comm., 1 October 2002.
role. According to many press interviews given by Cabinet and Caucus colleagues of Rudd and Gillard, her negotiating skills and a clear and consistent work style were in stark contrast to her predecessor and ensured her (71 to 31) caucus ballot victory. Ultimately loyalty and likeability did not protect her: in June 2013 Rudd succeeded in ousting her as Labor leader. But the support she did secure seems to confirm that, 70 years on, politics remain intrinsically about relationships. Many of the circumstances surrounding Gillard’s promotion in 2010 were strikingly similar to the political events that unseated Robert Menzies in 1941.

Governing without the numbers – then and now

The vicissitudes of minority status plague governments. In Fadden’s case, it ensured his term as Prime Minister was short, a mere 40 days. While John Curtin assumed office, also as the leader of a minority government in 1941, the support of the Fadden-led Opposition provided the surety it needed to govern with confidence in its initial phase. This provided an opportunity for the government to establish its credentials and be returned at the 1943 election. There are significant differences between 1941 and 2012. The Gillard government had identifiable policy objectives despite a lacklustre way of promoting them, while the Opposition it faced was more adversarial in refusing to accept the government’s legitimacy than the coalition was after its defeat in 1941.

The federal election of 1937 had resulted in the UAP and ALP both holding 29 seats. The CP’s 16 seats were crucial in shoring up support. Then Prime Minister Joseph Lyons worked with his coalition partner in a parliament divided by policy issues as diverse as national insurance, conscription and defence spending. But it was the fall-out from the Country Party’s boycott of National Insurance that placed a real strain on the viability of the government. Attorney General, Robert Menzies resigned from the ministry in exasperation, not long before Lyons died suddenly in Sydney. The government, described as a “nest of impatient egos”, was further hindered by the intransigence of the CP’s leader, Earle Page, acting as Prime Minister after Lyon’s death while the UAP chose another from among their ranks. To understand Page’s intransigence it is necessary to recall that in the 1922 parliament he had refused to work with Billy Hughes as PM, thus causing Hughes to resign in favour of Lyons.

---

31 See for example: Rob Mitchell, Interview. ABC AM, 27 February 2012 ‘Backbenchers split between Gillard and Rudd’ (http://www.abc.net.au/am/content/2012/s3439909.htm).

32 Although Rudd had led the Labor Party to government gaining a swing of 5.7%, and thus a comfortable majority in 2007 of 83 – 150 seats in the House of Reps, by 2010 much of this support had dissipated. Opinion polls were showing declining support for the Rudd-led government. The 2010 federal election fought under Gillard saw Labor and the coalition each holding 72 seats. Gillard won government after gaining the support of the Greens’ Adam Bandt and three Independent Members of the House of Representatives, Andrew Wilkie, Rob Oakeshott and Tony Windsor.


34 Costar ‘The politics of coalition’ p. 94; Martin, Robert Menzies: a life, pp. 264-5).

In the 1938 parliament, Page faced a different protagonist in Robert Menzies. In an ill-judged, final attempt to prevent Menzies from becoming PM, Page launched a vicious attack on him in the Parliament. Fadden, a relative newcomer to federal politics, could not support this attack and in protest stood aside from the Country Party. His influence was telling when three other backbenchers joined him on the cross-benches. Page’s attack further hardened Menzies’ resentment of the CP which he increasingly viewed as a “selfish sectional interest”. As the United Kingdom became increasingly preoccupied with events in Europe, Menzies’ minority government was further isolated. Earle Page remained the Country Party’s leader, with the parliament chugging along until war was declared in September 1939. Unlike today’s hung Parliament, the House met infrequently during this period, especially after the initial push to pass wartime legislation such as the National Security Act and the Trading with the Enemy Acts.

Minority government troubled Menzies who desired a degree of support for his wartime measures. He attempted to negotiate with the ALP to see if it would be willing to participate in a national governing arrangement under his lead. The fact that he preferred to negotiate with the Labor Opposition indicates the extent of Menzies’ distrust of the Country Party. Undeterred, Page continued to lobby for a “composite government” arrangement, but Menzies would not consider any offer of a reformed coalition, as long as Page remained leader. As the war intensified and Australia’s position looked increasingly vulnerable, Menzies sent Minister Richard Casey as his envoy to England.

While he was away, Casey was offered and accepted the position of Australia’s first Ambassador to Washington. The subsequent March 1940 by-election in Casey’s seat of Corio proved disastrous for the government. Now in an even more tenuous position, Menzies had a new imperative to readmit the CP into Cabinet. But first Page had to stand down as leader. After some period of negotiation, Archie Cameron replaced Page. The dissident members of the CP returned to the ranks and on 14 March 1940 a new Cabinet was announced that included Fadden as junior minister without portfolio assisting the minister for supply and development, and also as minister without portfolio assisting the treasurer, Percy Spender. Tensions in government continued, not helped by the diverse viewpoints within the coalition. As just one example, war-time rationing dismayed some CP members, while the decision to ban the Communist Party in June 1940 was contentious among more Liberal members of the UAP. Menzies’ position was further weakened when three key ministerial allies were killed in a plane crash near Canberra. Two days after this accident, Fadden’s trial period as junior minister ended and he was appointed minister for air and civil defence. Leading a government wracked with divisions, it was with some apprehension that Menzies announced the 1940 election. The result was not completely unexpected.

36 Along with Fadden (Darling Downs), EB Corser from Wide Bay (QLD), TJ Collins, from Hume (QLD) and A Badman from Grey (SA) all stood aside from the Country Party following Page’s attack. See Arthur Fadden They called me Artie Brisbane 1969.


39 Fadden The called me Artie p. 42.

40 National Archives Australia (NAA), ‘Cabinet submission 512’, A2697, vol. 5. 11 December 1940.
After the 1940 poll the parliament consisted of 23 UAP, fourteen CP, 32 ALP and six independents. Four of the independents were members of Jack Lang’s Non-Communist Labor Party, who sided with Labor on most issues. Thus it was the remaining two independents from Victoria, Arthur William Coles (Henty) and Alexander Wilson (Wimmera) who effectively held the balance of power. It was a tenuous position for the government. The CP had lost two seats. At its first party room meeting after the poll the leadership was put to the vote. Cameron received no support. Earle Page and John McEwen nominated for the leadership but after three failed attempts Fadden was asked to end the impasse by agreeing to become the ‘acting’ leader. Showing considerable political nous, Fadden accepted on the proviso that both McEwen and Page supported his nomination. Percy Spender, the man Fadden replaced as Treasurer, noted that Fadden’s appointment meant that “one of the most popular of men in the parliament – a hail-fellow-well-met associate of everyone” was now treasurer and deputy prime minister. In coming to the leadership, Fadden replaced older styles of idiosyncratic, at times bombastic, leadership with a more consensual approach. Likeability may not normally be the quality that first comes to mind when explaining the success of political leaders. However, it was Fadden’s ability to get on with people, and the trust and rapport that he was able to engender, that set him apart from his contemporaries.

**Arthur Fadden for Prime Minister**

Fadden’s first war-time budget was not an easy sell and restrictions imposed won him few friends. In the House it was criticised by one of the independents supporting the government, Arthur Coles, who argued ‘there was a big field at the top of the income class that has not been properly ploughed’. But importantly the budget also served as an indicator of how Fadden bore criticism and defended his departmental staff. His reaction was remembered years later by treasury officials. The government was close to being defeated on its budget. In a last ditch effort, Menzies threatened to dissolve both houses of parliament and call an early election. This had the desired effect and the immediate crisis was averted.

Fadden served as acting prime minister for five months in 1941 while Menzies travelled to the United Kingdom and Egypt. Thus Fadden, as chair of the war cabinet and the all-party advisory war council, was privy to information regarding troop deployments and home defence. For national security reasons, statements on war cabinet and advisory war council considerations were subjected to

---

41 West Australian MP Henry Gregory did eventually nominate him – adding though that this should not be taken to mean he supported Cameron, but rather that he thought it unfair that the current leader received no nominations (see Paul Davey, *The Nationals: the Progressive, Country and National Party in New South Wales, 1919 to 2005*, (Sydney 2006).

42 Spender *Politics and the man* p.74.


44 Coles was quoted in the newspaper *Worker*, 6 December 1940.

45 Joyce Wilson, interviewed by author, 18 August 2005.

46 NAA:A463, ‘Correspondence files, various government agencies’ 1958/131.

censorship laws. As acting PM, Fadden had exclusive authority to issue press statements on behalf of the government. Sometimes Menzies felt that Fadden took these laws too lightly, on one occasion indicating via cablegram that he was

Much disturbed and embarrassed by reported statements from Australia… You will fully appreciate how important it is that I should be able to face …my work .. in Great Britain without occupying a lot of time breaking down prejudices created by indiscreet statements in Australia.48

But closer to events near Australia, Fadden was aware the Labor opposition had growing apprehension about Australia’s war preparedness. Despite Menzies’ unambiguous message, Fadden continued to issue statements, warning that Australia’s “very existence” was at stake.49

This was backed up on 13 February when Fadden, Curtin and Beasley issued a joint statement declaring that the war had entered a new and dangerous stage.50

Years later Fadden recalled the statement in his book:

We think we should tell the people of Australia that it is the considered opinion of the War Council that the war has moved on to a new stage involving the utmost gravity … What the future has in store is at present not precisely clear. What is clear is that Australian safety makes it essential that there should be neither delay nor doubt about the clamant need for the greatest effort of preparedness this country has ever made.51

With Menzies away, the advisory war council was “developed …into an instrument of all-party cooperation”.52

Fadden held a secret session of Parliament to discuss the British plan that war in the Pacific should be regarded as a “holding” war and most MPs seemed glad to have the opportunity to confidentially discuss the war.53

While in Australia, Fadden and Curtin were stressing the need for vigilance, Menzies issued a statement from London hoping that peace with Japan could be realised. Due to time delays Menzies had not seen the most recent communiqués, which among other things noted that the United States would not commit to entering the war should a British dominion be attacked. The distance and difficulty in communication meant Menzies was frequently ill-informed about what was happening near Australia. Fadden informed him via cable of the German assault in North Africa for example; and only after receiving a flurry of cables from home did Menzies express reservations about the position of Australian troops in Tobruk.54

In its wartime planning the Australian cabinet was guided by British advice and information. With the advantage of hindsight, it is obvious that this advice was

---

48 NAA:CP 290/9,14 ‘Cables to and from the prime minister (Rt Hon Robert Gordon Menzies) and party during their visit to England, 3 January 1941-17 December 1942.

49 David Horner Inside the war cabinet: directing Australia’s war effort 1939-45, (Sydney,1996) p.31.

50 Courier-Mail 14 February 1941.

51 Fadden They called me Artie p.53.


53 CPD,1941, Vol. 166 p. 25.

54 Martin, Robert Menzies: a life, p.345.
often partial, and on occasions, completely biased or wrong. The ill-fated Greek campaign was an example of this, prompting Menzies to record in his diary the question: “[w]hy does a peaceable man become a Prime Minister?”

Menzies returned to Australia on 24 May 1941. Immediately it was apparent that tension existed between him and his deputy. After the official greeting, Menzies left in the car that had delivered Fadden to greet him. While there are some conflicting assessments of reasons behind the tension, the majority consensus was that Fadden was treated badly by Menzies on his return. Gavin Souter for example reported that the PM greeted Fadden with “a coolness verging on rudeness”, while Judith Brett noted that “Artie Fadden, who had held the fort during his extended stay in London and had come to welcome him home, was left standing at the airport without a word of thanks after Menzies commandeered his car.” A former private secretary of Menzies recalled the events years later, in a personal letter to Fadden, and agreed that Menzies “ignored” him. One explanation of the tension was that Menzies was aware of the mounting disquiet over his leadership. It is difficult to ascertain whether or not Fadden played a role in undermining him, but shortly after his return Menzies spoke in the parliament of the “diabolical game of politics” (in comparison to Britain) being played out in Australia. He made no mention of Fadden’s work as acting PM, leaving it to John Curtin to pay credit to Fadden’s contribution in the Parliament.

For his part, Fadden always denied having a role in Menzies’ downfall. Indeed, when the dissatisfaction with Menzies came to a head, Fadden was the only CP minister to support him. Certainly when asked by the press if he had prime ministerial aspirations, Fadden replied that it would “depend upon the circumstances under which Mr. Menzies relinquished the leadership of the UAP, the nature of the request made and my assessment of the extent of the support offered”. Menzies leadership hung in the balance. Press reports indicate that there was general agreement that the government had failed in its war effort, but this was coupled with a sense of dismay about the lack of an alternative government. Pressure was growing on John Curtin to mount a challenge. As the Daily Telegraph, 9 August 1941 noted:

> The truth – and Mr. Curtin knows it – is that his party is no more capable than any other leader of the UAP-UCP coalition of commanding the majority needed to establish stable government…the only advice that Mr. Curtin should presume to offer the Government now is a request of an immediate election’.

---


56 Martin, Robert Menzies: a life (1993:365 fn16) argues that Fadden’s claim that that Menzies ignored him upon his return to Australia was ‘manifestly untrue’.


59 This letter is contained in Sir Arthur Fadden’s personal papers, used with the permission of the family.

60 CPD 1951, vol 167, p.25.

61 Costar, ‘The politics of coalition’ p. 95.

62 For more on this see Arklay, Arthur Fadden; Age 25 July 1941.
John Curtin faltered, and no election date was set. Instead after failing in his bid to get the ALP to agree to an “all-party government”, Menzies resigned from the leadership of the UAP and the prime ministership. At the joint meeting of the two conservative parties that followed, Fadden was elected unopposed. It was a poisoned chalice; there was little option but to accept. Menzies publicly declared his support for Fadden, and was appointed minister for defence coordination. Journalist Clem Lack attributed Fadden’s meteoric rise to “his outstanding ability as a financial debater, plus the gift of being the best ‘good mixer’ the political game can show”. Press clippings of the day seem to confirm that Fadden’s success was determined by the rapport and trust he engendered in those around him, on his approachability and likeability. His success was firmly centred on the relationships he built up around himself. Fadden led from the centre – and allowed others to shine.

Minority governments, then and now

Circumstances have changed. At the head of a minority government from 2010 onward Julia Gillard survived as Prime Minister against the odds, defying poor opinion polls, a fractious parliament, intransigent opposition and with an uninspired communication strategy. Despite this, the federal parliament continued to function. Thus 190 pieces of legislation were enacted in 2011 – considerably up on the average of 106 Acts per year since 1901, securing an overall ‘top-ten’ position. It scored some significant legislative victories, as in May 2013 when it negotiated passage of legislation through both Houses for a landmark National Disability Insurance Scheme. The Gillard government also won a High Court challenge by ‘big tobacco’ against its plain packaging legislation, a victory that was observed and lauded around the world. As Prime Minister Gillard faced some similar problems to those tackled by Fadden. She was elevated to the Prime Ministership in 2010 after most in the caucus were unable or unwilling to any longer work with Kevin Rudd. Menzies and Rudd too shared similar characteristics. Both were intelligent and well educated. Both were somewhat stilted media performers, although Menzies would later excel at reaching out to the “forgotten Australians” while Rudd garnered media attention through the use of, at times, nerdy Australianisms.

Each of the prime ministers studied here faced a difficult policy environment (war, economic downturn – Menzies, Fadden; GFC, war – Rudd, Gillard). Three (including Gillard in 2013) were removed from office because they failed to hold majority support from colleagues in their own parties. As Spender recalled, there had been ongoing “whisperers in the corridors, and to the Press, against Menzies, demanding… that he should resign, and make way for Fadden”.

---


64 Arklay, Arthur Fadden.


67 Spender, Politics and the man, p. 105.
argued that Rudd “ignored his political colleagues and prevented them from contributing” and that while he “blamed factions and opinion polls for his demise, … this was only half right”.68 Day cited Fadden’s ‘affability [which allowed] a spirit of cooperation with his Labor opponents that the more arrogant Menzies had been unable to produce’.69 As the career lows of both Menzies and Rudd highlight, their mismanagement of people contributed to their difficulties in office.

While there are differences to the way Fadden and Gillard came to power – notably that Fadden was a reluctant recruit to the office of PM, whereas Gillard was an eager contender – there are also some similarities. Colleagues selected Julia Gillard because a majority trusted her. Stuart asserts she “commanded the votes and, more importantly, the friendship of many in the caucus, because they could warm to her as a person”.70 In the political mayhem following the 2010 poll and return of a hung parliament, despite being offered “everything” by Opposition Leader Tony Abbott, two key independents finally supported Gillard’s minority-led government as the one “most likely to provide stability”.71

The two independents in the 1941 parliament had supported the Menzies-led government. Arthur Coles (a director of the Coles retail store) had returned from a self-funded unofficial mission to the United States and London to see the war effort first-hand. In April 1941 he brought to Fadden (then acting PM) his twenty-two-point plan72 that examined a range of issues including the expansion of central government, taxation, trade and employment.73 For once Fadden’s interpersonal skills let him down. He left Coles waiting outside the prime minister’s office for a long time, and then effectively ignored his memorandum. This slight was probably remembered by Coles months later when he foreclosed on Fadden’s government. Fadden and Coles had different versions of their relationship. Fadden suggested that Coles was lobbying for a Cabinet place, while Coles denied this motivation. Curtin’s biographer Lloyd Ross perhaps gives the most unbiased account for why Fadden might have had problems trusting Coles, noting he was “unstable politically, subjective to the extreme, a conceited supporter of Menzies, patriotic in excelsis, and impulsive in reversing his political loyalties”.74

Fadden’s government was plagued from the start. Eddie Ward delighted in leaking a document that the PM had known of a payment made by the attorney-general, Billy Hughes, to unionists in an attempt to quell industrial unrest. The source of the leak was journalist Joseph Winkler, who had been briefly employed by Prime Minister Menzies. While Menzies was quick to disassociate himself from the leak, the damage to the government was inestimable.75 In another secret session of both Houses

68 Stuart, Rudd’s Way pp. 286, 290.
69 Day The politics of war, p. 109.
70 Stuart, Rudd’s way, p. 284.
71 Phil Coorey, Sydney Morning Herald, 7 September 2010.
72 Fadden and the ADB refer to this as a 23-point plan but archival records indicate there were only 22 points.
75 According to press gallery journalist, Alan Reid, these allegations ‘brought about the downfall of the Fadden Government’: see NLA:TRFC 121/40, Alan Reid interview by Mel Pratt in 1972.
of Parliament, Fadden disclosed that a secret fund had existed since 1916 and that money had been
used by successive governments to ensure Australian security. In this particular case, £4800 had been
given to the Australian Democratic Front to fund “meetings, salaries, travelling expenses, and
printing”. He appointed a royal commission to investigate, and the report that was handed down
after Fadden lost government found that there was no substance to any of the allegations. This affair,
described in Parliament as “a great noise…over such a little matter” served to undermine Fadden’s
standing as PM. Governments will always have to deal with issues brought on by careless, or
attention-seeking comments; however these incidents take on much more significance when there is a
minority government.

On 25 September 1941 Fadden presented his second budget (his first as prime minister). The budget
proposed an increase in war expenditure, provided increased pay and allowances to members of the
armed services along with the expansion of housing facilities for munitions workers. In a nod to his
North Queensland roots, there was also a provision of funds to develop alternative fuels – including
power alcohol. While the child endowment scheme remained, the government used the budget to
announce it would seek to borrow loans totalling £122 million, to be repaid after the war. Fadden
announced a “national contribution”, which was to be collected on every income over £100. One
week later Labor moved an amendment to the budget to allow it to “be recast to ensure a more
equitable distribution of the national burden”. Fadden would later refer to this as a day of betrayal
and raw ambition. Coles and Wilson both voted with the opposition on the amendment, and Fadden’s
government fell.

Not even the defeat of the government could restore the coalition’s faith in Menzies, who along with
Percy Spender were named by the media as the two most likely to contend the ballot. The UAP as
the largest party was expected to nominate the leader from among their ranks, but the party room
meeting voted 19 to 12 against Menzies’ motion that they should select the Opposition Leader. A
disappointed Menzies refused to renominate and Billy Hughes was chosen to lead the UAP. At the
joint party meeting that followed, Arthur Fadden was selected to lead the joint party opposition.

While an honour and a first for the Country Party, leading such a disunited rabble was not easy. Fadden acquired the role with a reservoir of goodwill, not just from his party colleagues but also from
among the journalists in Canberra. There had already been discussions that Fadden would be the
person most likely to work cooperatively with the new PM and allow the “war machinery to function”. In fact, Fadden did not always make Curtin’s work easier – arguing strongly for
conscription for example. But despite the adversarial approach to some aspects of policy, in
November 1941, Curtin rose before the parliamentary recess to thank Fadden for his “complete
generosity” which had been extended to himself as a “novice”. Menzies continued to bide his time.

---

80 See for example Canberra Times 8 October 1941.
81 Canberra Times 4 October 1941.
82 CPD 1941, vol .169, p.1004.
Acutely aware of the power of the press, he began to provide commentary on international affairs through a regular Friday night radio broadcast. He would continue to deliver these broadcasts until April 1944. They provided him with an opportunity to reconnect to the Australian public. Meanwhile, Fadden had an increasingly difficult job managing the “cacophony of differing views in the opposition”. Pleas for unity were largely ignored. Relations with the government nose-dived when Eddie Ward claimed that both Menzies and Fadden had devised a “Brisbane Line”, which left large parts of Northern Australia undefended. After weeks of heated discussion, Fadden moved a “motion of want of confidence” in the government and demanded Curtin issue an unequivocal denial of Ward’s allegations. Curtin responded by suspending Ward from his ministerial duties. A Royal Commission was ordered that cleared Fadden of proposing a Brisbane line. But the damage had been done.

The election of 1943 was remembered by Fadden because of Menzies’ repudiation of post-war credits, a central plank in his campaign. Fadden reacted to Menzies’ criticism unwisely, referring to the “stab in the back” which he called one more “betrayal in the series for which Mr Menzies has become notorious… The statement came as no surprise to me … because the personal ambition of one man thought it preferable that we should lose this election.” A victory that had seemed unlikely before was impossible now. Labor was returned with an overwhelming majority of 49 seats to the coalition’s 22. Following such a dismal result, Fadden gladly handed the leadership of the coalition to Menzies, while he “retired to the corner to lead my own party in a happier atmosphere of mateship and unity”.

Are there lessons to be learnt from Fadden’s experience of minority leadership? Certainly, how a prime minister manages the egos and countervailing demands of those supporters who are unrestrained by party allegiance depends in part on their personality. Menzies never had to wrestle with a minority government after his initial period in office, but he did have to manage coalition relations. This was decidedly easier while Fadden was leader than after John McEwen took over in the late 1950s. Menzies’ leadership style should be viewed in two distinct stages. The first (1933-1941) saw him as a young, arrogant man incapable of listening to the views of average Australians or his backbench. The second, beginning in 1943 and continuing until Menzies retired in 1966, was markedly different. “His first taste of political defeat acted like a tonic, for it was a novel and instructive experience which made him a better leader afterwards” noted Fadden, while Costar.

---


84 Ross Gollan, ‘Opposition’s troubles: peace-before-election plea’ *Sydney Morning Herald* 22 March 1943. See also *Canberra Times* 19 March 1943, p.3.


86 CPD 1943, vol 176, p.73.


88 Fadden *They called me Artie*, p.88.

89 A former senior Canberra public servant, interviewed by author, 20 February 2003 recalled Menzies speaking to him about the effort he had gone through to ensure a harmonious coalition following McEwen’s ascension to the leadership, and quoted Menzies as having said: ‘If blood is the price of admiralty I’ve paid in buckets’.
suggests that Menzies’ relationship with the CP can also be divided into two periods, pre and post 1944. 

So what if any, are the lessons from history? While Arthur Fadden was most definitely a man of his time, his ability to win over people, gain and then keep their respect was crucial to his remaining in political jobs of his choice (deputy prime minister, treasurer) for eleven years. While the Oppositions of the day were at times adversarial, and managing some renegade members in both the government and opposition was at times hard, the leadership of the Opposition was, for the most part, accepting of the government’s legitimacy. A degree of cooperation, perhaps due to the war, was evident that was completely absent from the 43rd Parliament. Modern day leaders inhabit a much more complicated world. Menzies precarious position was certainly exacerbated by a hostile media, but he did not have to contend with the constant barrage of adverse polling that so endangered both Rudd in 2010 and Gillard thereafter. Individual circumstances faced by the different leaders are also important factors and need to be considered. Menzies resigned after consulting his Cabinet, Fadden filled a void left vacant due to a dysfunctional UAP. Thus inter- and intra-party strife led to Fadden’s elevation to the office of PM in 1941. When Gillard initially took over leadership of her party in 2010 it then had a clear parliamentary majority. Fadden became the leader of a minority government, relying on support from two ‘rotten reeds’, who had a clear agenda and supported the deposed leader. Intra-party strife cost the ALP its majority during the 2010 election. But thereafter Gillard was able to negotiate the terms of her minority government and the nature of the support of key independents in the House of Representatives. This is a significant difference and should not be overlooked.

Yet, as this analysis indicates, the prime ministership remains a gift and a burden. Control is hard won and, at times, illusory. History confirms that a leader who fails to command the ongoing support of his party could never ultimately command control of the Parliament and succeed as prime minister. Yet every prime minister has only limited opportunity to choose the circumstances surrounding their terms in office. At all times they are reliant on the support of political colleagues, the public service, party factions, the media, the electorate and other vested interests. It is a role neatly summed up in Rhodes’ words, ‘the complex and contingent nature of power”, to lose support of any and as prime minister you are on shaky ground.

Post script

Rudd lost his second tilt at the Prime Ministership when Labor was convincingly voted out of office on September 7 2013 (HoR: Coalition 90 seats, ALP 55, Others 5). Julia Gillard did not contest the election nor did she make any comment throughout the campaign. Still, from remarks made subsequently (see Roxon, 17 October 2013) it is clear a considerable degree of animosity still exists within Labor’s ranks. Can the new leadership team, Bill Shorten and Tanya Plibersek restore party equilibrium? It will be no easy task, as Menzies and Fadden found during the opposition years of 1941-49, but restoring internal harmony and trust will be necessary if Labor is to become a viable alternative for government in the future.

---

90 Fadden The called me Artie, p. 109-11; Costar, ‘The politics of coalition’, p.93.
91 Rhodes ‘From Prime Ministerial Leadership to Court Politics’