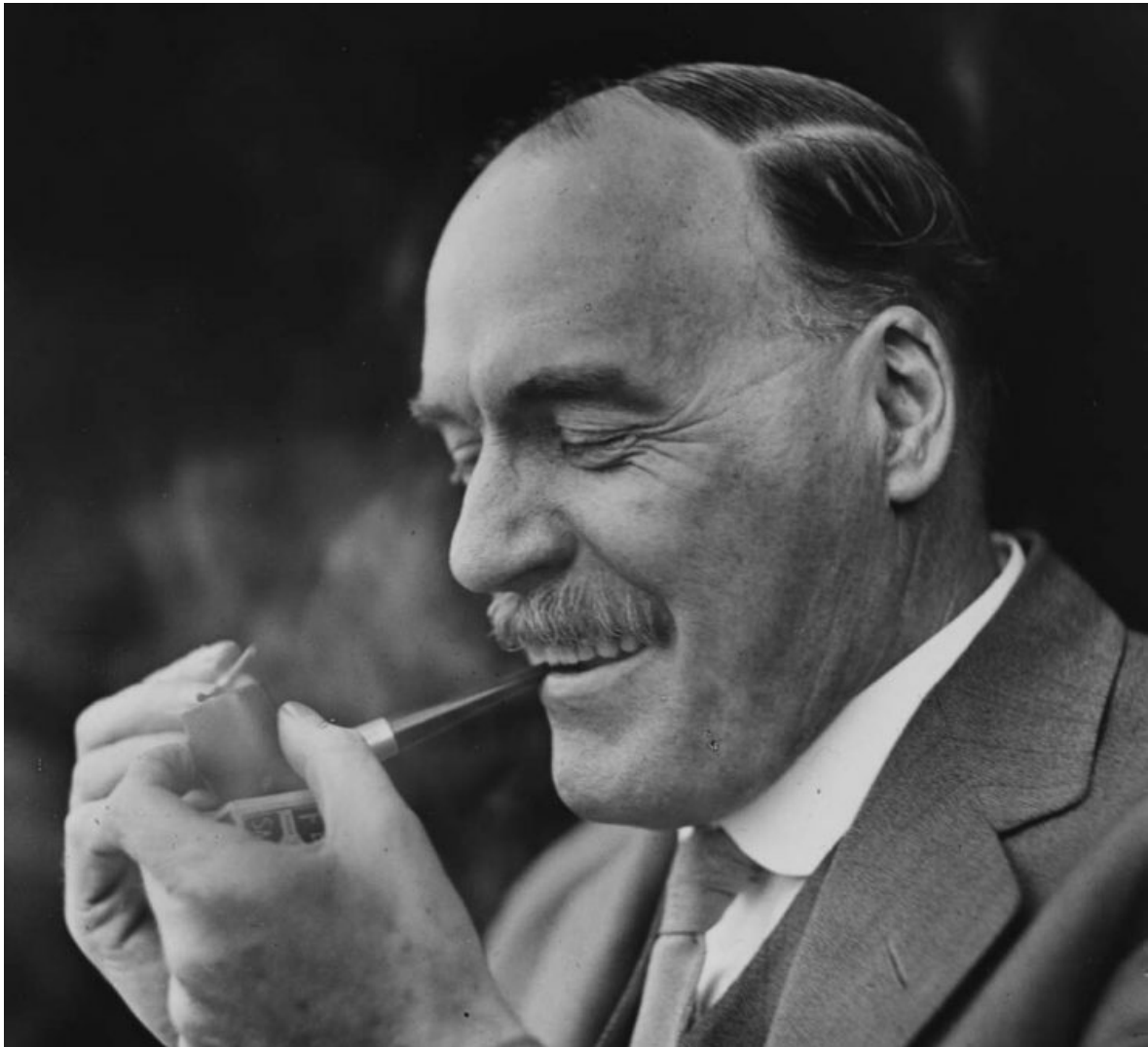# The Rise and Fall of Jack Lang, Australia's Renegade Labor Premier

Jack Lang enjoys a reputation as Australia's most radical Labor leader. Lang didn't start off on the party's left, but he refused to impose austerity measures as New South Wales premier during the Great Depression, leading to a bitter confrontation and Lang's dismissal from office.

Jack Lang smokes his trademark pipe in 1930. (National Library of Australia)

Jack Lang is the only Australian political figure from as far back as the Great Depression who still has a hold on popular memory. A renegade Labor leader and a populist, Lang led the New South Wales (NSW) Labor Party from 1923 to 1939 and served as NSW premier twice, in 1925–27 and 1930–32.

During his second stint in government, Lang defied the austerity orthodoxy of the time and repudiated NSW's overseas debt. When the NSW governor dismissed Lang in 1932, it consolidated his legendary status for a generation of Labor supporters. However, many on the radical left deny Lang a place in any pantheon of working-class heroes because of his racist nationalism and anti-communism.

What most accounts miss is the role that socialists played in Lang's rise and fall. For a crucial

period in NSW, socialists formed a central part of the populist movement that elected and defended Lang. When that movement disintegrated, the Right of the NSW Australian Labor Party (ALP) regained control of the party machine.

To this day, Lang's rise and fall remains one of the high watermarks for left-wing radicalism in Australian politics. It's a subject well worth revisiting at this moment in time, when a thoroughly de-radicalized ALP faces one of the lowest points in its history.

Origins of the ALP

Australia was a pioneer in the field of working-class political organization. Much like the United States, the Australian colonies introduced democracy for white men at an early stage, but political parties in the modern sense were slow to emerge. When a wave of class conflict spread through Australia from the late 1880s onward, workers thus faced few obstacles to establishing the world's first labor parties.

In the 1901 election after federation, Labor candidates won fourteen out of seventy-five seats. Just nine years later, in 1910, Labor formed a government for the first time.

Vladimir Lenin blamed Labor's emphatically reformist bent on the underdevelopment of Australian capitalism — in fact, the opposite was the case. As historian Verity Burgmann has argued, the rapid development of Australian capitalism meant that Labor as a political force was born prematurely and shaped by a populist, racist nationalism that tended to view capital as a financial and parasitical phenomenon, often with an antisemitic thrust.

The Australian Workers' Union (AWU), an unwieldy, oligarchic institution that had a large membership of small farmers, was central to this project. Thanks to institutions like the AWU and an official arbitration system that mandated conciliation, by the turn of the twentieth century, the Australian working class was organized on largely nonsocialist lines.

Labor's performance in government before WWI disillusioned many workers, leading to a surge in support for the radical, anti-political syndicalism of the Industrial Workers of the World. During the war, Labor lost more credibility, as the party's whole first generation of leaders defected to join conservative politicians in supporting conscription, against the wishes of party members.

However, Laborist institutions were by now so deeply implanted in the working class that the party was able to recover. A new generation of Labor leaders filled the gap, repeating the same nationalist formulas, but now adding "Labor rats" (i.e., defectors) to their list of villains.

The Postwar Socialist Generation

This was the political context in which Jack Lang cut his teeth. Lang was born in Sydney in 1876 and became involved in the labor movement as a teenager. As a real estate agent and aspiring politician in the decades before WWI, he upheld Labor's old populist-nationalist tradition.

After the war, in the wake of the Russian Revolution, a working-class upsurge challenged the dominance of the ALP's right. In 1921, Labor formally adopted socialism as its objective. This radicalization was strongest in NSW, where the Coal and Shale Employees' Federation played a central role.

However, the socialist upsurge soon ebbed as more conservative elements fought back. A breakaway "Industrial Socialist Labor Party" proved to be an electoral failure. Within the labor movement, socialists found themselves embroiled in an aimless factional war between those loyal to the miners' union and those who were sympathetic to the tiny, newly formed Communist Party of Australia.

Jack Lang became leader of the NSW Labor party in 1923 with support from the miners' union, before going on to win a narrow electoral victory in 1925. Lang was an energetic

reformist, keen on social welfare and infrastructure programs. But he had lost the support of the majority of Labor MPs by 1926.

Rural MPs felt that Lang was too close to urban trade unionists, while the ALP's right wing feared the industrial militancy of the miners. Lang's confrontational personal style also alienated many of his colleagues. To save his leadership, Lang appealed to the fragmented left, which now coalesced around him. He presented himself to party members and trade unionists as the defender of Labor values against backsliding politicians.

While this alliance between a racist populist and ALP socialists might have been an opportunistic move for both sides, it seemed to work. Party members voted to deselect Lang's parliamentary rivals, and the ALP gave state conferences the right to choose their leader. With Lang's leadership secure, Labor narrowly lost the 1927 NSW election, increasing its support in many working-class areas.

This better than expected result solidified left-wing control over the party. Lang's opponents fell silent or left the ALP altogether, while socialists took control of the party machine. Lang's parliament deputy, Jack Baddeley, was a former miners' union leader who had previously been a member of the Industrial Socialist Labor Party.

Socialists in Power?

As the Great Depression struck Australia in 1930, NSW Labor won office with a platform opposing wage cuts and promising to maintain social services. However, like parties navigating more recent crises in Europe, NSW was part of a wider federation that controlled its currency. Finance capital demanded that Australia's state governments implement austerity in exchange for financial support.

The ALP prime minister James Scullin supported this policy, known as the Premiers' Plan, which also had the backing of other state premiers. However, Jack Lang rejected it, a stand that earned him popularity with workers but made him the enemy of capital — not to mention the federal leadership of his own party.

Although the socialist rebels of the early 1920s now controlled the NSW Labor party machine, Lang soon faced a challenge from a new generation organized around Labor-affiliated mass propaganda and education organizations known as Socialization Units. At the 1931 NSW Labor state conference, supporters of the units passed a motion demanding that the party effect a socialist transition "within three years."

As far as the wider electorate was concerned, however, Lang was synonymous with the Left. Most federal Labor MPs remained loyal to Scullin's rudderless Labor government. But the strong working-class support for Lang exposed an important divide between Labor's base and its federal leadership.

In 1932, Lang's government suspended interest payments on overseas debt, an unprecedented move in the British Empire. He also resisted demands from the banks to cut wages and social services in exchange for financial support. Under pressure from Lang's government, the state arbitration system also defied calls for private-sector wage reductions.

Jack Baddeley was the central parliamentary figure behind Lang's legislative agenda. As a close ally of left-wing trade unions, Baddeley championed a set of aggressive industrial relations reforms that would give the state industrial commission — now reduced to one radical judge — the power to intervene in the operations of private firms.

A New Socialist Generation

In October 1931, federal MPs loyal to Lang voted with the conservative opposition to bring down the Scullin Labor government, splitting NSW Labor. Until 1936, NSW was home to two competing Labor parties. "Lang Labor" consistently outpolled the rump federal party, especially among working-class voters.

Yet Lang's strategically ill-considered move set in motion the events leading to his downfall. Scullin's fall resulted in a new federal election in December 1931 that returned a conservative United Australia Party (UAP) government committed to regime change in NSW. Led by former ALP MP Joseph Lyons, the new administration passed laws allowing the federal government to sequester state revenues held in banks to service overseas debts. Lang's government defied these laws. To avoid depositing funds in banks, it treated tax receipts as cash instead. Lang even sent timber workers to guard the state treasury against federal agents. In May 1932, NSW governor Sir Philip Game deemed Lang's actions to be illegal and dismissed him, appointing UAP leader Bertram Stevens as premier instead.

This constitutional coup triggered a crisis that was the closest Australia has ever come to a quasi-revolutionary situation. Although it held some mass rallies, Labor ultimately wasn't prepared to go all the way in mobilizing workers against the new government to restore Lang to office.

Meanwhile, the conservatives backed away from a narrow focus on austerity, making the argument that economic recovery required the restoration of investor confidence. At the June 1932 election, Lang suffered a crushing defeat. Working-class voters were most likely to remain loyal, but many still deserted the party, demoralized by its failure in office.

Lang's supporters in the party machine turned out to be more interested in preserving their control than in leading a militant movement. They relied on Lang's charismatic appeal to party activists to isolate more radical currents in Labor, including the Socialization Units. The decisive blow came in 1933, when Lang himself moved a motion at the state Labor conference severing the units from the party.

The Birth of the NSW Right

Game's dismissal cemented the loyalty of the Labor faithful to Jack Lang. But Lang's two subsequent election defeats in 1935 and 1938 revealed that such loyalty wasn't enough.

The Communist Party of Australia wasn't able to challenge Labor in the electoral field, but the Communists did gain influence in the trade unions, often supplanting Lang's former allies. Over time, anti-Lang unions, veterans of the Socialization Units, and dual Labor / Communist Party members constructed a popular front that was opposed to Lang, with former radical unionist Bob Heffron as their parliamentary leader.

In 1939, the NSW Labor conference gave Labor MPs the power to elect their leader once again. They rejected both Lang and Heffron, preferring the centrist figure William McKell. The 1939 conference also gave the Communists a strong position in the ALP machine, although it proved to be short lived — by 1940, the federal ALP executive had sacked the NSW party's office holders after they followed the Communist line opposing Australian participation in WWII.

Trade unions that were now desperate for a Labor government went along with this intervention, rebuilding links between the NSW party and the ALP. This alliance marked the birth of the New South Wales right. In May 1941, Labor won the NSW state election, the beginning of a twenty-four-year stint in government.

Although they ended in defeat and co-option, the Lang years were still an exceptional time in the history of the Australian left, when radical trade unionists successfully fused populist messaging with socialist content. This approach brought them from a position of marginality to the heights of state power, opening up a new horizon of possibilities. There are still positive lessons to be drawn from this experience in a new age of depression and austerity, when oppositional defiance will be badly needed.