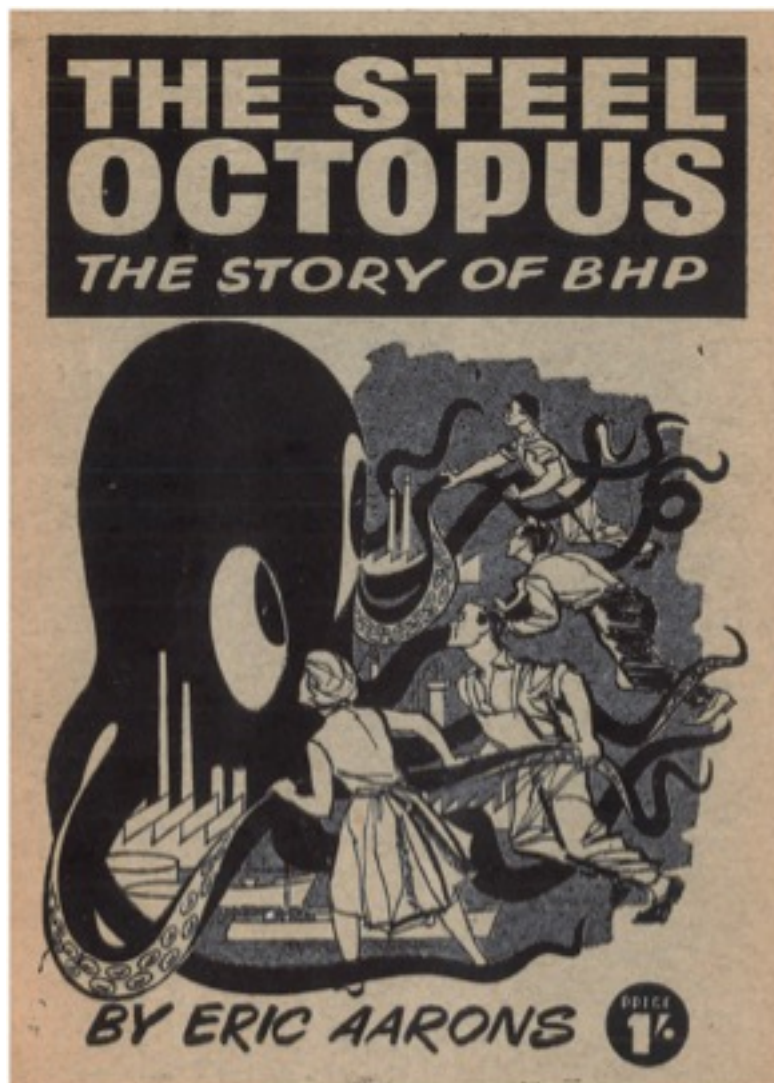


# A Company's Country: BHP and Australian Culture during the "Golden Age of Capitalism"

Tom Buchanan and Tom Mackay

BHP, formerly Broken Hill Proprietary Inc., has a long history of stressing its significance to the Australian nation. It has an equally long history of trying to shape not only what ordinary Australians think about the company itself but also what they think about industry, consumption, and free-enterprise more broadly. Based upon their recent research, Tom Buchanan and Tom Mackay will discuss the origins of these public relations efforts and will show how BHP sought to shape socio-economic attitudes during the Cold War and Australia's "Golden Age of Capitalism". They will look at BHP's broader national strategy as well as its post-WWII vision for Whyalla in South Australia. In doing so, they intend to highlight the importance of exploring Australian capitalism from the top as well as the bottom.

## The Steel Octopus: BHP's national strategy



**STEEL IS THE KEY.**

*Above: Steel products being loaded at the Newcastle Steel Works wharf.*

self-provident in iron and steel.

B.H.P. steel enabled our latent potentialities to be unlocked for service towards our war effort. It is the key to our peacetime industrial development, which in turn will provide numerous channels for employment, every productive effort contributing to the progress of Australia and Australians.

significance for Australia facing the task of rehabilitating her industries and her returning servicemen.

Fortunately, through the nation-wide operations of The Broken Hill Proprietary Co. Ltd., Australia is practically

**B.H.P. STEEL**

THE BROKEN HILL PROPRIETARY COMPANY LIMITED

This part of the discussion draws from our article “The Return of the Steel Octopus: Free Enterprise and Australian Culture during BHP’s Cold War”, *History Australia* 15:1 (2018): 62-77.

- Broken Hill Proprietary Company Ltd (BHP) and Broken Hill South Ltd (BHS) played a multifaceted role in defending the values of free enterprise in Australia during the Cold War. We show the promotional efforts these companies made toward schools, homes, universities, churches and workplaces, which aimed to reinforce the values of free enterprise, and associated beliefs, among ordinary Australians. In making these arguments, our cultural studies methodology offers a new approach to the history of industrial capitalism in Australia. The Communist Party of Australia’s metaphor of the Steel Octopus is our point of departure in examining the intimate ways that industry shaped the minds of Cold War Australians.
- Labour history and the labour movement more broadly has been challenged and pushed to the margins over the past several decades. This is especially so in the United

States (where Tom Buchanan is from), but this is also the case in Australia (though perhaps to a lesser extent). This work is an attempt to again bring class to the foreground of historical analysis and popular politics. However, it is interested in capital and the middle class as much as it is the working class. Understanding capitalism requires us, after all, to understand capital. We identify with the 'new history of capitalism' that is developing in the US and is just now starting to attract Australian historians. It is an approach that places much emphasis upon culture and ideology and their relationship to materiality and power.

- We see BHP as an ideal place to begin researching the 'history of Australian capitalism' due to its major place within the nation's economic, social, and cultural history. BHP has been intimately connected to Australian industrial development. The "Big Australian" also has an important place in Australia's social, cultural, and political history. We aim to show that this is not accidental – BHP has a history of attempting to foster positive impressions of itself specifically and capitalism more generally.
- Borrowing from Eric Aaron's reliance upon the "octopus" as a metaphor for monopoly capital, we attempt to show how BHP (and Australian industrial corporations) sought to extend and wrap their "tentacles" around major social institutions. We do so to highlight just how extensive corporate attempts to shape Australian culture were, especially during the Cold War. BHP attempted to extend its influence into a range of organisations to stress the significance of free-enterprise, industry, production, and consumption. These efforts were taken to be particularly important due to the perceived threat of socialism and communism.
- We've had to be creative in how we approach this history, as accessing official BHP records is very difficult. They closed their archives several years ago. Resultantly, unauthorised researchers do not have access to the company's historical records.
- One can only guess their motives for doing so, but it very much seems as if they are very reluctant to allow others to create unauthorised representations of them. They want to be in charge of their image. As we show, they have been extremely conscious of their public image for at least the past six decades.
- To work around this, we examine materials that are readily accessible from public archives and libraries – materials not in BHP's control. The Company's in-house magazine, the *BHP Review*, has been one of these materials, and we have drawn from it heavily. The magazine began as a publication intended for employees in the early twentieth century, but went on to become BHP's "voice", reaching workers, investors, and various others. It reached a circulation of over 100,000. It provides invaluable insights into how the company wished to be viewed by its readers (and Australia more broadly). We also make use of advertisements, pamphlets, and celebratory publications (such as the company's glossy anniversary booklets).

- We also draw from Broken Hill South (BHS) records. Broken Hill South was not a BHP company or subsidiary, but it was a part of the Collins House Group, a major mining conglomerate, and was similar to BHP. Most significantly, both were involved in primary industry, and, given BHP's obsession with image, we consider BHS' attempts to provide an insight into corporate Australia's public relations efforts generally.
- Through BHS, we can see that industrial capital was highly involved in attempts to shape a pro-business culture. BHS financed educational institutions, religious groups, friendly social science organisations, campus organisations (i.e. the Young Liberals), think tanks (especially the Institute of Public Affairs), and many more.
- Taken together, it is clear that major industrial corporations in Australia, like BHP and BHS, were attempting to influence what ordinary Australians thought about them and free-enterprise more broadly.

## Whyalla

**—a job, a home  
and economic security**

Speaking generally, a job, a home and economic security summarises the basic desires of the man in the street.

Attainment of this measure of prosperity and progress brings him well on the way towards the fuller enjoyment of life; the satisfaction of home ownership and the peace of mind encouraged by regular employment.

Whyalla, on the western shore of Spencer Gulf, South Australia, provides a remarkable example of planned industrial and civic development, in which wide opportunities have been created for ambitious Australians keen to prosper.

During the past eight years the town has been transformed by The Broken Hill Proprietary's establishment there of blast furnace plant and complete shipbuilding facilities, the town's population now being 8,000 (six times the 1937 figure).

The townspeople were not neglected in the plan for Whyalla's development. Home-building actively led by The Broken Hill Proprietary Company, Limited, and the South Australian Housing Trust has materially assisted the housing situation.

Citizens are served by one of the State's best community hospitals and a modern technical high school.

Today, no Australian town has richer potentialities than Whyalla for those who set the true valuation in a good job, a home and economic security.



**THE BROKEN HILL PROPRIETARY CO., LTD.**  
ADELAIDE OFFICE: 28 FRANKLIN STREET  
Offices also at Melbourne, Sydney, Perth and Brisbane.  
Blast Furnace and Shipyard: Whyalla, S.A. Iron and Steel Works: Newcastle, N.S.W.



This part of the discussion is drawn from our article, “B.H.P.’s “Place in the Industrial Sun”: Whyalla in its Golden Age”, *Journal of Australian Studies* 42:1 (2018): 85-100.

- Whyalla epitomised the promises of industrialism and consumerism during Australia’s Golden Age of capitalism, roughly 1945–1975. Located on South Australia’s Eyre Peninsula, Whyalla was a bustling industrial town (later a city) following the Second World War. It was home to the shipyard of Broken Hill Proprietary Company Limited (BHP) and, from 1965, a steelworks. Before the war, Whyalla had been a company town, one planned and directed by BHP. Following the Second World War, it had morphed into a hybrid public–private town, albeit one that was heavily influenced by BHP, so much so that many still considered Whyalla to be a company town. Drawing from company materials, parliamentary records, oral histories, and the Whyalla News, we argue that, together, BHP, the South Australian government, and residents conveyed and developed Whyalla to be an “Industrial Eden”. These actors forged postwar Whyalla to be a metaphor for what BHP, South Australia, and, ultimately, Australia had to offer. Whyalla represented progress, modernity, abundance, and stability. Moreover, it was presented and even accepted as a great place to live and work. For a moment, Whyalla was a capitalist utopia.

### **Why Whyalla?**

- Why are two Americanists interested in the nineteenth and early twentieth centuries writing about post-WWII Whyalla, a small city on South Australia’s Eyre Peninsula?
- **First:** Considerable cultural energy was spent selling BHP’s image in the postwar era. Unlike other key BHP locations, such as Newcastle and Port Kembla, Whyalla had been created by the company itself. The establishment of the Whyalla shipyard, and the later establishment of BHP’s steelworks, were thus opportunities for the company to sell its vision not only for Whyalla but also for modern Australia. Put another way,

Whyalla came to serve as a metaphor for everything that BHP, then Australia's biggest company, could offer postwar Australia.

- **Second:** It serves as a near perfect case study for the capital-state-labour compact that characterized what historian Stuart Macintyre calls Australia's Golden Age of Capitalism (which he in turn borrows from Eric Hobsbawm). We're not alone in being fascinated with the political-economy of Whyalla during this period. In the late 1970s, sociologists Stan Aungles and Ivan Szelenyi saw Whyalla as a clear case of monopoly-capitalism. They argued that the South Australian Government merely bowed to the interests of BHP by giving the company exactly what it wanted in terms of legislation and resources. Given the asymmetric nature of this relationship, cooperation between the two was never going to be sustainable – BHP would abandon Whyalla and South Australia as soon as it either became unprofitable or as soon as the state refused or failed to comply with its wishes. There's much truth to this. BHP is no longer in Whyalla and the city has long been troubled and precarious. But we go further – we want to explore how all parties – BHP, the State Government, workers, residents – viewed this arrangement. It shows that there was much more at play than a master/servant dynamic at play. We want to capture what people were *thinking*.
- **And third:** Whyalla has a very clear place in the history of the “company town”. Company towns have a long history, beginning in the late eighteenth and early nineteenth centuries. New Lanark in Scotland is easily the best known example. There industrialist and reformer Robert Owen sought to create an “industrial Eden” that eliminated the adverse effects that industrialisation had upon working people, and also to discipline them and mitigate class conflict. Instead, workers were to be treated with basic amenities and were given access to “education”, all in the name of mutual uplift. This idea spread throughout the industrialising world, reaching England, France, the US, Russia, and Australia. An early example in Australia is Yallourn in Victoria. Another, we argue, is Whyalla, though a peculiar kind. Though it began as a company town, following WWII it had become a kind of hybrid town, one developed by both private enterprise and the state. Nonetheless, BHP still dominated the town, so much so that many residents and outside observers still considered it to be a “company town”. This arrangement captures the post-war “compact” well.

### **Relation to Labour History**

- In many ways this is a social and labour history. It deploys the new social history's emphasis upon class, gender, and ethnicity, and it does focus upon workers and their culture. However, what is missing is social and labour histories' traditional emphasis upon conflict and resistance. Our focus is instead on the establishment of *cultural hegemony* and the various actors contributed to that hegemony. There is still a clear power structure and hierarchy – BHP is still at the helm. But we want to explore how and why people from the top and the bottom developed, contributed to, and embraced a particular worldview.

- Our interpretation is very different to Roy J. Kriegler's undercover labour exposé *Working for the Company*. Kriegler reveals serious health and safety issues, backbreaking labour and employees who disliked their employer. He argues that "the interviews convey the feeling that years of experience with an inconsiderate and rapacious employer have gradually cemented feelings of collective distrust of the company". We argue instead that workers in the postwar decades generally respected their employers and that they embraced the advantages they perceived in industrial work. We find that they embraced consumer capitalism and appreciated the paternalistic policies that brought them cheap housing and useful educational opportunities. While Kriegler is not incorrect, his findings are likely related to studying less-skilled, more transient workers, and is likely more germane to the industry's 1970s period of decline. Alternatively, we analyse Whyalla in its Golden Age and focus on people who built their lives in the town.

## Method

- To do so, we explore how BHP conveyed itself through its company magazine, the *BHP Review*, promotional and celebratory publications, and advertisements. The *Whyalla News* is also drawn from to gauge sentiments that express or align with the company. It was not owned by BHP, but its owners were connected to BHP management, both directly and indirectly. It is clearly pro-BHP. We also look at the views of key politicians, including Playford and sitting members for both the Liberals and the Labor party. Though there were dissenters, there was overwhelming bipartisan support for BHP and the State Government's industrialisation agenda. K.E.J. Bardolph of the ALP captures this nicely: "I compliment the government and the Broken Hill Proprietary Company on bringing this legislation", he said, "which is on all fours with the policy of the Australian Labor party". He felt BHP was a "great" company and that the labour movement had no desire to "take control from it".
- Next to BHP and the State Government, we show that residents embraced their new lives in Whyalla. Kriegler's *Working for the Company* portrayed the relationship between these workers and the company as one of exploitation, but the views of skilled labour, or those who gradually worked their way into the BHP hierarchy, were not his focus, and when they do appear they usually are quite critical of BHP and their work experience. But the voices from oral histories done in the context of several different research projects suggest a more positive impression from long-time city residents.

## Findings

We find that many residents appreciated the high demand for skilled and even manual labour, making work easy to come by. They also valued steadily increasing wages and the prospect for promotion. Whole families became intertwined with the company, with every sort of person being able to find work with the possibility of advancement. In an era in which the deprivations of depression and world war were still well remembered, these advantages were not taken for granted.

Moreover, union culture gradually changed from a focus on workers' control and solidarity to one that was about bargaining for incremental wage increases. Communists and other radicals were still around, but were pushed to the margins and demonized in and outside of the mainstream unions. Antagonisms still occurred and strikes did occasionally breakout. But for the most part, there was very much an acceptance of the power and authority of BHP as the price to be yielded for the concessions unions managed to render.

Workers appreciated having modern household consumer goods for the first time and the attraction of new commercialised leisure opportunities such as new horseracing venues and cinemas was powerful. Mains water and a steady electric supply meant that a range of modern appliances began to fill Housing Trust homes. Workers and residents embraced whitegoods, televisions, and cars. Whyalla residents loved television so much that by the early 1960s there were reports of "TV addiction" in Whyalla, even despite the great difficulty of receiving signals in the country town. Their love of cars led to a budding parking crisis. By 1960, there were apparently so many cars coming downtown to shop on the weekends that there was "generally some congestion" and difficulty parking near the stores.

This new abundance took place in a world that was very gendered; indeed, the abundance helped facilitate sex role differentiation. Local advertisements suggest the way in which Whyalla's families were changing in the Golden Age. The ability of Whyalla workers to support their families on one income is what stands out as most remarkable today. This remained the case even into the 1970s. Paid work was elevated above domestic unpaid labour, but this hierarchy should not blind us to growing affluence. Rising wages, the strict gender segregation of the BHP labour force, and the lack of female-employing secondary industries in town, meant that many women spent their time raising families and building communities in Housing Trust homes. It was a patriarchal world, but one with new technologies and with some basic financial security.

BHP claimed that Whyalla captured the "essence of Australia". BHP, the State Government, and local residents together built a city that embraced and celebrated industrialism and consumerism at a material and cultural level. During the Golden Age of Australian capitalism, the future of Whyalla then looked very bright.

### **So what's the point of all this? What are the politics?**

Are we stripping post-war Whyalla residents of their agency and suggesting that they were incapable of resisting BHP, the symbol for monopoly capital within Australia? Is this account pro-capitalist, suggesting that labour historians have had it all wrong and that workers actually loved capitalism and rightly so? Or is it instead harking back to the hard leftist structuralism of Louis Althusser and rejecting E.P. Thompson's emphasis upon resistance and agency? The answer is that it is not either of these things. What we are doing is showing how capital, the state, *and* the working class *together* constructed a very particular political economic arrangement that they all



saw as mutually beneficial. In the process, they each contributed to a worldview that was pro-industry, pro-consumption, and, significantly, pro-private enterprise. There were limits and this was a mixed-economy. But it was one that was ideologically pro-capitalism.

This arrangement was evidentially unsustainable – there is a reason, after all, that historians generally refer to this period as a “Golden Age”, in and outside Australia. Famed French economist Thomas Piketty even sees it as an aberration. It does not characterise capitalism; it is the exception to the rule. Despite this, however, the ideas that became hegemonic during this period have not disappeared and have indeed outlasted this period. The conditions of the Golden Age not only pacified labour and consolidated mass-consumption as an Australian way of life; it also helped to usher in a worldview that was broadly sympathetic to capital and private enterprise. The neo-liberal turn thus had something to work from, to reinforce, and to remould.

So is this defeatist? Not at all. Instead it's to direct attention to the power and importance of culture and ideology. Capturing instances of working class defiance and identity formation is interesting and still important. But this isn't the whole story and we need to be aware of how seductive material abundance and prosperity can be, and how corporate interests can take advantage of prosperous times in order to inculcate and legitimate favourable worldviews, ones that eventually benefit those at the top more than those in the middle and at the bottom. The role of the historian here then is to expose when, how, and why these worldviews were established in order to demonstrate that they are not natural or inevitable. Doing so allows us then to see that we can construct different and more equitable worldviews. This may well be the new way to inspire resistance.