Unit Outline*

ECON1141

Australian Economic History

Semester 2, 2011
Campus: Crawley

Unit Coordinator
Professor Michael McLure

Business School
www.business.uwa.edu.au

* This Unit Outline should be read in conjunction with the Business School Unit Outline Supplement available on the Current Students web site http://www.business.uwa.edu.au/students
UNIT DESCRIPTION

Introduction

The course will examine the process of economic development in Australia, from colonisation in 1788 to the start of World War II, to establish where and how many of the parameters of our modern economy originated.

While there will be an emphasis on the development of New South Wales, comparisons will also be made with Western Australia and, to a lesser extent, South Australia. The initial settlement of each of these areas will be discussed in an attempt to assess the effect of differing modes of colonization on subsequent development.

As a means of understanding the process of early development, Staple Theory will be introduced as an analytical tool. This model, which applies to newly settled areas, explains how substantial growth and development takes place where there are suitable resources to be exploited which can attract scarce factors of production to the local economy. Each of the major early export industries and their linkage effects will be examined in this context, culminating in an exploration of the dynamic effect of the New South Wales and Victorian gold discoveries. This will then be followed by an analysis of the forces that structured the pattern of Australian growth from 1860 to 1940, including the respective roles played by the private and public sectors in facilitating, constraining and destabilising that growth.

Learning outcomes

At the end of this course students should be able to:

• Provide an account of the initial clash of cultures between the invaders and invaded.
• Recall the arguments in the debate about the reasons for the establishment of the penal settlement at Botany Bay.
• State when all the Australian colonies were founded and outline the economic and social bases from which New South Wales, Western Australia and South Australia developed.
• Demonstrate the importance of the convict legacy for 19th century Australia.
• Understand the dynamics of a non-monetised economy.
• Define the characteristics of an export staple and explain its role in promoting colonial growth.
• Discuss the relative importance of the following goods and services to the economic development of New South Wales and Western Australia: convict minding services; whaling and sealing, sandalwood, wool and gold.
• Special consideration should be given to the question of whether the abovementioned goods and services constitute sustainable export staples.
• Account for the push and pull forces in migration flows and appreciate the importance of migration to Australia’s economic development.
• Explain the various ways in which the problem of ‘distance’ was overcome in regard to Australia’s international economic relationships and its domestic economic relationships.
• Analyse Australian economic growth and illustrate how this was dependent on capital inflows and, as a consequence, was vulnerable to changes in the international economy – especially in relation to the depressions of the 1840s, the 1890s and the 1930s. Domestic influence on these depressions should also be identified and analysed.
• Comment on the various factors that led to the emergence of Australia as a national economy. Specific consideration should be given to: the forces leading to the Federation of the Australian colonies; the formulation of the Australian constitution; and the increasingly interventionist role played by government in the national economy during the Commonwealth of Australia’s first forty years.
Tutorials
Tutorials commence in week 2 with an introduction to the character of Australia’s people and their economic history. From week 3 onwards, tutorials take the form of interactive discussions, with one student (or two students jointly) presenting a research paper selected from the list of tutorial topics on pages 8 to 12. The presentation is expected to last 15 minutes, leaving 30 minutes for discussion, which will be directed by your tutor Mr Brian Gidney. The research paper is submitted to your tutor immediately after the presentation so it can be assessed, as outlined on pages 12 and 13.

TEACHING AND LEARNING RESPONSIBILITIES

Teaching and learning evaluation
You may be asked to complete two evaluations during this unit. The Student Perception of Teaching (SPOT) and the Students’ Unit Reflective Feedback (SURF). The SPOT is optional and an evaluation of the lecturer and the unit. The SURF is completed online and is a university wide survey and deals only with the unit. You will receive an email from the SURF office inviting you to complete the SURF when it is activated. We encourage you to complete the forms as your feedback is extremely important and can be used to make changes to the unit or lecturing style when appropriate.

Attendance
Participation in class, whether it be listening to a lecture or getting involved in other activities, is an important part of the learning process, therefore it is important that you attend classes. More formally, the University regulations state that ‘to complete a course or unit students shall attend prescribed classes, lectures, seminars and tutorials’.

CONTACT DETAILS
We strongly advise students to regularly access their student email accounts. Important information regarding the unit is often communicated by email and will not be automatically forwarded to private email addresses.

<table>
<thead>
<tr>
<th>Unit coordinator/lecturer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Michael McLure</td>
</tr>
<tr>
<td>Email: <a href="mailto:michael.mclure@uwa.edu.au">michael.mclure@uwa.edu.au</a></td>
</tr>
<tr>
<td>Phone: 6488 2921</td>
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<tr>
<td>Consultation hours:</td>
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<tr>
<td>Thursday 3:00pm – 6:00pm</td>
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<td>Lecture times:</td>
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<tr>
<td>Tuesday: 11:00am - 11:45am</td>
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<td>Wednesday: 3:00pm - 4:45pm</td>
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<td>Lecture venue:</td>
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<td>Ernst &amp; Young Lecture Theatre</td>
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<tr>
<td>Tutor in Charge</td>
</tr>
<tr>
<td>Name: Mr Brian Gidney</td>
</tr>
<tr>
<td>Email: <a href="mailto:bgidney@live.com.au">bgidney@live.com.au</a></td>
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**TEXTBOOK(S) AND RESOURCES**

**Unit website**
Some lecture notes, handouts, etc. will be available from WebCT. You can access your WebCT from [http://www.webct.uwa.edu.au](http://www.webct.uwa.edu.au).

**Recommended/required text(s)**

**Online reference**
## UNIT SCHEDULE

<table>
<thead>
<tr>
<th>WEEK</th>
<th>DATE</th>
<th>LECTURE TOPIC</th>
<th>TUTORIAL TOPIC</th>
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<tbody>
<tr>
<td>1</td>
<td>2 August</td>
<td>Introduction</td>
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<td></td>
<td>3 August</td>
<td>NSW - The Beginnings</td>
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<td>2</td>
<td>9 August</td>
<td>Early NSW II</td>
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<td></td>
<td>10 August</td>
<td>WA – The Beginnings</td>
<td>Introduction</td>
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<td>3</td>
<td>16 August</td>
<td>Early WA – Settlement Problems</td>
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<td></td>
<td>17 August</td>
<td>Staple Theory</td>
<td>Botany Bay</td>
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<td>4</td>
<td>23 August</td>
<td>First Staple?</td>
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<td>24 August</td>
<td>Commissariat and WA</td>
<td>Early NSW vs SRC</td>
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<td>5</td>
<td>30 August</td>
<td>Staples I: Whaling &amp; Sealing</td>
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<td></td>
<td>31 August</td>
<td>Staple II: Sandalwood</td>
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<td>6</td>
<td>6 September</td>
<td>Staple III: Wool, part 1</td>
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<td></td>
<td>7 September</td>
<td>Staple III: Wool, part 2</td>
<td>Whaling &amp; Sandalwood</td>
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<td>7</td>
<td>13 September</td>
<td>SA - The Beginnings</td>
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<td>14 September</td>
<td>1840s Depression</td>
<td>Wool</td>
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<td>8</td>
<td>20 September</td>
<td>Recovery &amp; Convicts</td>
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<td>21 September</td>
<td>SIGHT SEEN TEST</td>
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<td><strong>MIDSEMESTER</strong></td>
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<td>9</td>
<td>4 October</td>
<td>Gold Rushes</td>
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<td>5 October</td>
<td>The Long Boom I - Overview</td>
<td>Wakefield &amp; SA</td>
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<td>10</td>
<td>11 October</td>
<td>The Long Boom II - Railways</td>
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<td>12 October</td>
<td>The Long Boom III - Manufacturing</td>
<td>Convicts and Gold</td>
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<td>11</td>
<td>18 October</td>
<td>Northern Australia</td>
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<td>19 October</td>
<td>WA Gold: 1888 - 1902</td>
<td>Railways and Colonial</td>
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<td>12</td>
<td>25 October</td>
<td>1890s and 1930s Depression</td>
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<td>26 October</td>
<td>Federation &amp; Intervention to 1914</td>
<td>Restricting Labour:</td>
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<td>13</td>
<td>1 November</td>
<td>Extensive Protection: 1915-1940</td>
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<td>2 November</td>
<td>Revision</td>
<td>Depressions of the 1890s and 1930s</td>
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LECTURE TOPICS

Week 1
Lecture 1  Introduction
Pre-European Australia
Lecture 2  The Foundation of New South Wales
Strategy or Expediency?

Week 2
Lecture 3  New South Wales
A Survey of the Early Years
Lecture 4  Swan River Colony I
The Private Enterprise Experiment

Week 3
Lecture 5  Swan River Colony II
Early Problems
Lecture 6  Staple Theory
A Model of Economic Growth in Planted Colonies

Week 4
Lecture 7  The First Staple?
Export of Convict Minding Services
Lecture 8  Commissariat and WA
Money

Week 5
Lecture 9  Staple I
Whaling and Sealing.
Lecture 10  Staple II
Sandalwood - NSW and WA

Week 6
Lecture 11  Staple III
Wool Part 1
Lecture 12  Staple III
Wool Part 2

Week 7
Lecture 13  South Australia
Foundation and Early Growth
Lecture 14  The 1840s Depression
Intrinsic or Extrinsic Cause?
**Week 8**
Lecture 15  **Recovery and WA Convicts**  
Sheep, Banks and Sandalwood

No lecture  **Mid Semester Test**  
Normal lecture time & venue for 21 SEPTEMBER

**Week 9**
Lecture 16  **The 1850's Gold Rushes**  
A Major Discontinuity

Lecture 17  **1860 – 1890 - The Long Boom I**  
Overview and Pastoralism

Mid Semester Study Break: 26 September to 30 September

**Week 10**
Lecture 18  **1860 – 1890 - The Long Boom II**  
The Railways

Lecture 19  **1860 – 1890 - The Long Boom III**  
Manufacturing and Urbanisation

**Week 11**
Lecture 20  **Northern Australia**  
Northern Australia – Frontier for Meat, Sugar and Pearling Industries

Lecture 21  **Western Australian Gold; 1888 to 1902**  
The Kimberley, Southern Cross, Coolgardie and Kalgoorlie

**Week 12**
Lecture 22  **The Depressions of the 1890s and 1930s**  
A Comparison of Intrinsic or Extrinsic Causes

Lecture 23  **Federation & Early National Intervention**  
The Constitutional & Intervention from 1900 to 1914 to Aid Recovery

**Week 13**
Lecture 24  **Systematic Forms of Protection: 1915 To 1940**  
Consequences of War: Regulation & More Extensive Public Intervention

Lecture 25  **Revision**
TUTORIAL TOPICS

Week 2
Tutorials start in the 2nd week of Semester in the week beginning MONDAY 2 AUGUST. The first tutorial overviews course requirements, introduces economic history as a discipline and reviews referencing requirements for assignments.

Week 3 (Topic 1)
Debate the following statement: Australia was founded as a british trading post in the South pacific and convicts simply disguised the fact.

Required Reading
1) Text / Reading Book: Geoffrey Blainey *The Tyranny of Distance*, Chapter 2 ‘Exile’.

Note: Readings other than the text book are generally available from course materials online:
http://cmo.library.uwa.edu.au/rlms/
Click on: Economics (ECON)
then click on: Australian Economic History (ECON1141)
then select the article you wish to download.

Week 4 (Topic 2)
Compare and contrast the roles of Governor Phillip and Governor Stirling in establishing and administering their respective colonies. Give particular attention to the impact of isolation on these colonies and their governors?

Required Reading

Week 5 (Topic 3)
What are the principles behind Staple Theory? If the Commissariat can be regarded as a quasi - export market; was the first Australian Staple - convict minding services or wheat?

Required Reading
2) T. G. Parsons, Colonial Commissaries, in Chapter 1 in Appleyard, R.T. and Schedvin, B. *Australian Financiers* (Reserve Bank 1988).
Week 6 (Topic 4)
Compare and contrast the possible and actual linkage effects of Whaling and Sealing with Sandalwood - first in NSW then in the Swan River Colony. To what extent can these industries be regarded as Staples?

Required Reading

Week 7 (Topic 5)
Wool was uniquely suited to be a major Australian export Staple as it required relatively little of the country's scarce factors, labour and capital, and a lot of its abundant factor, land. Why then were so many pastoralists reluctant to breed pure Merino sheep even in the 1830s?

Required Reading
1) Text / Reading Book: Geoffrey Blainey *The Tyranny of Distance*, Chapter 6 ‘Land Barriers’.

Week 8
Discussion of: Geoffrey Blaney's “Destiny and Distance” (Part 1 of our text book, the Tyranny of Distance).

Required Reading
1) Text / Reading Book: Geoffrey Blainey *The Tyranny of Distance*, Chapters 1 to 7.

There are no student presentations in week 8, which is the week of the mid-semester exam. Instead, time within the tutorial class will be employed to work in groups (of 4 or 5 students) to:
1. compile a list of the 8 most important points that Geoffrey Blainey raises in “Destiny and Distance” (Part 1 of the *Tyranny of Distance*); and
2. report back to the class on the reasons for agreeing on the 8 selected points.

Week 9 (Topic 6)
How appropriate was EG Wakefield’s theory of Systematic Colonization with regard to Australia? Look particularly at South Australia. Could his system of land allocation – instead of grants – have encouraged faster early Australian growth?

Required Reading
1) Text / Reading Book: Geoffrey Blainey *The Tyranny of Distance*, Part 3 of Chapter 7 ‘The Art of Abduction’.

Week 10 (Topic 7)
Discuss the view that the discovery of Gold in the East and the introduction of convicts in the West were unconnected events that had similar results. What were the major achievements of the gold era in the in New South Wales and Victoria and convict era in Western Australia?

Required Reading
1) Text / Reading Book: Geoffrey Blainey The Tyranny of Distance, Chapter 8 ‘Gold Clippers’.

Week 11 (Topic 8)
Outline the timing and extent of railways introduced to Australia before 1890. What were the economic and social benefits and costs of rail transport? What respective roles did private sector and public sector investment in railways play in the duration of the long boom (1860-90) and could we say that ‘colonial socialism’ was the main initial caused of the crash of 1890?

Required Reading
1) Text / Reading Book: Geoffrey Blainey The Tyranny of Distance, Chapter 10 ‘A Magician’s Act’ and Chapter 11 ‘Railway Boom’.

Week 12 (Topic 9)
Discuss the economic and social issues associated with the racially based labour laws and practices that operated in the Queensland Colony from mid 1860s onwards. To what extent did the reliance on Pacific Island labour in the sugar industry represent exploitation? Did the Queensland experience with foreign labour have implications for subsequent immigration policy in Australia? Explain.

Required Reading

Week 13 (Topic 10)
Discuss the causes and consequences of the 1890s and 1930s depressions in Australia and indicate the ways in which they were similar and different. Consider whether the 1890s depression could have been avoided if the Commercial Bank of Australia” had been saved by the “Associated Banks of Victoria”. Where the lessons learned from the 1890s depression evident in the actions of public authorities in the lead up to the 1930s depression?
ASSESSMENT MECHANISM

The purpose of assessment

There are a number of reasons for having assessable tasks as part of an academic program. The assessable tasks are designed to encourage you to explore and understand the subject more fully. The fact that we grade your work provides you an indication of how much you have achieved. Providing feedback on your work also serves as part of the learning process.

Assessment mechanism summary

You will be expected to:

• Make a tutorial presentation on a tutorial topic that is allocated to you from the list of topics specified on pages 9 to 12 of this unit outline.
• Submit a written tutorial essay paper (of up to 2,500 words) to Mr Gidney during the class in which you make your tutorial presentation. The topic of the presentation and the tutorial research essay are to be the same.
• Sit a 30 minute sight seen test on Wednesday 21 September in the normal lecture venue and commencing at the start of the normal lecture time. This will involve answering ONE of the three questions shown on page 13 of this unit outline, with the test question to be selected by the unit coordinator at the commencement of the test; and
• Sit a final examination.

A list of required readings, generally available via Course Materials Online, has been prepared to provide you with a basic coverage of each topic. However, students making a tutorial presentation are also expected to undertake additional research to identify and make use of the insights of other relevant studies in both the tutorial presentation and tutorial essay paper.

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<tr>
<th>Item</th>
<th>Weight</th>
<th>Due date</th>
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<tbody>
<tr>
<td>Sight Seen Test</td>
<td>20%</td>
<td>Wednesday 21 September. The test will be based on one of the three possible questions specified below.</td>
</tr>
<tr>
<td>Tutorial Essay Paper</td>
<td>25%</td>
<td>To be submitted immediately prior to tutorial presentation.</td>
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<tr>
<td>Tutorial Participation</td>
<td>5%</td>
<td>3 marks based on attendance and 2 marks based on contribution to the class (e.g. discussion during class and the presentation of tutorial paper).</td>
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<tr>
<td>Final Examination</td>
<td>50%</td>
<td>2 hours, essay-type questions.</td>
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Note 1: Results may be subject to scaling and standardisation under faculty policy and are not necessarily the sum of the component parts.
Note 2: Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning outcomes as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the unit.

Questions for the sight seen test on Wednesday 21 September

The unit coordinator will select ONE of the following three questions for you to answer within 30 minutes during normal lecture time.

1. Compare the pre and post foundation experiences of Governor Arthur Phillip and Lt. Governor James Stirling, in New South Wales and Western Australia respectively.

2. To what extent did the existence of free convict labour provide the conditions for the "hot bed forcing" of early development in New South Wales. [note: the meaning of "hot bed forcing" is evident from the introductory quote cited in G. J Abbott’s ‘Economic Growth’, which is available from Course Materials Online].

3. Can it be said that whaling and sandalwood were more important than wool for economic growth on Australia’s colonies prior to 1850? Explain.

Submission of assignments

Submit your assignment during class or tutorial. Please remember to attach an Assignment Cover sheet to the front of your assignment. You can download the relevant Assignment Cover sheet from the Business School Current Students web page http://www.business.uwa.edu.au/students/assessments.

Student Guild

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Website: http://www.guild.uwa.edu.au

Charter of Student Rights and Responsibilities


Appeals against academic assessment

The University provides the opportunity for students to lodge an appeal against assessment results and/or progress status (refer http://www.secretariat.uwa.edu.au/home/policies/appeals).