

Part I: Australia as a Middle Power

Chapter 1: The Genesis and Early Operation of a Hard-Line Liberal Government Policy on WNG, February-April 1950

I

The Round Table Conference of 1949 formally transferred the entire Indonesian archipelago from the Dutch to their former colonial vassals. There was, however, one notable exception. The Netherlands Government refused to concede the territory of WNG, much to the chagrin of the Indonesians, who insisted that all of the former East Indies be incorporated into the new state.¹ In fact, the conference had been saved from complete breakdown only by the last minute proposal that the WNG issue be dealt with through negotiations over the next 12 months.² Thus, what had been a running sore for a number of years remained unhealed, and had actually been considerably inflamed.

The policy of Joseph Chifley's Australian Labor Government towards WNG had essentially been one of non-involvement. As stated in an informal note to the Dutch of 20 October 1949, Australia believed that "future arrangements regarding New Guinea are primarily a matter for discussion between the Netherlands and the Republic of Indonesia", although, for their part, the Australians preferred that the territory be placed under United Nations trusteeship.³ This was not a line that the Liberal-Country Party coalition was likely to follow unthinkingly. The Government that came into power in December 1949 did not have the same faith as Labor in the United Nations. New Prime Minister Robert Menzies was, with his Cabinet, also more sceptical of the ability of emerging Asian nations to maintain internal and regional stability and a foreign policy favourable to the West – convictions that had contributed to differences with Labor over Australian policy during the struggle for Indonesian independence.⁴

Primary responsibility for the WNG problem lay on the desk of new Minister for External Affairs, Percy Spender. Spender, as he did in other matters, introduced a significant degree of initiative and aggression into the debate over WNG, and under him were formed what were to be for eight years the elements of Government policy on

¹ West New Guinea will also be referred to in this study as Netherlands New Guinea (NNG) and Dutch New Guinea (DNG).

² See J .A. C. Mackie, 'Australia and Indonesia, 1945-1960', in G. Greenwood and N. Harper (eds), *Australia in World Affairs, 1956-1960*, Sydney, 1963, p.282.

³ See informal note handed to the Dutch, 20 October 1949, and cable from the Australian Department of External Affairs (DEA) to the Australian Embassy, Washington DC, 24 November 1949, in A1838/283, TS3036/6/1, Pt 1, National Archives of Australia (hereafter NAA). Phelps, *op.cit.*, pp. 18-27, argues persuasively that a movement developed in the Department of External Affairs during 1949 for the separation of WNG from an Indonesian state, but fails to provide evidence that this was reflected in considered Government policy. As a consequence, he tends to see the policy of the Liberal Government as a continuation of that of Labor (*ibid.*, p. 27).

⁴ See M. George, *Australia and the Indonesian Revolution*, Melbourne, 1980, p. 2, for discussion of these differences.

the dispute. The energy he brought to the question was consistent with his personality and background, which had combined to make him one of the more assertive, determined and independent members of the Liberal Party. Spender had been a failure at school, and while working as a clerk at Sydney's Town Hall, he was encouraged to attempt again to matriculate.⁵ This he did, and he then studied Arts and Law at night while working at the Petty Sessions office during the day. Demonstrating his tenacity, Spender came through this gruelling regime with First Class Honours and the University Medal. Afterward, starting from scratch, he built a highly successful career as a barrister, taking silk in 1934. Three years later, after being challenged in a drunken debate over dinner, he contested the Federal seat of Warringah as an independent and, extraordinarily, defeated the then Minister of Defence, Sir Archdale Parkhill, in the federal elections. Recognized for his outstanding abilities, Spender served as a Cabinet Minister soon after joining the United Australia Party (UAP), first without portfolio, later as Treasurer, and then as Minister for the Army. As the latter, he demonstrated a characteristic stubbornness – one that would later frustrate other nations with an interest in the WNG dispute – by supporting a recommendation to withdraw Australian troops from Tobruk against the will of a thoroughly displeased Churchill. The maverick trait that had led Spender into politics had not deserted him either. In 1944, by then in Opposition, he defied party discipline, and remained on the Advisory War Council. The move cost him his membership of the UAP, and he had to endure the bitterness of his colleagues, including Menzies, who was particularly venomous, but he insisted his “first and over-riding obligation...[was] to the nation”.⁶ In asserting this principle, he highlighted another characteristic that was to be important in the context of his involvement in the WNG problem – that of a sense of duty.

Upon returning from the Colombo Conference, which was part of his first trip abroad as Minister in 1950, Spender briefed Cabinet on 8 February on a range of Southeast Asian issues, including the dispute over New Guinea.⁷ Here he described the recent history of the Dutch-Indonesian disagreement, along with its implications for Australia.⁸ This important report highlights some of the features of Australian Liberal thinking that were formally adopted as policy on 8 February, and were to remain prominent for much of the WNG dispute. The most fundamental idea put forward by Spender was that Australia had “vital interests” in New Guinea (NG).

⁵ The factual information in the following section is taken from P. C. Spender's (Australian Minister for External Affairs) *Politics and a Man*, Sydney, 1972.

⁶ *ibid.*, p. 233.

⁷ Minutes of Cabinet meeting, 7-8 February 1950, in A4638/XM1, NAA.

⁸ Note by Spender for Cabinet presentation, 7 February 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

This notion had – relative to the length of the Australia’s ‘white’ past at least – a long history. In 1883, anxiety over German interest in NG prompted the Queensland Government to unilaterally claim the island on behalf of the Crown, and there was widespread unhappiness in the Australian colonies over Britain’s late reaction in assuming control in 1884 over only the south-eastern portion of NG.⁹ From this moment, fears grew that if a war started in Europe, Australia might be faced with the presence on its doorstep of a power hostile to the Empire and its dominions.¹⁰ When war did break out between Germany and England in 1914, the Australians moved against the German administrative centre at Rabaul within a matter of days. In doing so, the Federal Government was acting under British instructions,¹¹ but the Australians also had self-centred motives, based upon concerns about their physical safety.¹² Later, at the Paris Peace Conference of 1919, Australian Prime Minister W. M. Hughes campaigned vigorously for the annexation of German New Guinea, arguing that “If there were at the very door of Australia a potential or actual enemy Australia could not feel safe”.¹³ In the end, Australia had to settle for a mandate, which produced a degree of insecurity because of the possibility that the territory might be taken from the Commonwealth Government.¹⁴

Certainly, throughout the inter-war years, the aim of successive Australian Governments was to ensure that nothing changed on the island of NG as a whole. The revival of a German threat was still seen as a possibility, as demonstrated by resistance to British suggestions that the return of northeast NG to Germany be a part of the program of appeasement,¹⁵ but the encroachment of Japanese interests in the Pacific was increasingly seen as the major problem. As with the Germans before, the

⁹ See Verrier, *op.cit.*, pp. 9-12.

¹⁰ See R. C. Thompson, *Australian Imperialism in the Pacific: The Expansionist Era 1820-1920*, Melbourne, 1980, pp. 91-92, and H. Nelson, ‘Sacred trust and self-interest: Australia, Rabaul and Beyond’, in C. Wilcox (ed.), *The Great War: Gains and Losses – ANZAC and Empire*, Canberra, 1995, p. 85.

¹¹ W. J. Hudson, *Billy Hughes in Paris: the Birth of Australian Diplomacy*, Melbourne, 1978, p. 13.

¹² Official historian S. S. Mackenzie represented Australian thinking of the time when he wrote: “When...on the 4th of August, 1914, the nations woke to war, the German possessions in the Pacific became at once factors of great strategic importance. A powerful German fleet was in that ocean; it had bases and coaling facilities...with which it could communicate by wireless. As long as it remained in the Pacific and could maintain communication with its bases...it was obvious that the position was one fraught with endless possibilities for Australia and New Zealand. It was inevitable that those countries should be involved in operations against the German possessions.” See S. S. Mackenzie, *The Australians at Rabaul: the Capture and Administration of the German Possessions in the Southern Pacific*, St Lucia, 1987 (first printed 1927), p. 5.

¹³ Hudson, *op.cit.*, p. 20. See pp. 12-31 for a detailed account of Hughes’ activities in Paris regarding New Guinea.

¹⁴ *ibid.*, p. 28.

¹⁵ See memorandum for the delegation to the Imperial Conference, undated (approximately February 1937), in *Documents on Australian Foreign Policy 1937-49*, Vol. I, 1937-8, Canberra, 1975, p. 13.

Australians did not want a possible enemy to dominate the islands close to the mainland, so they attempted to prevent the growth of Japanese influence in these areas.¹⁶ In fact, by the late 1930s, Australians had been reinforced in their belief that the string of islands to their immediate north were the country's natural – and necessary – sphere of influence.

The widely accepted 'truths' about NG were reinforced by the events of the Second World War. The occupation of parts of the island by the Japanese, and the bombing of Darwin, was seen as proving the previously untested belief that control of NG by an enemy in war would gravely threaten the security of the continent itself. Similarly, the defeat of Japanese forces on the Kododa Trail and elsewhere was taken as showing that NG was a buffer area where an enemy could be met and repelled offshore. Under the impetus of these elements of conventional wisdom, the main tenet of Australia's traditional attitude to the island was strengthened; New Guinea *had* to be denied to any nation that might become hostile. Before 1942 this was a strongly held conviction, but in the post-War period it became – for the vast majority of Australians – an incontrovertible 'lesson' akin to that of Munich 1938.

Thus, in asserting in his statement to Cabinet that WNG was strategically vital to the defence of the country, Spender was hardly taking a revolutionary step. He was merely speaking in a manner consistent with the beliefs of most Australians, including his party colleagues.¹⁷ However, Spender raised two issues in connection with this strategic concern that had played no role in past government policy. "Australia", he asserted, "cannot passively await the outcome of negotiations, and should point out to both parties our direct strategic interests in the future administration of Dutch New Guinea." In the next sentence he added that "it is generally known we would oppose transfer to the Republic". In essence, Spender was underlining differences with Labor as to, firstly, the interpretation of the principle of keeping WNG 'friendly' and, secondly, over the best tactics for upholding the principle. In other words, Labor had not formally distinguished Indonesia as a potentially 'unfriendly' power – or as a country possibly dominated by an 'unfriendly' (most likely, communist) power – so it had not sought to guarantee Indonesian exclusion from the island. This was perhaps

¹⁶ See Colonel W. R. Hodgson (Secretary, DEA) to M. L. Shepherd (Secretary, Australian Department of Defence), 29 September 1937, and L. Murphy (Australian Trade Commissioner in Japan) to J. F. Murphy (Secretary, Australian Department of Commerce), 6 October 1937, in *ibid.*, Vol. 1, 1937-38, p. 200 and pp. 234-35 respectively.

¹⁷ In acknowledging Spender's influence on the formation of Liberal WNG policy, it is necessary to recognize that he took initiative within the context of widespread agreement in the Party and among the public as to what the outlines of WNG policy should be. Verrier, *op.cit.*, pp. 161-71, ascribes more personal influence to Spender than is justified. This error, no doubt, is partly due to heavy reliance (in the absence of access to documentary records) on Spender's account of events.

because of a presumption that the Netherlands would exert an influence on Indonesian foreign and defence policies via the Union relationship, but the point is that Labor leaders saw Australian interests in NG as being given some protection by ensuring negotiations over WNG were conducted between the Dutch and the Indonesians alone.¹⁸ Spender was convinced this position was naïve and dangerous, and he sought a policy that was both active and biased against the Indonesians.

Spender's suspicions surrounding the future of the new Indonesian state were shared by other Ministers, and a majority in the public service and electorate. Though there was some sympathy for the aspirations of nationalist leaders, many viewed them as quislings of the Japanese – and they were highly distrusted as a result. The ability of these leaders as nation-builders and administrators was also questioned, which, coupled with the knowledge that Indonesia was fragile socially and economically, led to the belief that the country might well soon fragment or descend into chaos. This would leave it vulnerable to outside communist domination. Racial factors also played a part, and not only in terms of judgements of Indonesian 'character' and ability. Aroused by anti-colonial awakenings in Asia generally, many Australians did not want to see a 'white' administration replaced by a 'coloured' one in WNG. Psychologically, this would be unpalatable, as an Asian nation would, for the first time, share a land border with Australian territory. In other words, Australians had been able to live in Asia without 'touching it', so to speak, and they did not want to feel the full force of what was perhaps an historical aberration – that is, the establishment in 1788 of an Anglo-Saxon settlement in a region dominated by millions of a different race.

In designating the Indonesians as potentially unfriendly and, or, weak, Spender was therefore again not acting radically. Nevertheless, this position was not without problems because the Indonesians were determined to secure WNG. The Irian Barat issue was increasingly being seen in Indonesia as a last struggle against their former imperial overlords.¹⁹ Though there were differences amongst Indonesians as to the intensity of their feelings on this issue – and also divergences over tactics – almost all were united in the claim that Irian should be 'returned' to the Republic.²⁰ In addition, it

¹⁸ Chifley was still holding to this position in March 1950. See his comments in the House, 23 March 1950, in *Commonwealth Parliamentary Debates (Representatives)* (hereafter *Parliamentary Debates*), Vol. 206, p. 1176. The Dutch-Indonesian Union was established in 1949 as a symbol of ongoing cooperation and consultation between the two countries. See H. Feith, *The Decline of Constitutional Democracy in Indonesia*, New York, 1962, p. 14.

¹⁹ Irian Barat and West Irian (or the abbreviation 'Irian') were the two most commonly used Indonesian terms for WNG. For an Indonesian account in English of the Irian campaign, see A. Agung, *Twenty Years Indonesian Foreign Policy 1945-1965*, The Hague, 1973.

²⁰ Feith, *op.cit.*, pp. 158-59. The degree of natural interest taken in Irian by Indonesians below the political elite is a matter of contention. Most academic commentators have argued that the majority of Indonesians felt cheated by the Dutch over Irian (see, for example, J. D. Legge, *Sukarno: A Political Biography*,

was those most fanatical (and less likely to use conventional diplomatic methods) that were exerting the most influence on Indonesian policy. In fact, the Cabinet of Mohammed Hatta – and later that of Mohammed Natsir – felt obliged to support the claim, not so much through genuine conviction, but because those of a more extreme bent had established a climate in which this had become politically necessary.²¹ President Achmed Sukarno was an important figure in the radicalization of the politics of the Irian campaign. He believed fervently in the moral strength of Indonesia's claim, and viewed himself as being more in the artist-revolutionary mould,²² as opposed to those such as Hatta, who had a greater interest in the practicalities of administration. Consequently, Sukarno used his position – and his undoubted gifts as an orator – to agitate repeatedly in public for the transfer of WNG. Also, his statements were commonly more militant than those of Indonesian Cabinet members. On 28 December 1949, a day after Indonesia gained official independence from the Dutch, Sukarno had announced that “the next target to struggle for was the incorporation of West New Guinea into the new Republic of Indonesia”.²³ Such methods and expressions were to be continually employed by the President in ensuring a revolutionary Irian campaign stayed at the forefront of national debate.

The obvious alternative to Indonesian control over WNG, that of continued Netherlands sovereignty, likewise posed difficulties for the Australians. The Dutch faced diplomatic isolation and domestic political turmoil over a remote and economically unrewarding territory. With the demise of the Netherlands East Indies, the focus of Dutch foreign policy was firmly on western Europe, and particularly the fledgling North Atlantic Treaty Organisation (NATO). The maintenance of a presence in WNG was thus something of an anomaly, and one that the Dutch Government would be tempted to end if it became too expensive or brought the Netherlands into conflict with its ostensibly anti-colonial NATO ally – the United States. At home, a powerful lobby group with business interests in Indonesia saw the retention of WNG as an obstacle to the reconstruction of Netherlands-Indonesian relations and the protection of Dutch assets. A growth in the influence of this faction would bring with it potential for

London, 1972, p. 248). Others, particularly members of the diplomatic corps in Jakarta during the 1950s, have claimed that the issue was artificially stimulated by President Sukarno (interview with Sir Walter Crocker, October 1998 (exact day unknown)).

²¹ Feith, *op.cit.*, p. 158, for this information on Mohammed Natsir's Cabinet. Regarding Mohammed Hatta (Indonesian Prime Minister, December 1949-August 1950), Hugh Gilchrist (Australian *Charge d'affaires* in Jakarta, February-December 1952) has claimed that Hatta was personally not particularly interested in the WNG question. Interview with Gilchrist, 4 May 1999.

²² See quotations from Sukarno's speeches, in which he refers to his nature as artist and revolutionary, in B. Grant, *Indonesia*, Melbourne, 1966, pp. 38,40.

²³ Cited in Phelps, *op.cit.*, p. 29.

an about-turn in the policy of retaining WNG. Furthermore, a decline in the feelings of sentimentality and bitterness – seemingly the main forces behind the general determination to retain the territory – contained similar possibilities. Added to all this, there existed the chance that a new government less sympathetic to a token empire – such as one dominated by the Dutch Labour Party – could come to power.²⁴

The difficulties associated with Dutch and Indonesian policy were not ignored by Spender in the 8 February meeting. He noted that Indonesian leaders had claimed that WNG should be part of Indonesia, and he also drew attention to the danger that the Netherlands, in spite of its apparent willingness to defy Indonesian demands, “might see little point in maintaining New Guinea as an Independent colony” owing to the costs of development, defence and administration. West New Guinea would “for many years...be a liability rather than an asset.”²⁵ Another menace perceived by Spender was the chance of a compromise between the Netherlands and Indonesia. He was, he said, concerned about the possibility of a combined Dutch-Asian administration of the western part of the island.²⁶

In the light of this assessment, two conclusions were drawn. Firstly, Australia should not only support the Dutch, but make sure they did nothing against Australia’s interests. Spender proposed sending a note to the Dutch Government, informing it of these interests and asking to be kept fully informed. Secondly, if the Dutch contemplated a change in WNG’s status, “they should give consideration to an arrangement by which Australia could share with them the obligations of development and defence, for example, a bilateral agreement or even a joint trusteeship arrangement.” Thus, Indonesian demands and Dutch vulnerability were accounted for. The essence of the Minister’s plan was that the nullification of these dangerous elements could be achieved via a vigorous defence of the *status quo* and, if this failed, through the development of a cooperative Dutch-Australian relationship. The underlying assumption of this was that given a firm resolution on the part of the Netherlands and Australian Governments, Indonesian opinion would become largely irrelevant – Jakarta would simply not have the power or influence to enforce its views,

²⁴ The most comprehensive analysis in English of the WNG issue in Dutch policy and politics may be found in A. Lijphart, *The Trauma of Decolonization: The Dutch and West New Guinea*, New Haven, 1966.

²⁵ Note by Spender for Cabinet presentation, 7 February 1950, in A1838/283, TS3036/6/1, Pt 1, NAA. In the context, it appears that the comment describing WNG as a “liability” is meant in a political, rather than economic, sense.

²⁶ These fears were at this point prompted by reports that General Douglas Macarthur (Supreme Commander for Allied Powers in Japan) was pressing for the use of WNG as a destination for surplus Japanese population (see *loc.cit.*). Although this particular issue was a short-lived, the spectre of joint Indonesian-Dutch control soon created similar concerns.

and it lacked the will to pursue its claim over time. Moreover, Spender apparently believed any resultant Indonesian bitterness would be of little long-term significance.²⁷

All the ideas put forward by the Minister evoked strong support from Cabinet. Spender was given permission to inform the Dutch Government “of Australia’s vital interest” in WNG, and to suggest “that Australia was willing to play a more positive role in this matter than hitherto.”²⁸ This decision – made within what was effectively the first month of power – highlighted the critical place that WNG occupied in the thinking of the new Liberal Government. Not only was such a move geared towards an active role in the dispute, Cabinet had taken its stand before America or Britain had developed a clear position in the matter. As events made apparent, Australian planning was, at this point, more advanced than that of the Dutch themselves. This is not to say that Australian policy had crystallized. Certainly, the Australians were forced to make changes during the next 12 months, but the basic framework of Liberal policy until 1959 was established at this early stage: for the sake of Australian security, Indonesia had to be kept out of WNG, and someone ‘friendly’ kept in.

II

This objective, its logic (security), and the means of its pursuit (active involvement), reveal important aspects of Australian self-perception with regard to part of SEA – namely Indonesia. The first two show recognition of potential Australian vulnerability to the Republic.²⁹ It was possible that Australia could in future be weak relative to its new neighbour. This, however, was not the same as fear. Australia was not afraid of Indonesia (in the way that Nancy Viviani, for example, has argued).³⁰ It was, rather, forcefully confident in its attitude to Jakarta, believing it was able, in the face of a fervent Indonesian campaign, and without the direct aid of the US and UK, to prevent Indonesian penetration of Melanesia. To be sure, the Government’s goal referred to above, combined with its means, demonstrates the conviction that Australia was a superior power to Indonesia.

Thus, Australia’s attitude to SEA was not entirely characterized by timidity, followed by direct dependence on outside forces. Instead, Australia viewed itself as the preeminent power in the area roughly south of Singapore, and as the effective colonial

²⁷ See Spender, *op.cit.*, p. 297.

²⁸ Minutes of Cabinet meeting, 7-8 February 1950, in A4638/XM1, NAA.

²⁹ These two aspects are also illuminating in terms of Australia’s self-image regarding the rest of SEA, and are elucidated in this context later in the chapter.

³⁰ Viviani, *op.cit.*, p. 170, by contending that the Government failed to make a “cool assessment” of Indonesia’s ability and intentions regarding ENG, implies that Australia was irrationally alarmed by the Indonesian claim.

power of the Southwest Pacific. It consequently behaved in a manner it saw as befitting such degrees of ‘imperial’ authority – aggressively and relatively independently asserting its predominance in the wider area through defence of its immediate Pacific sphere of influence east of the WNG-Papua and New Guinea (PNG) border, and maintenance of its strategic buffer zone in WNG. The reality of such self-assurance and autonomy was to be clearly illustrated as the Government’s active campaign gained momentum.

As an aside, it is important to stress the validity of using Australian Government policy on WNG in making observations on ‘Australia’s’ perception of itself in relation to SEA, Britain, and the US. As noted, the Cabinet decisions of February aligned with public sentiment concerning Indonesia’s unreliability and the sanctity of both sides of NG. This is clear in Gallup Polls of February and May 1950, in which an average of 49.9% of those with an opinion preferred Australia to govern DNG, whilst 25.2% favoured the Netherlands, and 19% the United Nations (UN).³¹ Only 5.7% believed Indonesia should rule the territory. In terms of the Australian public service, the Department of Defence was revealed later in the year to be dominated by those (as the Department of External Affairs (DEA) was) disposed to supporting Liberal policy. A report by the Joint Planning Committee (JPC) – later “noted” by the Defence Committee (DC), and endorsed by the Secretary of Defence – stressed that WNG was “strategically important”, and that “a change of control...from the Netherlands to...Indonesia would not be in the interests of Australian defence.”³²

III

In the first move of the active policy phase, Spender sent a note to P. E. Teppema,³³ the Dutch Minister in Canberra, stressing that Australia had “vital strategic interests in

³¹ These figures are adapted from Gallup Poll results cited in D. Aitkin and E. P. Wolfers, ‘Australian Attitudes Towards the Papua New Guinea Area Since World War II’, *Australian Outlook*, Vol. 27, No. 2, 1973, p. 204.

³² Joint Planning Committee (JPC) Report No. 41/1950, “Strategic Significance of Dutch New Guinea”, in A5954/1, 1682/13, NAA. A report by the Joint Intelligence Committee (JIC) entitled “An Estimate of the Capacity of Indonesia to Carry Out an Attack on Dutch New Guinea” also supported the Cabinet notion that Australia could irritate the Indonesians without incurring substantial military risks. See JIC appreciation No. 7/1950, 20 December 1950, in A1838/269, TS696/3/2, Pt 1, NAA.

³³ Spender to P. E. Teppema (Netherlands Ambassador to Australia), 8 February 1950, in A1838/283, TS3036/6/1, Pt 1, NAA. Cabinet had decided that “the terms of the letter [would]...be settled between the

Dutch New Guinea”, and “did not regard [it] as forming part of Indonesia.”³⁴ Information regarding Netherlands-Indonesian negotiations was also requested, and Spender suggested that Australia and the Netherlands exchange views – perhaps on the problems of administration, development and defence. Concerning Indonesia, Spender proposed “to make quite clear to the authorities in...Indonesia that it regards itself as directly concerned in the determination of the future administration of Dutch New Guinea.” This was a bold move, and one premised not only on opposition to Indonesian claims, but also on the idea that close ties with Indonesia would be best achieved by making the Australian position “quite clear from the outset rather than allow[ing] an atmosphere of doubt and mistrust to enter into our relations.”³⁵

United States and British representatives were handed copies of the note to the Dutch soon after 8 February, and asked to comment. These moves forced the British, for the first time, to articulate their views to the Liberal Government; the threat of Australian intervention raised serious problems for the United Kingdom. Foremost in Foreign Office (FO) thinking was the potential danger to British Far Eastern interests. The Commonwealth Relations Office (CRO) telegraphed the High Commissioner in Canberra:

The close liaison between Indonesia and India should...be taken into account. It is almost certain that the terms of any approach by Australia on the lines suggested would leak out, and this would have a most undesirable effect on Indian opinion and in other countries where there is much sympathy with Indonesian aspirations.³⁶

Though British policy underwent distinct changes over the next 12 years, remaining interests in Asia continued to exert a central influence on its character. Beyond this, the initial reaction in Whitehall was that the Dutch and Indonesians should be allowed to negotiate without interference. This position was remarkably similar to that of the Australian Labor Party in 1949, and it is likely that it reflected the views of British Labour Foreign Secretary Earnest Bevan.

Min. E.A. and the Prime Minister” (see minutes of Cabinet meeting, 7-8 February, A4638, XM1, NAA), so it is possible that Menzies had some input in the changes to the letter between 7 and 8 February, although Spender seems to have overseen its final form; he instructed Burton to “prepare [the] letter...in accordance with draft attached as altered by me.” See Spender’s 8 February minute on note by Spender for Cabinet presentation, 7 February 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

³⁴ In an attempt to justify Australian involvement in the dispute, Spender commented that “we regard Dutch New Guinea as having much in common from both an ethnic, administrative and developmental point of view with our own territories of Papua and New Guinea.” Earlier he had stated: “Australia’s vital strategic interests in Dutch New Guinea...are, in fact, no less than Australia’s vital interests in Australian New Guinea and Papua.”

³⁵ Note by Spender for Cabinet presentation, 7 February 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

³⁶ Telegram 124 from UK Commonwealth Relations (CRO) to UK High Commissioner, 16 February 1950, in FO 371/8703, Public Record Office, London (PRO).

The official British reply came through their Deputy High Commissioner in Canberra, Walter Garnett.³⁷ Paragraph three of his letter was a summary of the UK position, as had been communicated to External Affairs in October 1949, and to which the British said they still held. A preference for “the retention of Dutch control” was expressed, although it was made clear that the idea of a “long trusteeship does not appeal to us” and that “we feel that the subject is essentially one for settlement between the Dutch and Indonesians.” Fundamentally, the British desired that the dispute remain localized, and that nothing be done to further rock the boat as far as their own interests (particularly those in Malaya and Singapore) were concerned. This is not to say there was no regard for Australian interests in London; in a telegram from the CRO to the Embassy in Canberra, it was claimed that Australian anxieties were “fully appreciated”, and noted that Dutch attempts to overhaul administration in WNG indicated “they do not intend to yield easily to Indonesian pressure”³⁸. Still, the traditional Labourite attitude regarding international dialogue, and an eye to self-interest in Asia – and both were complementary in this instance – were the dominant strains in UK policy at this time.³⁹

On 20 February, the Netherlands Government conveyed its reply to the Australian note.⁴⁰ Although the Australian offer of support was referred to as “highly appreciated”, it is difficult to interpret Dutch comments as anything less than a tactful rebuff. Highlighting the great hope that existed in The Hague in the early years of a close relationship with Indonesia, Spender was informed that discussion on the WNG issue was due to take place at the first Netherlands-Indonesian Union Conference, and that “great importance is attached to avoid anything which might influence the harmonious atmosphere between the partners of the...Union.” More specifically, he was told “any immediate step in connection with the New Guinea problem undertaken by a third power will, it is believed, necessarily touch the Indonesian sentiments and may carry the risk that an objective approach to the problems at stake be frustrated.” Finally, the Australians were assured that “the Netherlands Government has no intention of taking decisive steps with regard to New Guinea in the near future.” Although the Dutch placed emphasis on the forthcoming negotiations, it is clear that they viewed any

³⁷ Walter Garnett (UK Deputy High Commissioner to Australia) to John Burton (Secretary, DEA), 17 February 1950, in A1838/283 TS3036/6/1, Pt 1, NAA.

³⁸ Telegram 124 from CRO to UK High Commissioner, 16 February 1950, in FO 371/8703, PRO.

³⁹ Phelps, *op.cit.*, p. 39, presents UK policy as being more sympathetic to the *status quo* at this point than in fact it was.

⁴⁰ Teppema to Spender, 20 February 1950, in A1838/283, TS3036/6/1, Pt 1, PRO.

interference as inevitably disastrous in a tactical sense.⁴¹ It seems that at this point they were concerned with the issue only from the point of view of their own interests; little was made of the basis of Spender's memorandum – Australia's "vital strategic interests".

Having raised the WNG issue verbally with Teppema on 10 February, Spender had already decided not to approach the Indonesians,⁴² and the official replies of the British and Dutch Governments must have greatly reinforced his sense of isolation. In fact, the Australians were probably shocked at the degree of opposition from two allies over an issue they believed was central to the country's security. Nevertheless – and in a first explicit sign that Australia was prepared to pursue its interests in WNG alone if necessary – these events were apparently viewed as a tactical setback, rather than a reason to review Australian policy. Teppema's note was acknowledged on 22 February, and Australia expressed an interest in the promise that the Netherlands "would revert to the contents of the Australian note in due course".⁴³ Yet, it is a reply to Garnett's letter of 17 February that most graphically illustrates that, having been gently rebuffed, the Australians simply looked for different ways of pressing their original case. The Secretary of the DEA, John Burton, wrote:

the view of the United Kingdom authorities which you summarised is broadly in agreement with our own, except for a very important and even vital difference in emphasis...the Australian Government takes a definite view that there is little room for compromise in this matter because it is not merely that Dutch New Guinea is of "some importance to Pacific defence" but that it is in fact vital to our security. However, we might take up this question of emphasis at a later date when we know better the position between the Netherlands Government and the Indonesian authorities.⁴⁴

The gist of Spender and Burton's thinking at this stage seems to have been that Australia should try to find common ground with Britain and the Netherlands if possible – without letting go of the Cabinet decisions of February 8 – yet leave room

⁴¹ According to British Ambassador to The Hague, Sir Philip Nichols, Dirk Stikker (Dutch Foreign Minister) was also afraid that disclosure of the Australian attitude would lead to an unfavourable public reaction in the Netherlands, along with the development of an intransigent stance regarding negotiations. See Nichols to R. H. Scott (Head, South East Asia Department, British Foreign Office (FO)), 21 February 1950, in FO 371/8703, PRO.

⁴² See Spender's minute to Burton on Garnett's reply of 17 February, in A1838/283, TS3036/6/1, Pt 1, NAA.

⁴³ Burton to Teppema, 22 February 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

⁴⁴ Burton to Garnett, 24 February 1950, in A1838/283, TS3036/6/1, Pt 1, NAA. According to one contemporary, Burton was, as H. V. Evatt's (former Australian Minister for External Affairs) protégé, probably in a "lame duck situation", and "treading lightly", with Spender's assumption of the External Affairs portfolio (interview with Pierre Hutton (in 1950, a cadet in the DEA), 26 May 1998), but they do not seem to have had any reason to disagree over WNG. There may even have been a strange rapport between them on the issue. Burton, like Evatt, had always enjoyed needling the US and UK, and Spender certainly had some vigorous exchanges with both countries over the following months.

for another push towards the plan proposed in the note to the Dutch if this proved necessary.

The Australian Government, awaiting clarification of the Netherlands-Indonesian interaction over WNG, did not communicate further with other governments during March or early April.⁴⁵ This lull ended abruptly with the decision by Dutch and Indonesian representatives to establish a special commission, whose task it would be “to find a solution acceptable to both parties.”⁴⁶ Spender immediately sent an exceptionally strong letter and *aide memoire* to Teppema. Horrified at the now real possibility of a Dutch-Indonesian compromise, Spender evidently believed it called for a hard-line response:

a solution acceptable to both parties by implication must give some entry to Indonesia into Dutch New Guinea...the Australian Government cannot contemplate any entry, direct or indirect, by Indonesia into Dutch territory.⁴⁷

In this context, Spender made it clear Australia would not balk at moving toward an entirely independent policy on DNG. He said “we feel compelled...to state our views clearly to the Republican authorities, at least stating that we are informing the Netherlands Government of claims in respect of Dutch New Guinea, and of the fact that we believe the Netherlands should feel free to negotiate with us at this stage.”

The belligerent tones and independent claims of the letter were expanded in the extraordinary *aide memoire*, in which Spender set out the alternatives to a compromise with Jakarta. After reiterating the argument that agreement with Indonesia would result in the latter gaining some administrative control, Spender emphasized the difficulties that the Dutch would have in retaining WNG. He then attempted to lay down Australia’s credentials as an interested party (principally by drawing attention to Australian rule in Papua and New Guinea). Following this, a dramatic conclusion was drawn:

⁴⁵ This comment refers to secret dialogue, for Spender did make a public statement in Parliament on 9 March on New Guinea. However, his message would have contained no revelations for other protagonists. He stated that “the island areas immediately adjacent to Australia...are, as experience has shown, our last ring of defence against aggression, and Australia must be vitally concerned with whatever changes take place in them. It is not to be assumed by anyone that should fundamental changes take place in any of these areas, Australia would adopt a purely passive role. I have in mind particularly, but not exclusively, New Guinea, which is an absolutely essential link in the chain of Australian defence.” Statement by Spender, 9 March 1950, in *Parliamentary Debates*, Vol. 206, pp. 632-33.

⁴⁶ Spender to Teppema (with *aide memoire*), 20 April 1950, in A1838/283, TS 3036/6/1, Pt 1, NAA. Phelps, *op.cit.*, p. 33, mistakenly ascribes Spender’s action to the failure of a first meeting between Dutch and Indonesia. Indeed, Phelps’ presentation of Australian policy during this early period suffers from a lack of attention to chronological detail; Canberra’s activities are portrayed in a more arbitrary light than is warranted.

⁴⁷ Spender to Teppema, 20 April 1950, in A1838/283, TS 3036/6/1, Pt 1, NAA.

If the Netherlands agrees with our judgements set out above and does not feel it can, from the point of view of world opinion or the point of view of the problems of administration, permanently maintain its position, then we would prefer that it should relinquish completely its interests to Australia on terms to be determined, so that this territory could be administered along with the Territory of Papua and the Trust Territory of New Guinea.

This was more than mere talk. John Hood, the new Australian Ambassador in Jakarta, was asked to deliver (by 1 May) a letter articulating Australia's claim to be "the sole administrator or at least part administrator of Dutch New Guinea as trustee or otherwise."⁴⁸

The British and Americans were forwarded copies of the communication to Hood, and they responded swiftly. Both had viewed the earlier assertion of Australian interest in negotiations as a nuisance, but the real chance of a claim to WNG generated positive alarm in London and Washington. The US memorandum in reply opened by stressing that they were "highly concerned" by the intended Australian intervention, and that a "frank statement of the United States view" was needed.⁴⁹ The American argument consisted of half a dozen points, but the basis of it was that although the US preferred a continued Dutch presence in the form of a trusteeship, neither this, nor Australian involvement, would be likely to meet with world approval outside or within a United Nations framework. New initiatives could also upset the Indonesians, thus jeopardizing the stability of the area. In conclusion, the Americans said that "the Government of the United States considers that...Indonesia and the Netherlands should be permitted to exhaust all the possibilities of a workable solution through bilateral negotiations before consideration is given to other methods of solving the problem." The Americans, to this point, had not given the WNG problem a great deal of thought, but their initial reaction appears to have been to avoid provoking either the Indonesian leadership, among whom they hoped to encourage sympathy towards the West, or the Dutch, who were simultaneously important NATO partners, and smarting over the US role in Indonesian independence.

⁴⁸ Burton to John Hood (Australian Ambassador to Indonesia), with attached *aide memoire*, 21 April 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

⁴⁹ *Aide memoire* by US Government, 28 April 1950, in A1838/283, TS3036/6/1, Pt 1, NAA. There was a clear feeling among certain elements of the US State Department that Australian policy was extreme. In colourful language, Selden Chapin (US Ambassador to the Netherlands) commented to Secretary of State Dean Acheson that "[I] Feel sure that [the] Dutch are enjoying many sardonic if slightly melancholy laughs at [the] latest Australian move which makes [Dutch anti-revolutionary Raymond] Westerling not to speak of ultra Dutch reactionaries look like Salvation Army lasses" (telegram 517 from Chapin to Acheson, 1 May 1950, 756C.00/5-150, Box 3747, RG 59, Department of State Decimal File (hereafter abbreviated as DF) 1950-54, Archives II, Maryland, USA (hereafter A2)). Similarly, William B. Lacy (Director, State Department Office of Southeast Asian Affairs) told Assistant Secretary of State Dean Rusk that "Spender, in delivering the note [to the Dutch Ambassador in Canberra] used language which led our Embassy to believe that the Australians were thinking in terms even of the use of armed force if necessary to prevent the entrance of Indonesians into Netherlands New Guinea" (Lacy to Rusk, 3 May 1950, 756C.00/5-350, Box 3747, RG 59, DF 1950-54, A2).

The basic themes of the British *communiqué* were similar to that of the Americans.⁵⁰ It was curtly stated that “the Australian Government at present have [*sic*] no standing and are [*sic*] likely to be rebuffed by both the Netherlands and Indonesian Governments.” Furthermore – and also indicative of the division between the perspectives of Australia and the Allies on this issue – there were fears that the note to Indonesia might “increase their suspicions regarding Western motives in South East Asia”. The UK advised that the delivery of the note be delayed at least until the reply of the Netherlands Government was received.⁵¹

Unknown to the British and Americans, the second Australian retreat had, in fact, already begun. Hood had been cabled on 29 April and told that “in view of the strong representations of the U.S. and U.K. it has been decided to withhold presentation of [the] aide memoire until Netherlands observation[s] [are] received.”⁵² Hood was also asked for his assessment of the situation, because a decision had to be made as to whether to go ahead with the note in spite of the British and American reaction. On the other hand, it was also admitted that a solution such as a Netherlands trusteeship might eventually be acceptable if the US “made some firm undertakings regarding maintenance of the position in the light of world opinion and development and defence of the territory.” This was a significant aside. For the first time, consideration was being given to the idea that, if a change in the status of the territory did occur, direct Australian involvement in its administration might not be necessary. This shift was not simply a direct result of Australia’s diplomatic isolation. Britain and America would

⁵⁰ Garnett to Burton, 29 April 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

⁵¹ British comment behind the scenes is illuminating regarding general perceptions of Australian WNG policy, and also the motivations behind their own position. In a memorandum for British Foreign Secretary Ernest Bevan, Scott had written that “The Australian action in this matter (which has been taken in the case of the Dutch without consultation with us) is extremely unfortunate and may have most dangerous consequences...the Australians have acted much too hastily” (Scott to Bevan, 27 April 1950, in FO 371/8703, PRO.) In an attached minute, he added: “It is recommended that we should dissuade the Australian Government from addressing the proposed note to the Indonesian Government...It is in our interest that the present status of Dutch New Guinea should remain unchanged, both on strategic grounds and because a change might serve as a pretext for further Indonesian claims to British and Australian territories in that area...We do not however consider that this interest is sufficient to justify exerting pressure upon the Indonesian Government...Our objection to the present Australian approach is based upon the harm which it will do to Western prestige in South East Asia. The only arguments used are strategic; the whole note is inspired by a self-interest which contrasts most unfortunately with previous expressions of Australian sympathy for Indonesian aspirations and its only effect can be to reinforce the suspicions of the countries in South East Asia that our policy there is based on nothing but our own strategic interests.” These were dominant views in the Foreign Office, and they demonstrate a commitment to British and Western interests in SEA over and above the acknowledged value of a Dutch presence in WNG. Hinted at here is also a divergence of opinion with the British Colonial Office (CO). The latter advocated active support of the Dutch (see minute by H. B. C. Keeble (Indonesia desk, FO), 21 April 1950, in FO 371/8703, PRO), but it is clear from the repeated implementation of FO recommendations that the CO did not have the same influence at this point. UK policy, therefore, was one in which sympathy for Australia continued to be subsumed by concerns for the impact of Asian opinion on their own assets in the area. In so far as these remained useful in American eyes, they could also be justifiably represented as Western interests.

have had little impact on Spender if none of their comments had complemented Australian strategic concerns. However, the US claim that it would ideally favour continued Dutch control struck a chord with him. If the Americans could throw their full weight behind a Netherlands trusteeship, the Dutch would be strengthened, Indonesia possibly silenced, and Australia's interests reconciled with those of the Western powers. Nonetheless, this was at best a remote possibility. In the meantime, more immediate concerns had to be dealt with; namely, how to prevent a Dutch-Indonesian compromise in spite of the fact that Australia was rapidly becoming isolated in connection with WNG.

It was here that John Burton put forward some suggestions. In a letter to Spender on 1 May, the Secretary advised that the US, the UK, and the Netherlands be informed

that there are about two weeks to elapse before formal presentation of the Note, and [that they] have that opportunity to come back with constructive proposals or useful assurances. In the absence of anything of that nature, we can completely justify the Note being presented formally.⁵³

This was a rather cunning attempt to regain the moral high ground, whilst leaving open the slim possibility that one of the governments might put something forward that might suit Australia. Burton's ideas were, he claimed, based on Hood's suggestions,⁵⁴ but he was in fact misrepresenting the latter. Hood had actually stated that he was "convinced that it would be a mistake at this stage to disclose our interest to the Indonesian Government in a manner proposed in the aide memoire...just when the proper time would come is hard just now to say; but in my opinion it is not at the moment."⁵⁵ It is interesting that one of the first words of caution evident in Australian circles was deliberately distorted, and therefore effectively ignored. Still, Burton's ideas were the ones that Spender wanted to hear. Notes to the US, the UK, and the Netherlands on 3 May essentially repeated (with some additions) the drafts submitted by Burton.⁵⁶ All of them were written in a cooperative tone, but the design behind them – as expressed by Burton above – was unmistakable.

IV

At one level, the opening months of the active Liberal crusade showed, as the initial policy planning stage had, that Australia approached its relations with Indonesia

⁵² Cablegram for Hood, 29 April 1950, in A1838/283, TS3036/6/12, Pt 1, NAA.

⁵³ Burton to Spender, 1 May 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

⁵⁴ *loc. cit.*

⁵⁵ Cablegram 166 from Hood, 30 April 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

confident in its supremacy. Indonesia, while the only foreseeable direct threat to Australia's hegemony in the SW Pacific, was also viewed as subject in a political and military – though not colonial – sense. The note Hood was instructed to deliver evinced no fear that the Republic would be able to call upon overwhelming diplomatic aid or military muscle to counter Australia's provocative call to be "the sole administrator or at least part administrator of Dutch New Guinea as trustee or otherwise."⁵⁷

The main theme of the early active period, nevertheless, was the ramifications of such self-perceived superiority in respect to the US and UK. As alluded to earlier, the Australian Government, because it was not worried about Indonesia, did not feel the need to make itself dependent on the Americans or the British in its dealings with offshore SEA. After London's negative reaction to the original note to Teppema, Australia's retreat had only been provisional; there was a desire to keep in step with the British but, as Burton had suggested to Garnett, Australia was prepared to disregard this, depending on the situation following further definition of the Dutch position. Similarly, when the US and UK firmly rejected Spender's scheme for interjection in the event of a Dutch collapse, the Minister pulled back – but only momentarily in the hope that a concerted approach might be found or, more particularly, that the US might agree to a Dutch trusteeship. Notes to Washington and London made clear that Australia did not feel bound to stay its hand; a fortnight's grace was given, after which Indonesia would be formally notified that Australia would sue for sole control of WNG. Such behaviour hardly speaks of a Southeast Asian policy that can be invariably defined in terms of the immediate importance of relations with the US and UK.

This granted, it is imperative to point to the indirect significance of these two allies in Australia's self-appointed position as the predominant power south of Singapore. Just as Britain's place in the global world order after the Second World War (which included its status as a *de jure* and, or, *de facto* colonial power) was dependent on US might and an overlap of national interests, Australia's place as the power of offshore SEA was, the Menzies Government was convinced, contingent on Australia remaining the beneficiary of the same expedients (power and coinciding interests) in relation to both the British and the Americans. These needs had specific application to the region beyond that in which Australia had control – American and British assistance was seen as vital in containing China and communism on mainland SEA, and it was on these questions that Australia eagerly engaged in the politics of dependency – yet they

⁵⁶ See Burton's drafts to the US and UK Governments, 1 May 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

⁵⁷ Burton to Hood, with attached *aide memoire*, 21 April 1950, in A1838/283, TS3036/6/1, Pt 1, NAA.

were indirectly pertinent to the Indonesia-SW Pacific area because the loss of SEA, and the withdrawal of the US and UK, would, it was thought, spell an end to Australia's influence and, perhaps, its very existence. These ideas explain Spender's willingness to inform the British and Americans of Australian plans, and to seek consensus in light of their protestations; it was foolish for Australia, in pursuing its interests in one particular area, to damage needlessly those in other and essential areas. At the same time, it should be noted that the Australian Government did not think such damage, if deliberately incurred, would be serious enough to undermine the value of an independent policy in its 'own' area. Put differently, Australian Government policies in this domain were only marginally affected by recognition of the particular (for mainland SEA) or indirect generic importance of alliance with the US and Britain. Australian foreign policies in SEA, in so far as they related to feelings about certain Asian nations, and to the place of the UK and US, closely mirrored distinctions of a geo-strategic nature.⁵⁸

⁵⁸ By focussing on the DEA, Chauvel has asserted Australians tended to view their "neighbourhood" in terms of a South Pacific region and Southeast Asian area – the former being friendly, and the other dangerous, with WNG occupying an "ambiguous" place as part of both. (See Chauvel, 'The emergence of the West New Guinea dispute' in Lowe, *op.cit.*, pp. 55-59). Using a policy-international relations perspective, it seems Australian perceptions were more multifaceted. The area to the continent's north was divided into four: imminently dangerous mainland SEA; and (all bracketed under Australian predominance) possibly dangerous, but weak, Indonesia; the 'buffer' of WNG; the 'immediate' sphere of influence east of that. Because of Indonesia's weakness, the Republic was not truly dangerous in the way that the rest of SEA was, and nor did WNG have an ambiguous status (apart from in theory, whereby Australia had allowed Indonesia to take over the territory).