

## Chapter 8: Continuing Efforts to Put Indonesia First – Without Letting Go of WNG, January 1959-March 1960

### I

Subandrio's visit obviously reflected the anxiety of the Menzies Government to pay heed to new priorities regarding Indonesia, but the Australians did not forget the basic tactic endorsed as necessary for keeping alive the hope of holding the Dutch to WNG – that of deterrence. It was therefore natural that they were fully immersed in the intense communication over the possibility of an attack that occurred between the Netherlands, Australia, Britain, and the US in a period beginning just prior to Subandrio's tour. This phenomenon climaxed in a tripartite meeting of July between the latter three, and yet, from Australia's viewpoint, even this high-point of support for the Dutch was moderated, as had been the moves leading to it, by the now ever-present guiding force in Australian policy: the Indonesian problem. In fact, the pattern of Liberal Government strategy clear in these events, and founded by the decisions of 5 January – that is, letting the principal importance of Indonesia influence policy without destroying the minimal means of retaining a Dutch presence in WNG – was to be repeated for months to come. Certainly, by March 1960, Cabinet had become so dogged in its pursuit of the chosen policy that, in the face strong internal and external pressures for change, it explicitly reaffirmed the resolutions of 14 months before.

As had been alluded to by Cabinet on 5 January, the Australian Government received news from the US and UK early in the new year that calmed fears of an attack by Indonesia in March.<sup>1</sup> Menzies and his colleagues were therefore relieved of the need to evolve a makeshift response to an immediate threat. Nevertheless, they believed that they were still faced with the mid-term chance of both an invasion and, or, a Dutch withdrawal. Casey, for example, wrote to Beale that “On the question of deterrents, we are becoming increasingly conscious here that their purpose is not merely to try to prevent Indonesian military action but, perhaps even more important, to persuade the Dutch to stay in New Guinea.”<sup>2</sup>

The deterrence issue was, of course, not a simple one for Canberra given the state of Australian WNG policy. The Dutch had to be encouraged without being given any military guarantee,<sup>3</sup> and the Indonesians discouraged without being offended, and

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<sup>1</sup> See minutes of Cabinet meeting, A4943/Vol. 1, NAA. The American and British reports are still classified; see A1838/269, TS666/111, NAA.

<sup>2</sup> Cablegram 55 from Casey to Beale, 16 January 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>3</sup> In January, the Dutch again applied substantial pressure on the Australians to give an answer on the question of military planning and an assurance.

all this had to be done without falling out of synchrony with the US and UK. In fact, Cabinet, by insisting that Australia's major allies be pushed to warn the Indonesians against aggression, had made clear in January that it considered cooperation with these two countries central to the success of deterrence.

Making the achievement of these basic aims potentially more difficult was a renewed Dutch campaign in January for military planning and a promise of active support. On the 9<sup>th</sup>, Lovink requested an interview with Menzies, making it clear he would broach these problems, and the Ambassador gave his personal opinion that "if [Australia] waited even a year to give the Dutch a military assurance, it would be too late."<sup>4</sup> The Prime Minister decided that, for the moment, it would be "bad tactics" to go through with the Cabinet decision to inform the Netherlands that Australia would be unable to accede to its requests.<sup>5</sup> Rather, he would "say something to Lovink about the difficulties we were in[,] which would help prepare the Dutch for our decision when they were given it." This he did, telling the Ambassador that his Government had not made a final determination, but that "there were very great difficulties about an arrangement with the Netherlands which was made independently of the United States and United Kingdom"; Australia and the Netherlands did not want to be "left out on a limb", unable to cope with Indonesia in partnership with the communists, and neither did Australia want to find itself "in a state of hostility towards an Asian country and conceivably other Asian countries."<sup>6</sup> On staff talks, Menzies also said "there were great difficulties" – in this instance "because it was not possible to keep such matters private." Lovink, according to Menzies, indicated that he understood these problems, but was "deeply concerned about establishing a proposition that both the Netherlands and Australia were deeply anxious to maintain Dutch rule and to deny the claim of sovereignty made by Indonesia." This enabled the Prime Minister to lead on to a more comfortable subject for Australia by stressing that the Dutch should publicize their willingness to have the International Court make a judgement on WNG, and that they should work with the Australians to make the US and UK aware that an invasion would force Indonesia into the communist orbit (because the British and the Americans would be forced to cut off arms to Indonesia, leaving Jakarta entirely open to communist influence). To deter Indonesia from using force was therefore essential for the West.

Menzies felt that the talk went well – that it was "conducted on a footing of complete mutual understanding" – but the complexities associated with deterrence,

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<sup>4</sup> Conversation between Plimsoll and Lovink, 9 January 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>5</sup> See "Note for File" by Plimsoll, 16 January 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

combined with heightened Dutch anxiety, had hardly evaporated. Fortunately for the Australians, a number of circumstances, ironically related to Dutch pressure, contrived to reduce the difficulties of dealing with this puzzle. Not least amongst these was persistent pressure by the British for greater coordination between Western powers over NNG. Outwardly obscure, their motives for this were linked to the concurrence of Dutch agitation and the decision to sell arms to the Indonesians. After agreeing to supply 18 Gannet aircraft to the Republic – and this transaction was economically important to the UK<sup>7</sup> – the British were approached by the Dutch concerning the possibility of a guarantee of assistance if an attack on WNG occurred.<sup>8</sup> Presumably due to the importance of their European relationship with the Dutch and, as Selwyn Lloyd said to Dulles, because the UK was “inclined to accept [the] Dutch argument that countries supplying arms were thereby under moral obligation to see that these arms were not used against New Guinea”, the British went some of the way towards meeting the Dutch.<sup>9</sup> On 27 February, a note presented to the Netherlands Ambassador in London read:

Her Majesty’s Government sincerely hope that the Indonesian Government will in fact adhere to their declared policy of refraining from using force to prosecute their claim to Netherlands New Guinea. If, nevertheless, the Indonesian Government should resort to force, Her Majesty’s Government would give their support to the Netherlands Government. Her Majesty’s Government cannot enter into a commitment to provide military support but they would do everything in their power to assist the Netherlands Government in other ways.<sup>10</sup>

Later, after Dutch pressure, the British replaced the word “other” with “appropriate”, though they made it clear that this did not alter the substance of their commitment; the promise to give military reinforcement was excluded, yet the possibility still existed.<sup>11</sup> The Dutch had also asked London to warn the Indonesians against the use of force.<sup>12</sup> They also agreed to this; on 3 February, Lloyd had called in the Indonesian Ambassador and said to him “that if there should be any fighting [the] United Kingdom Government were bound to be against Indonesia.”<sup>13</sup> Having given in to The Hague on both counts, the British believed there were other issues they should deal with. Firstly,

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<sup>6</sup> Conversation between Menzies and Lovink in memorandum by Menzies for DEA, 16 January 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>7</sup> 83<sup>rd</sup> Conclusions, Cabinet meeting of 4 December 1958, Cab 128, CC (58), PRO.

<sup>8</sup> CRO circular telegram, 18 February 1959, in FO 371/144082, PRO.

<sup>9</sup> The need to have arms sales endorsed by NATO, of which the Netherlands and some of its supporters were a part, was another reason behind the British request. See 12<sup>th</sup> Conclusions, Cabinet meeting of 26 February 1959, Cab 128, CC (59), PRO.

<sup>10</sup> Note handed by J. D. Profumo (Minister of State for Foreign Affairs) to Baron Bentinck (Netherlands Ambassador to the UK), 27 February 1959, in FO 371/144082, PRO.

<sup>11</sup> Lloyd to Bentinck, 17 March 1959, in FO 371/144082, PRO.

<sup>12</sup> See memorandum by J. O. McCormick (FO, position unidentified), 22 December 1958, in FO 371/144080, PRO.

<sup>13</sup> See CRO telegram 121 to Canberra, 6 February 1959, in FO 371/144082, PRO.

they wanted to decide, in concert with the Americans and Australians, exactly what would be done for the Dutch if an invasion took place and, secondly, they were now vitally interested in devising ways to prevent the development of such a situation.<sup>14</sup>

As the British became more deeply caught in the web surrounding a possible attack, they had attempted to involve the US and Australia in their problem. On 4 February, the Australians were told that the UK was going to ask the Americans for their views on the idea of discussions between the US, Britain, and Australia “to concert plans for deterrent action”.<sup>15</sup> W. S. Bates of the UK High Commission in Canberra was told a week later that an Australian response would not be given until after Subandrio’s visit,<sup>16</sup> and that there were doubts as to whether the US would be keen on such talks, but the Australians were of course interested in such a notion. Indeed, they had already made efforts to talk with the US in more detail about deterrents, suggesting consultations “on [the] possible course of events in [the] event of an Indonesian attack”,<sup>17</sup> and as Quinn noted, “Australian participation in the proposed consultations would appear to be absolutely consistent with [the] Cabinet decision of 5<sup>th</sup> January and with the Minister’s submission”.<sup>18</sup>

On the same day that the Australians were approached, Selwyn Lloyd proposed to Dulles that a “joint study” be held on the “possibility of Indonesian action against New Guinea and any further means of deterring the Indonesians.”<sup>19</sup> Dulles agreed, provided the Dutch were not included. There were a number of reasons why the Secretary of State was interested in comparing assessments and, particularly, in finding the means to hinder an Indonesian assault.<sup>20</sup> The heart of the problem for the Americans was that war would put them in an unenviable position regarding relations with both Indonesia and the Netherlands – two nations of importance in US foreign policy.<sup>21</sup> The

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<sup>14</sup> An Anglo-Dutch assessment of the end of January on the likelihood of an Indonesian invasion “played down” the chance of a “substantial military attack...but agreed that there was some evidence of Indonesian plans...and [the] possibility of an attack by a force of 1,000 strong could not be ignored.” See cablegram 364 from London, 24 January 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>15</sup> “Note for File” by M. C. Timbs (Assistant Secretary, Cabinet Division, Prime Minister’s Department), 4 February 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>16</sup> Conversation between Quinn and W. S. Bates (Counsellor, UK High Commission), 11 February 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>17</sup> Cablegram 55 from Casey to Beale, 16 January 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>18</sup> See memorandum by Quinn on UK proposals, undated, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>19</sup> See CRO telegram 134 to Canberra, 10 February 1959, in A1838/276, TS3036/6/1, Pt 7, NAA.

<sup>20</sup> A precedent for an exchange of assessments (a matter that, on its own, and especially given the US belief that an imminent attack was unlikely, was more innocuous than consultations) had already been set by Dulles’ suggestion to Luns that the US and the Netherlands compare intelligence estimates. See telegram 26 from Dulles to Washington, 18 December 1958, in *FRUS*, Vol. XVII, 1958-60, ‘Indonesia’, p. 313.

<sup>21</sup> A National Security Council report of 3 February, approved by Eisenhower, had confirmed “a U.S. policy of neutrality in the West New Guinea dispute...because of the seriously adverse consequences which would ensue if the United States supported either the Dutch or the Indonesian position.” See NSC 5901, in *ibid.*, p. 340.

Dutch, in a conflict, would expect US backing, and the more so since Dulles had held out the prospect of logistic support.<sup>22</sup> In fact, Dulles had gone further than this, mentioning in NATO that he had warned Subandrio “that if Indonesia were to take offensive action against Netherlands New Guinea they would find us against them.”<sup>23</sup> The Americans had therefore assumed an obligation to do something for the Dutch in a conflict.<sup>24</sup> However, if the US did act against Indonesia – even if secretly over logistics, and in a token manner in the UN – it feared losing all that had been gained since the US-Indonesian relationship was at an all-time low during the civil war.

## II

Partly for practical purposes,<sup>25</sup> further movement toward multilateral talks did not occur until May. When progress was again made, the Australians and Americans demonstrated that they were not interested in ‘high-powered’ discussions. Just prior to an official proposal by the UK for three-way discussions, the Australians told British officials that they were happy to look at existing deterrents, and ways of reinforcing them, but apparently added that they did not want military discussions.<sup>26</sup> The Americans, for their part, said they would agree to talks, but declared themselves “not wildly enthusiastic” about British ideas on the agenda – which included the suggestion that a decision be made about whether (and when) joint planning should occur if preparations for an attack were obvious, and that consideration should be given to deterrents such as joint amphibious exercises in the SEA area and support for Indonesian dissidents.<sup>27</sup> It was also added that low-level discussions were strongly favoured in order to avoid press speculation.

The Americans were averse to making much of the talks for two reasons. Firstly, they believed that verbal warnings to the Indonesians had worked so far, and would probably do so in the future. Secondly, they were as sensitive as ever over

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<sup>22</sup> There is no record in *FRUS* of a specific promise by Dulles of logistic support (see conversation between Dulles and van Roijen, 8 October 1958, in *ibid.*, pp. 294-96, and telegram 26 from Dulles to Washington, 18 December 1958, (refer also to following footnotes), *ibid.*, p. 313), but Luns later demonstrated an awareness of a pledge in this regard. See telegram 1231 from Young, 29 January 1959, *ibid.*, p. 332.

<sup>23</sup> Cablegram 333 from McClure-Smith, 20 December 1958, in A1838/280, 3036/6/1, Pt 34, NAA.

<sup>24</sup> The US was also under increased pressure from the Dutch in 1959 to continue building private deterrents, and move in a similar way in the public sphere. See conversation between Dulles and van Roijen, 14 January 1959, and telegram 1231 from P. Young (US Ambassador to the Netherlands), 29 January 1959, in *FRUS*, Vol. XVII, 1958-60, ‘Indonesia’, p. 320 and p. 332 respectively.

<sup>25</sup> Key officials in Washington were away during April and into May. See cablegram 666 from Washington, 2 April 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>26</sup> See cablegram 1101 from Washington, 19 May 1959, in A1838/276, TS3036/6/1, Pt 8, NAA. An instructive cable (284 from Canberra) was referred to by Beale, but has not been found. However, see reference to it in cablegram 839 from Canberra, 3 July 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>27</sup> Cablegram 1143 from Washington, 25 May 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

anything that might upset the drive to defeat communism in the archipelago. They were now massively committed to the policy of gaining leverage through the Army and key figures in the central government. The \$14.9 million arms deal announced by Eisenhower in December 1958 had, in reality, been worth much more, and it was soon augmented by secret aid of much greater proportions.<sup>28</sup> By mid-1959, US military assistance owed to Indonesia, together with that from other Western countries, was to outweigh the orders placed with the communist bloc.<sup>29</sup> In outbidding the Soviet Union and its allies, the Americans also seemed to be winning the Cold War in Indonesia. Not only had the Djuanda Government postponed elections, Sukarno, with the support of the increasingly influential Army, had moved in April to introduce “Guided Democracy” and the return of Indonesia’s Constitution of 1945. This was seen as an exciting development by the Americans, as described by Robertson:

The 1945 Constitution...provides for a strong, executive form of government...as opposed to the parliamentary system under the present constitution...The effect of this decision by the Indonesian Government, if carried out along the lines stated would appear to be to reduce the powers currently exercised by the political parties and the Parliament, while strengthening the hand of the President and his advisors (including the Army)[;]...the power of the PKI could be eclipsed.<sup>30</sup>

From Washington’s perspective, the decline of Indonesia’s democratic institutions was positive, because the PKI’s only real means of gaining power was via the parliamentary system.<sup>31</sup> United States policy-makers were nevertheless wise to the chance that such ‘progress’ might be ephemeral. Sukarno, for instance, was still flirting with the Russians, as his visit in May to the USSR showed,<sup>32</sup> and at mid-year the attempt in Jakarta to push through constitutional change was at a delicate point (in terms of domestic politics).<sup>33</sup>

In 1959, the Australians had enthusiastically continued their support for US policy in Indonesia, and thus shared the concerns of authorities in Washington not to upset pleasing trends by setting in train a process that would favour the Dutch. On top of this, as already noted, and again closely reflecting American thoughts, the Menzies Government had become increasingly confident since the scare of late 1958 that Indonesia had taken note of UK and US warnings, and would not attack WNG (at least

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<sup>28</sup> Kahin & Kahin, *op.cit.*, p. 207.

<sup>29</sup> *loc.cit.*

<sup>30</sup> Robertson to Herter, 27 February 1959, in *FRUS*, Vol. XVII, 1958-60, ‘Indonesia’, pp. 353-54.

<sup>31</sup> Kahin & Kahin, *op.cit.*, p. 211.

<sup>32</sup> See telegram from Jones to Robertson, 21 May 1959, in *FRUS*, Vol. XVII, 1958-60, ‘Indonesia’, pp. 381-82.

<sup>33</sup> See Robertson to C. D. Dillon (Acting Secretary of State), 7 May 1959, in *ibid.*, p. 376.

in the near future).<sup>34</sup> There was consequently no need to incur the risks of over-committing to the Dutch, and of offending the Indonesians by going beyond political measures. A final motive was that the Australians did not want to encourage anything, unless deemed absolutely essential, that cut across US desires; they wanted to feed the US-Australian relationship<sup>35</sup> – as symbolized by efforts to protect bilateral communication on Indonesia during the year<sup>36</sup> – so as to maintain US interest in Indonesia and SEA.

Australian and American views ensured that nothing spectacular ensued from the consultations when they eventually happened. The first meeting – which took place in absolute secrecy – was at the State Department on 7 July.<sup>37</sup> It was not held at a high level; the British were represented by Walter De La Mare (counsellor, UK Embassy, Washington), the Americans by Mein, and the Australians by M. R. Booker (Australian Embassy, Washington). Starting with a review of the effectiveness of deterrence, De La Mare gave evidence of the cancellation of an Indonesian attempt on WNG owing to warnings from the US and UK. Mein said they had evidence along similar lines, and asked “whether in view of the present situation there was any need to explore at length the possibility of any further forms of action.” He added that he thought the best course was “to simply continue more of what we were doing.” The Australians supported this line, and it was subsequently agreed that it was not wise to push Subandrio for more assurances of non-aggression, but rather that other key individuals should be approached.<sup>38</sup> It was further decided that a list of such people should be drawn up, and spoken to at an expedient moment. This strategy could occur on a continuing basis; “As new leaders emerged the opportunity should be taken of reminding them of existing commitments and probing their attitudes.”

This was the main result to emerge from the conference. The British did suggest that the question of the kind of military planning required in an emergency might be examined, along with the specific military problems that could occur if an invasion took place. Mein commented that the US would not enter into such planning unless it were decided that military action would be taken by Washington in the event of an attack. He

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<sup>34</sup> See p. 4 of cablegram 132 from Casey to Menzies, 14 May 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>35</sup> There was also an anxiety to gain access to thinking within the US policy-making circle. See cablegram 559 from Beale to Casey, in A1209/54, 59/260, NAA.

<sup>36</sup> See, for example, *loc.cit.*, and cablegram 202 to Washington 28 February 1959, in the same file.

<sup>37</sup> For the record of this meeting see cablegram 1473 from Washington, 8 July 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>38</sup> This was Tange’s idea. See teletype message from Tange to Casey, 2 July 1959, and cablegram 839 to Washington, 3 July 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

did not feel that such a decision would be made in the foreseeable future. Thus, the only decision of substance was that the three countries would continue on a long-term basis to seek private assurances that Indonesia would not use force – a development that suited the Americans and Australians, and perhaps the British, in spite of the rejection of a number of their proposals.<sup>39</sup> Unsurprisingly, no further talks took place, as foreseen by the Australian Embassy in Washington:

our impression is that the State Department feels that for the present there is little more to say on the question of political deterrence....If...you do not wish us to put forward any specific proposals we would expect that discussions would tend to lapse.<sup>40</sup>

Beale, of course, was not given any “specific proposals”.

### III

The retention of a degree of Australian self-assuredness over WNG, associated with deterrence, should not be allowed to distract from the reality that the Menzies Government attitude was still bounded by greater fear and dependence than it previously had been. Deterrence was itself a method of maintaining a policy profoundly limited by these factors, as the context of its reaffirmation on 5 January showed, but so was its operation, as the events ending with tripartite consultations demonstrated.

The scrupulous care taken by the Australians in ensuring deterrence was as inoffensive as possible mirrored the reasons for why such dissuasion was initially believed necessary. The Australians were fearful of Indonesia’s current capabilities, and what these – and the Republic’s intentions – might be in future. That Canberra was more cautious than London in becoming involved in joint discussions was of course representative of an attitude to Indonesia that continued to be extraordinary. A similar observation applies to unwillingness during talks, in concert with the Americans, to go beyond political measures. In terms of dependence, the fact that the success of Australian WNG policy was judged in large part by the effectiveness of measures primarily taken by outside powers is enough to illustrate how reliant the Government had seen Australia should, and had to, become in connection with its immediate north.

In general, therefore, the state of relative repose within the Liberal Government over WNG was revealing of the view that the chosen policy was effectual, not that the rationale for choosing it had become invalid. Australia was a weakened power, fortunately able – by prevailing circumstance, and the goodwill and strength of the US

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<sup>39</sup> The Australians were “puzzled by the scope of [the] United Kingdom’s proposals”, but concluded that “their principal motive was to demonstrate an active interest in Indonesian affairs.” See cablegram 1613 from Washington, 28 July 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>40</sup> *loc.cit.*

and UK – to hold to its former sphere of influence, but no more. The days of former glory had, in Cabinet’s view, by no means returned.

#### IV

Confident mid-year that deterrence was working, and that Western policy in Indonesia was likewise succeeding, the Australian Government was not forced during the remainder of the 1959 to consider making WNG policy any more favourable to Indonesia than it had during Subandrio’s visit. Rather, it was able to concentrate on political means of spurring the Dutch to remain, and of trying to build up the Australian-Indonesian relationship.

In May, after months of uncertainty, a new Dutch government was formed. There had been speculation that elections and Drees’ retirement could result in a substantially weaker stand on WNG, but in his inaugural address, the new Prime Minister, J. E. De Quay, declared that “policy will continue to be directed towards giving the population of this territory the opportunity...to determine their future political status themselves.”<sup>41</sup> On top of this, Luns told McCarthy that “there was an understanding, not for publication, among the parties forming the Government that there would be no negotiation...with Indonesia”.<sup>42</sup>

These were gratifying events from the viewpoint of the Liberal Government, yet Dutch fortitude was still potentially both brittle and damaging. Put otherwise, the Australians had to continue avoiding accession to Dutch pressures to the point of jeopardizing objectives in Indonesia, whilst managing not to engender fatal discouragement at The Hague. This was not an easy task. The Dutch needed to be further reassured about possible implications for Australian policy of Subandrio’s visit, and they expressed concerns that Australia was not doing enough to prevent the US and UK from selling offensive arms to Indonesia.<sup>43</sup> Moreover, though demands by the Netherlands on Australia eased for some time after Menzies’ talk to Lovink on 9 January, Luns had begun to push again in March and April – this time for “full and frank exchanges of [military] information through existing channels.”<sup>44</sup> This request had apparently been ignored by use of the convenient decoy of agreeing to a Dutch plea for the secret use by Netherlands forces (in the case of war with Indonesia) of Australian

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<sup>41</sup> Record of address by J. E. De Quay (Netherlands Prime Minister) to Dutch parliament, 26 May 1959, in A1838/283, 3036/6/1, Pt 37, NAA.

<sup>42</sup> Cablegram 96 from McCarthy to Casey, 22 May 1959, in A1838/283, 3036/6/1, Pt 37, NAA.

<sup>43</sup> Regarding arms, see conversation between Lovink and Casey, 24 April 1959, in A1838/283, 3036/6/1, Pt 37, NAA.

transit facilities.<sup>45</sup> But the Australians knew that with Luns' return to Government, the precarious task of dealing with vigorous Dutch agitation had hardly ended with such a move.

In a visit to The Hague in late June, Menzies did his best to set the Dutch at ease, without agreeing to any new commitments. In discussions with de Quay and van Tuyll, he began with an account of Subandrio's visit, and declared that "there had been no change of policy"; Australia "still believed that the Dutch claim to retain Western New Guinea was a just claim and this had been conveyed to Subandrio."<sup>46</sup> His explanation of the controversial portion of the joint statement was that "words could be given different shades of meanings but it seemed to him that if it were accepted that the Dutch had the right to regard Western New Guinea as a possession it would be difficult to question their right to deal with it in any way they wished." De Quay was not properly briefed on this matter, but van Tuyll was unimpressed. The Netherlands Government, he said, "were not now in the position to say to the critics of the Government's policy...that their friends, particularly Australia, wished them to do so" (that is, push on with self-determination regardless of Indonesian opinion). Menzies, probably redensing, had nothing to give in response.

On the American and British supply of arms, Menzies did not introduce any new ideas. He said it was "difficult to deny the right of Indonesia, or any country, to buy arms for its own security", and that if the Republic failed to acquire them from the West, it would, contrary to Western interests, turn to the communists. Nevertheless, he went on, "it would be wrong indeed" if US and UK arms were used to attack WNG, and Australia "would feel obliged" to bring this to the attention of these two Governments (even though Australia felt this had been "kept in mind" by the British and Americans). The Dutch proved eager to test such high-sounding rhetoric, and raised the contentious question of staff talks – as a means "of preparation for any move by Indonesia". Menzies used the method applied earlier with Lovink, saying that "of course the position of the United States in any military exchanges or discussions on preparatory military measures was highly important". He also implied that the Americans would have to be involved in such talks, and noted that the circumstances in which they would

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<sup>44</sup> Cablegram 53 from McCarthy, 19 March 1959, in A1838/283, 3036/6/1, Pt 37, NAA. See also cablegram 65 from McCarthy in the same file.

<sup>45</sup> See minutes of Cabinet meeting, 10 April 1959, in A4943, Vol. 1, NAA. Lovink was informed of this decision on 24 April. See conversation between him and Casey on the same day in A1838/283, 3036/6/1, Pt 37, NAA.

<sup>46</sup> Memorandum by McCarthy, 9 July 1959, in A1838/283, 3036/6/1, Pt 38, NAA.

be willing to do so were not clear.<sup>47</sup> In a later conversation between Menzies and Casey, which took account of the talks with de Quay and van Tuyl, as well as a meeting soon afterward with Luns, Menzies claimed the Dutch “realised that Australia could not give an undertaking in advance about military aid to help deal with any future prospective Indonesian attempt at lodgement”.<sup>48</sup> On the other hand, they had “made the point that it would not be practical politics to leave discussion (as to what Australian aid might be provided) until the Indonesian aggression...had actually happened.”<sup>49</sup> Therefore, they had asked if discussions between Australian and Dutch service officers might take place on an informal basis in London.<sup>50</sup> Menzies’ reply, which echoed those commonly given by the Americans throughout the decade, was that he would raise the subject with Defence on his return.

In giving up their quest for a formal guarantee from Australia, the Dutch were in essence recognizing the limitations of the bilateral relationship – limitations whose identification might have been hoped to ease tensions with Canberra to an extent, yet they were ones that made the Liberal mission of preventing an early withdrawal all the more difficult. The problem of the Dutch becoming more discouraged was probably in Menzies’ mind when he agreed “quickly” that “no opportunity should be lost” in advancing administrative cooperation in NG, and in his decision to make a stronger than expected press statement on departure. In the latter, perhaps feeling that he was going as far as possible given the paramount need to avoid antagonizing the Indonesians, Menzies said he had told de Quay that “Australia has completely supported the view that the sovereignty of West New Guinea belongs to the Netherlands and that it should not be challenged by force or threat”.<sup>51</sup> Also, in talking of “our positive association” in New Guinea’s development – in which he claimed “we are both so materially and morally interested” – Menzies remarked that there was continuing agreement on the need to pursue improvement on each side of the island “with the ultimate idea of bringing the indigenous populations to a state of self-government.”

Such grand ‘Menzian’ language was not able to bridge the gap created by the diverging interests of both countries, and over the following months the Netherlands-Australian relationship increasingly became one best described in terms of strained and limited cooperation. The Dutch maintained low-level pressure on the question of talks

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<sup>47</sup> Against the alleged problem of US wariness, the Prime Minister attempted unconvincingly to portray Australian agreement to transit rights as a military exchange.

<sup>48</sup> Casey to Tange, 21 July 1959, in A1838/283, 3036/6/1, Pt 38, NAA.

<sup>49</sup> *loc. cit.*

<sup>50</sup> Memorandum by McCarthy, 9 July 1959, in A1838/283, 3036/6/1, Pt 38, NAA.

in London,<sup>52</sup> and they were gently diverted pending Cabinet consideration,<sup>53</sup> but, in an atmosphere less characterized by the threat of immediate force, the main sign of tautness arose over plans *vis-à-vis* the political future of NG.<sup>54</sup> The Dutch were keen to draw the Australians into tying the independence program of eastern New Guinea (ENG) more closely to that of the clearly accelerating one in WNG, thereby furthering the chance of union within an abbreviated time. Here, a concerted effort was made to impress on the Australians to need for speed and coordination.<sup>55</sup> Luns, for example, urged Casey that the Australians

push on as fast and vigorously as possible with administrative co-operation in New Guinea between Australia and the Netherlands....it was Australia which had to set the pace in this, but...we might move more quickly.<sup>56</sup>

The campaign reached a climax-of-sorts in November. In a letter from Lovink to Menzies, the Netherlands Government formally proposed creation of a confidential Dutch-Australian memorandum in which directives aimed “to widen” cooperation would be established for the administrative conference planned for March 1960.<sup>57</sup> Notice was also served that Luns would give a statement to the Netherlands Parliament that cooperation with Australia implied that “consideration be given to the possibility...that the atochthones of both parts of New Guinea...might declare themselves in favour of constituting a political entity for the entire island.” A subsequent letter was even bolder.<sup>58</sup> It contained, in the first place, a draft joint memorandum on cooperation which announced the desire of both governments to “create a favourable atmosphere” for the possibility that the inhabitants of East and West New Guinea “will declare themselves in favour of a political unity comprising the entire island of New Guinea.” This, and the hastening of “the process of emancipation”,

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<sup>51</sup> Press *communique* by Menzies, 1 July 1959, in A1838/283, 3036/6/1, Pt 38, NAA.

<sup>52</sup> See, for example, cablegram 187 from McCarthy, 8 October 1959, in A1838/280, 3036/6/1, Pt 39, NAA.

<sup>53</sup> See cablegram 175 for McCarthy, 3 November 1959, in A1838/280, 3036/6/1, Pt 39, NAA.

<sup>54</sup> A JIC assessment of August had confirmed earlier feeling that Indonesia would not attack in the near future. Although it was noted that “we cannot exclude the possibility that the Indonesians might resort to military action” (and it was thought that if they did, they would probably try to secure a lodgement, and follow it with moves in the UN), – it was believed that “during the period under review [August 1959 to December 1960] the Indonesians will continue to concentrate on non-military tactics, coupled with minor infiltrations and other harassments, and will rely on these and other international and domestic pressures to hasten the erosion of the Dutch position”. See JIC (59) 46, “Likelihood of an Indonesian Attack Against Netherlands New Guinea Up to the End of 1960, and its Probable Form and Scale”.

<sup>55</sup> See paragraph 1 of the DEA memorandum on Lovink’s letter to Menzies (of 9 November), 23 November 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>56</sup> Cablegram 770 from Casey to G. Barwick (Acting Australian Minister for External Affairs) and Tange, 22 September 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>57</sup> Lovink to Menzies, 9 November 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>58</sup> Lovink to Casey, with attached draft memorandum, 27 November 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

would be achieved by various integrated management policies – such as moves to “synchronize the rate of education” – along with “frequent consultations” between the Netherlands and Australia. As unconvincingly as certain of Menzies’ comments at The Hague, the letter added that it was of course “beyond question” that the Papuans had the last say in their future, and implied that it was possible to avoid the “the impression that a certain choice is being imposed.” The explanation that went with this memorandum was more ambitious again. Lovink said that the objective of the Netherlands and Australian governments would be best supported by “a common foreign policy” derived from two principles (to which the Australians were urged to adhere): solidarity in promoting international understanding of policies in NG, and a common commitment to obtaining “international support in order to safeguard the inviolability of the entire island”.

By coincidence, Casey gave his answer to Lovink’s first letter at the same time he was told of the contents of the second.<sup>59</sup> Nevertheless, this response demonstrated that the Australian Cabinet was determined to continue resisting fixed obligations to the Dutch. In a written note, Casey said he and Menzies had considered Luns’ proposed statement, and thought reference to “consideration at this stage of the eventual political status of the two territories would appear to prejudge, and, in any event, to indicate an assumption about, the eventual choice of the indigenous inhabitants” – which could in turn be pilloried as inconsistent with self-determination. (It is ironic that having used self-determination to support the Dutch case in the international sphere, the Australians were now using the principle to resist Netherlands entreaties). The Australians were predictably more comfortable with the relatively innocuous arrangements of the past, saying the joint statement of 1957 was “an adequate framework for[,] and explanation of[,] future co-operation.” They therefore did not want Luns to say anything that might be construed as indicating Australia’s policy had gone beyond this *communiqué*. On the big issue of broadening cooperation in WNG, Menzies and Casey gave nothing away, noting that exchanges of information between administrations on the island were already sufficient, but that the “larger question” of NG’s future status was better discussed, if necessary, between the Dutch and Australian Governments.

In spite of a further message to the Dutch intended to soften the blow,<sup>60</sup> Netherlands officials expressed distress at the Australian attitude. Lovink told Tange that Casey’s letter “had given the impression that Australia was turning the clock

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<sup>59</sup> Conversation between Casey and Lovink, 27 November 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>60</sup> Cablegram 194 from Casey to McCarthy, 30 November 1959, in A1838/283, TS3036/6/1, Pt 9, NAA.

back”,<sup>61</sup> and in a letter delivered by Lovink, Luns conveyed that while he would now avoid reference in parliament to union in NG, he was “surprised and disturbed” that Casey thought such a statement undesirable, and was “concerned about the significance which should be attached to certain reservations” in his letter of 27 November.<sup>62</sup> Though acquainted with Luns’ fondness for melodrama, it was not difficult for the Australians to see that the problem of satisfying the Dutch within the context of an ‘Indocentric’ policy had reached new levels of acuity.

## V

It is perhaps symbolic of the guiding principles of Australian policy – if unintentionally so – that Menzies visited Indonesia at the very moment of increased Dutch-Australian angst. In one sense, the Prime Minister’s visit was, as has been suggested,<sup>63</sup> simply part of a general attempt to improve Australian-Indonesian relations. Certainly, the bulk of his tour involved insubstantial public relations exercises such as an address to students at Gajah Mada University, and a meeting with the Sultan of Djogjakarta’s deputy.<sup>64</sup> However, his journey to the Republic was, of course, much more than a routine attempt to stimulate cordiality in spite of differences over WNG; it was a move consistent with Cabinet’s decision that Indonesia be given greater significance, and particularly that WNG policy be somewhat modified as a result. Indeed, it is no coincidence that Menzies, who had no natural affinity with the Asian climate or its people, had never set foot on Indonesian soil before 1959.

There were two particular factors foremost in Menzies’ mind as he approached a private meeting with Sukarno. The first was that Australian-Indonesian relations had deteriorated after Subandrio’s visit in the same way that they had been suffering before the visit. In early August, the Indonesians – already extra-sensitive following Menzies’ visit to The Hague<sup>65</sup> – had reacted strongly to a reported comment by the Prime Minister that “he hoped [that]...one day the whole of New Guinea would have self-government”, and that Australian policy was to “promote the welfare of the native people” supervised by “self government [*sic*]”.<sup>66</sup> Subandrio had summoned McIntyre, telling him that the statement would be interpreted in Indonesia as Australian

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<sup>61</sup> See copy of Tange to Casey, 4 December 1959, in A1838/283, TS3036/6/1, Pt 9, NAA.

<sup>62</sup> Lovink to Casey, 4 December 1959, in A1838/283, TS3036/6/1, Pt 9, NAA.

<sup>63</sup> See Mackie, *op.cit.*, p. 309.

<sup>64</sup> McIntyre to Tange, 7 December 1959, in A1838/280, 3036/6/1, Pt 39, NAA.

<sup>65</sup> After Menzies’ talks with the Dutch, Subandrio reportedly said that “Indonesia’s relations with Australia were not at present cordial.” See A. T. Griffith (Officer, Prime Minister’s Department) to Timbs, undated, A1209/54, 59/57, Pt 2, NAA.

<sup>66</sup> This was a reasonably accurate rendition of what Menzies said. See p. 2, Griffith to Timbs, undated, A1209/54, 59/57, Pt 2, NAA.

“expansionism” and “a new and considered policy of working actively...for the independent union of the two halves of New Guinea.”<sup>67</sup> He also said Indonesia had never adversely remarked on the Australian administration of ENG, “but this could change if emotions were aroused.” At a press conference soon afterward, the Foreign Minister had noted that “the most important condition to Indonesia for...friendly relations was that Australia should refrain from conducting an active concept with regard to Indonesian territory”.<sup>68</sup> Adding further fuel to the fire, and in what raised hackles in Australia,<sup>69</sup> he “predicted that within five to ten years Asian Nations [*sic*] with their overcrowded populations might want to seek room to live and their eyes would be focussed on Australia” – especially if NG were united under its tutelage. Later, and reinforcing the damage done to Australian-Indonesian relations since February, Sukarno asked McIntyre “why we...have to spoil the effect of the [Casey-Subandrio statement] by making a point of insisting ever since that we support Netherlands sovereignty?”<sup>70</sup> The President also hinted that he thought Dutch intransigence was rooted in the Australian position.

A second factor occupying Menzies’ thoughts was that the events of Subandrio’s visit had created precedents less difficult to defend a second time around. This assessment, combined with a degenerating bilateral relationship, convinced Menzies to follow similar tactics to those used with Subandrio. Australia could reiterate a technically-styled concession, which might convince the Indonesians that preference, domestic considerations, and legal issues prevented a change in policy, but constituted a reasonable attitude not based on a domineering anti-Indonesian outlook. Meanwhile, against the background of the joint statement and the parliamentary speeches of February, Indonesia, the Dutch, and the Australian public would be less likely to interpret the move as a change – or indicative of a new bias. The statements of support for the Dutch since then would also help in this regard.<sup>71</sup>

In his main discussion with Sukarno on 6 December, and after the President had again alluded to confusion over why Australia supported the Dutch, Menzies used language almost identical to that employed in the first Cabinet meeting with Subandrio. He confirmed that “Australia was not a party principal in the matter”, and added

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<sup>67</sup> Cablegram 390 from McIntyre, 4 August 1959, in A1838/283, 3036/6/1, Pt 38, NAA.

<sup>68</sup> Cablegram 391 from Jakarta, 4 August 1959, in A1838/283, 3036/6/1, Pt 38, NAA.

<sup>69</sup> See conversation between Helmi and Heydon (at this point, First Assistant Secretary, United Nations Division, DEA), 6 August 1959, in A1838/283, 3036/6/1, Pt 38, NAA.

<sup>70</sup> McIntyre to Tange, 2 November 1959, in A1838/280, 3036/6/1, Pt 39, NAA.

<sup>71</sup> The military risk associated with Indonesia detecting a more provisional policy (that is, emboldenment) was seemingly also reduced by the current effectiveness of deterrence.

As...said to Subandrio in Australia, and as the joint statement issued in February made clear, if the Netherlands and Indonesia made an agreement over the future disposition of the territory, freely negotiated under no threat of force, Australia would respect it.”<sup>72</sup>

Having completed the unpleasant task of trying to convince Sukarno of Australia’s *bona fide* respect for Indonesia, and the fairness of Canberra’s outlook on WNG, Menzies used the genial atmosphere created by the concession to increase surreptitiously the chances of making the concession meaningless. The Prime Minister knew the Dutch would not negotiate unless threatened by (or suffering) definite invasion, so he endeavoured to build another hindrance to this option for Sukarno. Menzies pointedly remarked that Australia was pleased to have Subandrio’s denial that Indonesia would resort to violence. Sukarno, keen to respond to Menzies’ attempts to be moderate, said “there was no question of any use of force” and that he would “underline Subandrio’s declaration three times”.

In the remainder of the conversation Menzies raised issues illustrative of the interest of Australians in New Guinea, and one critical of Indonesia’s claim as colonial, but he was careful to represent these as general views, rather than specifically those of the Australian Government. This was useful in terms of the need to tell the Australian and Dutch press that he had made ‘Australian’ interests clear to Sukarno. It was also a means of reinforcing the basic idea that Cabinet’s policy of support for Dutch sovereignty over WNG was, if disappointing, neither incomprehensible or changeable; Australians had a deep attachment to NG, and some found Indonesia’s claim to be thin, but this, and Government’s empathy at points, and its inability to ignore general Australian sentiment, was at least understandable. Finishing in a manner complementary to this, Menzies asserted that “whatever differences might remain – and it was only natural and proper that there should be some differences of view – genuine friendship and understanding could be fostered from the far more numerous points of agreement.”

Sukarno had heard this notion on many occasions, and he was not enamoured with it; he “sounded sceptical” according to the record, and returned “to the point that there could be no real improvement in relations until the West New Guinea issue was settled and out of the way.” In other words, any reinforcement of the Dutch case, regardless of motive, and in spite of the usefulness of Australia’s commitment to remain on the side-lines, was not sufficient to erase Indonesian resentment. This was a reminder to the Australians, as was Dutch disgruntlement, that the idea of holding to a diluted conventional policy on WNG (as a manifestation of the decision to make

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<sup>72</sup> For an account of this discussion (6 December 1959) see appendix to McIntyre to Tange, 7 December

Indonesia more important, without writing-off NNG) was, practically speaking, exceptionally difficult – though there is no evidence at this point that it was thought impossible.

## VI

A notable feature of the 5 January decision on the relative significance of Indonesia and WNG had been that, in spite of its obvious long-term importance to WNG policy, it was not accompanied by approval of specific long-term plans. It is true that hopes for a gradual transition to self-determination were implicit in continued, if more tentative, support for Dutch sovereignty, but this was not officially articulated, nor were carefully thought-out alternatives put forward.

This began to change after Subandrio's visit. On 24 February, Casey suggested to Menzies that "some thinking should be done" on stimulating cooperative activities with the Dutch, and "on future policy so far as the whole island of New Guinea is concerned."<sup>73</sup> Menzies agreed, and proposed that a group of officers from the Department of Territories (DT) and External Affairs "get together". Casey subsequently wrote to Paul Hasluck (Australian Minister for Territories) that "it would be desirable...to study what Australian objectives should be if the Netherlands should...modify their claim to unilateral sovereignty", and asked for a DT officer to participate in a DEA working group under the supervision of an Assistant Secretary.<sup>74</sup> Hasluck, in turn, instructed C. R. Lambert (Secretary, DT) to cooperate in such a study.<sup>75</sup>

After some wrangling,<sup>76</sup> and a number of months, a draft joint Cabinet submission was produced.<sup>77</sup> The fundamental idea in the paper was that Australia could, and should, keep the Dutch in, and the Indonesians out, for long enough to bring both sides of New Guinea to self-determination. This position was based on a number of convictions. Firstly, the Dutch were capable of bringing about "a degree of self-government" in a "relatively short period" if Australia cooperated with them, and if the US and UK supported their presence. (It was no coincidence that Dutch pressure for

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1959, in A1838/280, 3036/6/1, Pt 39, NAA.

<sup>73</sup> Casey to Tange, 24 February 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>74</sup> Casey to P. Hasluck (Australian Minister for Territories), erroneously dated 15 February 1959, in A1838/276, TS3036/6/1, Pt 8, NAA. Territories' task in this context was to determine whether, why, and how Australian interests and obligations in ENG would be affected by the type of government in WNG. See Tange to C. R. Lambert (Secretary, DT), 14 May 1959, in the same file.

<sup>75</sup> Hasluck to Casey, 25 February 1959, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>76</sup> See Heydon to Tange, 30 July 1959, Hasluck to Barwick, 24 March 1959, and undated note by Tange, in A1838/276, TS3036/6/1, Pt 8, NAA.

<sup>77</sup> See attachment to Heydon to Lambert, 18 December 1959, in A1838/283, TS3036/6/1, Pt 9, NAA.

invigoration of the 1957 administrative agreement was raised here, and identified as needing Cabinet direction). Secondly, the negative possibilities associated with WNG emerging earlier than ENG could be overcome; “the problems attending...political co-ordination between West and East New Guinea...would not seem insurmountable so long as full advantage can be taken of the time available...in which the necessary adjustments can be made”. Thirdly, deterrence was currently effective, but even if it failed later, the US and UK might be induced to “intervene effectively”. Fourthly, it was thought that although Cabinet had decided Indonesia was more important than WNG, and that “it should be a major objective to keep Indonesia non-Communist and friendly”, “it does not follow that the relinquishment of Netherlands New Guinea to Indonesia...would be attained or even materially assisted”. This was because the forces capable of bringing Indonesia under communist rule were “essentially internal and not external”; there was – and this contradicted common American argument – “no reason to believe that the existence of the West Irian issue has decisively influenced the growth of Communist influence in the past”. In terms of Australian-Indonesian relations, the surrendering of WNG was predicted as providing short-term benefit, but one that could not be guaranteed in the long-run owing to potential for disagreement on other issues. Furthermore, the odds of a growing Indonesian influence in ENG, demands for “liberation” of that territory, or “inter-territorial” hostility between either side of the island, could not be discounted. The extension of communist and Asian influence into ENG and Melanesia was also a factor.

The exact recommendations of the paper were that Australia, keeping in mind the exclusion of Indonesia and the retention of a Dutch presence, should “envisage, facilitate and encourage ultimate voluntary political association of the East and West New Guinea people” and support the Dutch in the UN. In this, Australia should do everything possible “to reduce damage to our relations with Indonesia” (yet it was conceded that the amount of damage involved had not been considered in the paper). Regarding the Dutch, the Commonwealth Government should discuss political objectives and the issue of coordination with the Netherlands Government, widen exchanges of information at the administrative level, and perhaps provide technical and financial aid for WNG. Necessary too was encouragement of US and UK backing for Dutch administration, their “full participation in the maintenance of effective deterrents...and their full acceptance of the view that, if...aggression occurs, it must be thwarted.” In the aforementioned situation, Australia had to play its part, probably providing logistic reinforcement, and perhaps military forces. Faced with a Dutch withdrawal before self-government in WNG – which was admitted to be an “extremely

difficult situation” – Australia had to try to gain “a maximum voice” in the territory’s administration and “keep open” the possibility of Papuan unification. If the Dutch offered to give WNG to Australia (transfer to the UN and Indonesia had earlier been judged unlikely), attempts should be made to negotiate a trusteeship treaty with the UN.

In a general sense, the paper represented a further development of ideas surrounding a Papuan nation that had been displayed in the DEA since 1957. At one level, then, there was much in the Department’s latest efforts that was already familiar – if not in a detailed manner – to members of the policy-making circle. The other aspect was that the submission broke new ground in certain areas. The main change was that it contained, for the first time, immediate recommendations for Cabinet on the exact moves deemed necessary to bring about an association between the two territories. Previously, approaches to Cabinet had been characterized by ideas such as continued low-powered administrative contact (against the background of undefined forms of self-determination), and studies on the efficacy of trusteeship.

Against the background of the Government policy since January 1959, Tange and his colleagues must have had some awareness that they would encounter difficulties securing Cabinet agreement. This was tempered to an extent by encouraging feedback received in the lead-up to Ministerial consideration. Casey, for his part, and in spite of his support throughout the year for Cabinet’s new line, endorsed the paper as “a very good piece of work.”<sup>78</sup> It was well known in the Department that the backing of other Ministers was hardly thereby certain, but Casey’s acquiescence was obviously necessary to at least get the submission into Cabinet. The DEA may have been more excited by the assistance of Lambert who, after reading the second draft, declared it to be “acceptable to me” (although he said he assumed Casey would clear it with Hasluck before submission to Cabinet).<sup>79</sup> With Lambert ‘on side’, it was probably thought that the chances of attaining Hasluck’s vote had increased, and he, moreover, had a higher standing in Cabinet than Casey did.

The promising flow of events had, a few days earlier, been given further force by the Defence Committee’s approval of a JPC report on the military significance of WNG for Australia.<sup>80</sup> The JPC assessment laid down, if not as strongly as earlier in the decade, Defence’s position that WNG was strategically important to Australian defence. In essence, it predicted that something of a domino-effect could result from an

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<sup>78</sup> Teletype message from Casey to Tange, 29 December 1959, in A1838/283, TS3036/6/1, Pt 9, NAA.

<sup>79</sup> Lambert to Heydon, 21 December 1959, in A1838/283, TS3036/6/1, Pt 9, NAA. The draft read by Lambert did not include the recommendations cited above. See *loc.cit.*

<sup>80</sup> For both the Defence Committee assessment (17 December 1959) and the JPC report (20 November 1959) see A1838/283, TS3036/6/1, Pt 9, NAA.

Indonesian presence in WNG, whereby the security of the Australia proper could become increasingly threatened. The DC summary of the JPC report made clear that the retention of WNG in “friendly hands...ensures the security of ENG”. Put otherwise, and as contained in the general conclusions at the end of the DC report, the occupation of WNG by a hostile Indonesia “would present a grave strategic threat to Australia” because it would “seriously prejudice the security of ENG and threaten Australia’s outer defences.”<sup>81</sup>

The first bad news received in the DEA was that Hasluck, who had apparently not been particularly involved in liaising with External Affairs over the paper, was unprepared to follow Lambert’s lead. In reply to a letter by Casey – sent as a cover note to the DEA submission – he said that

We should distinguish between...The situation affecting our relations with the Netherlands and Indonesia and the nature of the support we can give the Dutch in West New Guinea, and...The long-term question of Australian interests in the future of the Australian Territory of Papua and New Guinea.<sup>82</sup>

It was his opinion that the WNG problem could be influenced by Australian policy in ENG, but he believed it should not be the other way around. To be sure, DEA proposals for close coordination with the Dutch would upset the tight control that Hasluck wanted Australia to exert over the timing of PNG independence. Continuing, he wrote of the “desirability of regarding all the people of...New Guinea as having a common future”, yet he questioned the “practicality of reaching this unity.” A better move, it was thought, might be to bring about a unification of the British Solomon Islands with WNG. In conclusion, he commented that he had “consistently” held that the Dutch should be fully supported in WNG, and that Australia would be best off if the Netherlands retained sovereignty for some time, yet he felt concurrently that “we should not allow the importunity of the Dutch to bustle us into doing something in West New Guinea, or entering into commitments regarding its future, before we are ourselves ready to do so.” Later, Hasluck said to Casey that the submission was essentially a foreign relations matter, and that he would not oppose its being brought before Cabinet.<sup>83</sup> Nevertheless, as Hamilton pointed out, “Hasluck had not committed himself to support the submission in Cabinet” – and indeed there was little hope that he would.

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<sup>81</sup> For the first time, assessment of WNG’s strategic importance contained reference to the possible impact of inter-continental ballistic missiles and nuclear war on the territory’s significance. It was implied that control of WNG might mean less if missiles could be launched on Australia from Asia or by submarines. However, in the case of war, and super-power exhaustion, or the inability of allies to come to Australia’s aid, “the depth of defence provided by New Guinea would be of prime importance.”

<sup>82</sup> Hasluck to Casey, 11 January 1960, in A1838/283, TS3036/6/1, Pt 9, NAA.

<sup>83</sup> Note by Hamilton, 26 January 1960, in A1838/283, TS3036/6/1, Pt 9, NAA.

P. R. Heydon (First Assistant Secretary, United Nations Division, DEA) criticized almost every part of Hasluck's note,<sup>84</sup> and Casey was similarly negative about the response of the Minister for Territories,<sup>85</sup> but the anxieties engendered by Hasluck's opposition were soon countered by the apparent attainment of the most critical factor in the passing of almost any submission in Canberra: Menzies' support.<sup>86</sup> In early February 1960, the Prime Minister, who had just appointed himself Minister for External Affairs, was given a draft submission, and shown Hasluck's views – along with the DEA reaction.<sup>87</sup> He replied that he was “in general agreement with the substance”,<sup>88</sup> and proposed to have it “stand as Mr Casey's paper, though submitted to Cabinet by me.”

This was a rather odd response from someone who had not only been the prime-mover behind changes in Australian policy during early 1959, but who was actively involved – as late as his December visit to Sukarno – in their implementation. Menzies had been attracted to the notion of Papuan unification, yet only in so far as it could be achieved without endangering objectives in Indonesia. It soon became evident that he had read the memorandum only briefly, failing to grasp the full implications of the DEA position. M. C. Timbs of the Prime Minister's Department (Assistant Secretary, Cabinet Division) made clear to Menzies that the DEA and Defence papers ignored the 5 January decision, and warned that a return to previous policy “might produce the very ingredient which would justify a wholly anti-Western position by Indonesia and enhance the prospect of a communist takeover.”<sup>89</sup>

Menzies appears to have consequently retracted his support for the submission. Certainly, this seems implicit in the reaction of Cabinet to the agenda, which involved an absolute rejection of the ideas of Casey and the DEA, and a resounding reaffirmation of support for the policy embarked upon just prior to Subandrio's visit. At the beginning of the meeting, and before the paper was considered, Cabinet made clear that its radical decisions of 5 January 1959 remained the basis of Australian policy:

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<sup>84</sup> Heydon to Tange, 19 January 1960, in A1838/283, TS3036/6/1, Pt 9, NAA.

<sup>85</sup> See note by Heydon, 22 January 1960, in A1838/283, TS3036/6/1, Pt 9, NAA.

<sup>86</sup> Menzies' heavy influence in Cabinet is well-established, particularly on foreign policy issues, though its extent is controversial. See D. Lee, 'Cabinet', in S. Prasser, J. R. Nethercote, & J. Warhurst (eds), *The Menzies Era: A Reappraisal of Government, Politics and Policy*, Sydney, 1995, p. 126. See also Sir J. Bunting, *R. G. Menzies: A Portrait*, Sydney, 1988, p. 85.

<sup>87</sup> See Tange to Menzies, 8 February 1960, in A1838/283, TS3036/6/1, Pt 9, NAA. Having received a life peerage, Casey retired from active political life. For comment on Menzies' self-appointment, see Edwards, *op.cit.*, p. 208.

<sup>88</sup> Tange to Menzies, 8 February 1960, in A1838/283, TS3036/6/1, Pt 9, NAA.

<sup>89</sup> Timbs' memorandum is cited in Phelps, *op.cit.*, pp. 325-26. Its file number is not recorded.

The Cabinet referred...to its discussion and decision on 5 January, 1959, and to public statements since made. In particular, it recalled...that the strategic importance of Indonesia is of greater significance to the United States and to Australia than Netherlands New Guinea.<sup>90</sup>

It was also acknowledged that Australia was “not involved in the Netherlands New Guinea matter as a party principal, and would recognise an agreement between Indonesia and the Netherlands affecting sovereignty provided it were freely entered into.” These choices, which reversed the relative importance of WNG and Indonesia, had been accompanied by the attempt to nevertheless continue supporting a Dutch presence. Cabinet, by recalling the decision to pursue deterrence, and statements showing that Australia “recognises the principle of self-determination”, demonstrated that it thought this line, in spite of the problems that had accompanied it, had been successful.

The DEA memorandum stood little chance within such an atmosphere. Not only was the idea of a change in tactics foreign – aside from the exact form that any real changes by Cabinet might take (which would be likely to be more pro-Indonesian if policy had failed) – the agenda was at root guided by the very principles that Cabinet had rejected 14 months before. Thus, when Cabinet discussed the matter, it concluded “that the decision of 5 January, 1959, and the views underlying it, still stand, and that no new decision is necessary”; Cabinet had “therefore not approved or endorsed any particular recommendations”. Rather, and consistent with minimal-risk support of the Dutch, the 1957 Agreement was to “continue to be regarded as the basis for co-operation between the Australian and Netherlands territories.”<sup>91</sup> Capping off what was a disaster for the DEA, the Defence Committee’s effectively pro-Dutch findings on the military importance of WNG were not even discussed.<sup>92</sup>

From a Cabinet perspective, the results of the 3 March meeting amounted to the second time in little over a year that the executive had ignored both advisors and public opinion. In fact, the most notable facet of Government policy in the period following Subandrio’s visit and leading into the new year had been Cabinet’s determination, in

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<sup>90</sup> Minutes of Cabinet meeting, 2 March 1960, in A4943, Volume 2, NAA. For the DEA paper see Submission No. 550 in A5818/2, Vol. 13, NAA.

<sup>91</sup> The limitations of Australian support for the Netherlands were also evident in the decision that “considerable caution needs to be observed in making answers to Dutch requests or proposals, and that, as far as practicable, responses should be oral and not written.”

<sup>92</sup> For the Defence Committee report – along with Hasluck’s work on the “Unity of New Guinea” – see submissions 551 and 554 in A5818/2, Vol. 13, NAA. Hasluck’s report, which detailed the idea that NG and islands surrounding it were suited to union, and that Cabinet work towards this by trying to incorporate the Solomon Islands first (and perhaps WNG later), was considered by the Ministers to be irrelevant. (For Hasluck’s retrospective account of the relationship between Australian activities in ENG and those of the Dutch in WNG, see *A Time for Building: Australian Administration in Papua and New Guinea 1951-1963*, Melbourne, 1976, pp. 359-73).

the face of great difficulties, to continue with the charter of January 1959 – that is, placing Indonesia above WNG without letting go of WNG altogether.